

OFFER INFORMATION STATEMENT DATED 23 JUNE 2017

(Lodged with the Monetary Authority of Singapore on 23 June 2017)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.

Capitalised terms used below which are not otherwise defined herein shall have the same meanings ascribed to them under the Section entitled “Definitions” of this offer information statement (the “Offer Information Statement”) issued by Pan-United Corporation Ltd. (the “Company”).

A copy of this Offer Information Statement, together with copies of the Provisional Allotment Letter (the “PAL”), the Application Form for Rights Shares and Excess Rights Shares (the “ARE”) and the Application Form for Rights Shares (the “ARS”), have been lodged with the Monetary Authority of Singapore (the “Authority”). The Authority assumes no responsibility for the contents of this Offer Information Statement, the PAL, the ARE and the ARS. 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 (as defined herein) being offered or in respect of which an invitation is made, for investment.

The Listing Approval (as defined herein) has been obtained from the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing of and quotation for the Rights Shares on the Official List 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 will commence after all the conditions imposed by the SGX-ST are satisfied, the certificates relating to the Rights Shares have been issued and the notification letters from The Central Depository (Pte) Limited (“CDP”) have been despatched.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and/or opinions expressed herein. The Listing Approval granted by the SGX-ST for the listing of and quotation for the Rights Shares are in no way reflective of and are not to be taken as an indication of the merits of the Rights Issue (as defined herein), the Rights Shares, the Company and/or its subsidiaries, or the Shares (as defined herein).

After the expiration of six (6) months from the date of lodgement of this Offer Information Statement, no person shall make an offer of the Rights Shares or allot, issue or sell any Rights Shares on the basis of this Offer Information Statement, and no officer or equivalent person or promoter of the Company will authorise or permit the allotment or allocation of any Rights Shares on the basis of this Offer Information Statement. Your attention is drawn to the section entitled “Risk Factors” of this Offer Information Statement which you should read carefully.



PAN-UNITED CORPORATION LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 199106524G)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE WITH A MAXIMUM OF 141,555,538 RIGHTS SHARES (ASSUMING THE MAXIMUM SUBSCRIPTION SCENARIO (AS DEFINED HEREIN)) AND A MINIMUM OF 96,619,314 RIGHTS SHARES (ASSUMING THE MINIMUM SUBSCRIPTION SCENARIO (AS DEFINED HEREIN)) AT AN ISSUE PRICE OF S\$0.43 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 of the Rights Issue



**CIMB Bank Berhad (13491-P)
Singapore Branch**

(Incorporated in Malaysia)

IMPORTANT DATES AND TIMES

Last date and time for splitting of provisional allotments of Rights Shares	:	6 July 2017 at 5.00 p.m.
Last date and time for acceptance and payment of Rights Shares	:	12 July 2017 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications (as defined herein))
Last date and time for renunciation of and payment for Rights Shares	:	12 July 2017 at 5.00 p.m.
Last date and time for excess application and payment for Rights Shares	:	12 July 2017 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)

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IMPORTANT NOTES

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

For Entitled Depositors (which excludes CPF Investors, Entitled Scripholders, 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 at any ATM of a Participating Bank.

For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd..

For CPF Investors, 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 must be done through their relevant approved banks which they hold their CPF Investment Accounts and/or SRS Accounts, finance companies and/or Depository Agents (as the case may be). Such investors should provide their relevant approved banks with which they hold their CPF Investment Accounts and/or SRS Accounts, finance companies and/or Depository Agents (as the case may be) with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application by the Closing Date of the Rights Issue. Any acceptance and/or application made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected.

Use of CPF Funds

Shareholders who have subscribed for or purchased Shares under the CPFIS-OA 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 their entitlements to the Rights Shares and (if applicable) application for Excess Rights Shares, if they have previously bought their Shares using CPF Funds.

Such Shareholders who wish to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective CPF Approved Banks, where such Shareholders hold their CPF Investment Accounts, to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Shareholders who have insufficient funds or stock limit may top up cash into their CPF Investment Accounts with their CPF Approved Banks before instructing their respective CPF Approved Banks to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares. **CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.**

CPF members should also note that CPF Funds cannot be used for the payment of Rights Shares and/or Excess Rights Shares if they submit their acceptances and/or applications directly through CDP, Electronic Applications, the Share Registrar and/or the Company. Any such acceptance and/or application purporting to use CPF Funds for the payment of Rights Shares and/or Excess Rights Shares will be rejected.

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Use of SRS Funds

Shareholders who have subscribed for or purchased Shares under the SRS 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 entitlements to the Rights Shares and (if applicable) application for Excess Rights Shares.

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

For Entitled Shareholders who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through their relevant approved banks with which they hold their SRS Accounts, respective finance companies or Depository Agents, and in the case of CPFIS Investors, their respective CPF Approved Banks. Such investors should provide their relevant approved banks with which they hold their SRS Accounts, respective finance companies, Depository Agents or CPF Approved Banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application by the Closing Date of the Rights Issue. Any acceptance and/or application made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected.

Information herein relating to CPF Investors, SRS Investors and investors who hold Shares through finance companies and/or Depository Agents is provided in general terms only and such investors should consult their relevant approved banks with which they hold their CPF Investment Account, SRS Accounts, finance companies and/or Depository Agents.

The existing Shares are quoted on the Official List of the SGX-ST.

Persons wishing to subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of, *inter alia*, the assets and liabilities, risk factors, profits and losses, financial position, performance and prospects of the Company, the Group, the merits of the Rights Issue and the rights and liabilities attaching to the “nil-paid” Rights and the Rights Shares. They should make their own independent enquiries and investigations of any bases and assumptions upon which financial or other projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances

IMPORTANT NOTES

(including financial and taxation affairs). It is recommended that such persons consult their legal, financial, tax or other professional adviser before deciding whether to acquire any “nil-paid” Rights or the Rights Shares or invest in any 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 and/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 or the Manager. Save as may be 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 financial condition, performance, prospects or policies of the Company and/or the Group. Neither the delivery of this Offer Information Statement nor the offer or 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 and/or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are materially adverse from the point of view of an investor, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST 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 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.

The Company and the Manager make no representation or warranty 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 for business, financial, legal or tax advice regarding an investment in the “nil-paid” Rights, the Rights Shares and/or the Shares.

The Company and the Manager make no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the “nil-paid” Rights, the Rights Shares, the Shares, the Company and/or the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to accept or acquire the “nil-paid” Rights, the Rights Shares and/or the Shares. Each prospective subscriber of the Rights Shares should rely on its own investigation of the financial condition and affairs, appraisal and determination of the merits of investing in the Company and the Group and shall be deemed to have done so.

Notwithstanding anything in this Offer Information Statement, this Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue and may not be relied upon by any persons (other than Entitled Shareholders to whom these documents have been despatched by the Company, their renounees and the Purchasers who are in each case entitled to accept and/or apply for Rights Shares in accordance with the terms and conditions of the Rights Issue), or for any other purpose.

This Offer Information Statement, including the PAL, the ARE and the ARS, may not be used for the purpose of, and does not constitute, an offer, invitation to or solicitation by or on behalf of the Company to subscribe for any Rights Shares and/or may not be used for the purpose of, and do not constitute an offer, invitation or solicitation to anyone in any

IMPORTANT NOTES

jurisdiction or under any circumstances in which such an offer, invitation or solicitation is unlawful or unauthorised 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 relevant requirements, whether legal or otherwise, being complied with) in certain jurisdictions under the relevant laws of those jurisdictions. Entitled Shareholders or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and observe such prohibitions and restrictions at their own expense and without any liability whatsoever on the part of the Company and/or the Manager.

CORPORATE INFORMATION

Directors of the Company	:	Mr Ch'ng Jit Koon (Chairman & Independent Director) Mr Patrick Ng Bee Soon (Deputy Chairman) Ms Ng Bee Bee (Chief Executive Officer) Ms Jane Kimberly Ng Bee Kiok (Executive Director) Mr Cecil Vivian Richard Wong (Independent Director) Mr Lee Cheong Seng (Independent Director) Mr Phua Bah Lee (Independent Director) Mr Tay Siew Choon (Independent Director)
Registered Office of the Company	:	7 Temasek Boulevard, #16-01, Suntec Tower One, Singapore 038987
Manager to the Rights Issue	:	CIMB Bank Berhad, Singapore Branch 50 Raffles Place #09-01 Singapore Land Tower Singapore 048623
Legal Adviser to the Company	:	Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624
Share Registrar	:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Receiving Bank	:	CIMB Bank Berhad, Singapore Branch 50 Raffles Place #09-01 Singapore Land Tower Singapore 048623

DEFINITIONS

For the purposes of this Offer Information Statement, the PAL, the ARE and the ARS, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

GENERAL

- “1Q2016”** : The financial period of the Group for the three (3) months ended 31 March 2016
- “1Q2017”** : The financial period of the Group for the three (3) months ended 31 March 2017
- “2013 SCD Acquisition”** : The acquisition of an additional equity stake in SCD in 2013 made by the Company through Xinghua
- “ACRA”** : The Accounting and Corporate Regulatory Authority of Singapore
- “ARE”** : The form for application and acceptance of 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”** : The form for application and acceptance of Rights Shares to be issued to Purchasers in respect of their purchases of Rights Shares under the Rights traded on the SGX-ST through the book-entry (scripless) settlement system
- “ATM”** : Automated teller machine(s) of a Participating Bank
- “Authority”** : The Monetary Authority of Singapore
- “BCA”** : The Building and Construction Authority of Singapore
- “Board”** : The board of directors of the Company as at the date of this Offer Information Statement
- “Books Closure Date”** : 5.00 p.m. (Singapore time) on 22 June 2017 being the time and date at and on which the Register of Members and the Share Transfer Books of the Company will be closed to determine, in relation to Entitled Shareholders, their provisional allotments of the Rights Shares under the Rights Issue
- “C&C”** : Concrete and cement
- “C&C Business”** : The C&C business of the Group, which is one (1) of the Group’s two (2) core business divisions

DEFINITIONS

“CBUC”	:	Changshu Binjiang Urban Construction Investment & Management Co., Ltd.
“CCIP”	:	Changshu Changjiang International Port Co., Ltd.
“CDP”	:	The Central Depository (Pte) Limited
“Changjiang River”	:	Yangtze river
“Closing Date”	:	(a) 5.00 p.m. on 12 July 2017 (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 and/or Excess Application and payment, and renunciation of and payment for, the Rights Shares under the Rights Issue through CDP or the Share Registrar; or (b) 9.30 p.m. on 12 July 2017 (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 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 may be amended, modified or supplemented from time to time
“Company”	:	Pan-United Corporation Ltd.
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as may be amended, modified or supplemented from time to time
“Constitution”	:	The constitution of the Company, as may be amended, modified or supplemented from time to time
“CPF”	:	Central Provident Fund
“CPF Approved Bank”	:	Any bank appointed by the CPF Board to be an agent bank under the CPF Regulations
“CPF Board”	:	The Board of the CPF established pursuant to the Central Provident Fund Act, Chapter 36 of Singapore, as amended, modified or supplemented from time to time
“CPF Funds”	:	The CPF account savings of CPF members under the CPFIS-OA

DEFINITIONS

“CPF Investment Account”	:	An account opened by a member of CPF with a CPF agent bank from which money may be withdrawn for, <i>inter alia</i> , payment for the Rights Shares pursuant to the Rights Issue
“CPF Investors”	:	Investors who have purchased Shares pursuant to the CPFIS
“CPF Regulations”	:	The Central Provident Fund (Investment Scheme) Regulations and any other applicable regulations issued from time to time by the CPF Board or other relevant competent authority
“CPFIS”	:	Central Provident Fund Investment Scheme
“CPFIS-OA”	:	CPF Investment Scheme – Ordinary Account
“CXP”	:	Changshu Xinghua Port Co., Ltd.
“Directors”	:	The directors of the Company as at the date of this Offer Information Statement
“Electronic Application(s)”	:	Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through an ATM of one (1) of the Participating Banks in accordance with the terms and conditions of this Offer Information Statement
“Entitled Depositor(s)”	:	Shareholders with Shares entered against their names in the Depository Register maintained by CDP as at the Books Closure Date and whose registered addresses with CDP were in Singapore as at the Books Closure Date or who had, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
“Entitled Scripholder(s)”	:	Shareholders whose share certificates are not deposited with CDP and who had 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 Share Registrar are in Singapore as at the Books Closure Date or who had, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents
“Entitled Shareholder(s)”	:	Entitled Depositors and Entitled Scripholders
“Ex-Rights Trading Date”	:	The date on which the Shares commence trading on the SGX-ST on the basis that such Shares do not carry any right to participate in the Rights Issue

DEFINITIONS

“Excess Application(s)”	:	Applications for Excess Rights Shares by Entitled Shareholders
“Excess Rights Shares”	:	The provisional allotments of Rights Shares which are not taken up by the Entitled Shareholders as at the Closing Date, and which may be applied for by Entitled Shareholders in excess of the number of Rights Shares provisionally allotted to such Entitled Shareholders
“Exercisable Share Options”	:	5,513,500 vested Share Options that can be exercised as at the Latest Practicable Date
“Existing Share Capital”	:	560,708,660 Shares, being the total number of issued Shares, excluding treasury shares, as at the Latest Practicable Date
“Foreign Purchasers”	:	Persons purchasing the provisional allotment of Rights Shares through the book-entry (scripless) settlement system and whose registered addresses with CDP are 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 CDP with addresses in Singapore for the service of notices and documents
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who had not, at least three (3) Market Days prior thereto, provided to the Share Registrar or CDP, as the case may be, addresses in Singapore for the service of notices and documents
“FY2014”	:	The financial year of the Group ended 31 December 2014
“FY2015”	:	The financial year of the Group ended 31 December 2015
“FY2016”	:	The financial year of the Group ended 31 December 2016
“Group”	:	The Company and its subsidiaries
“Irrevocable Undertakings”	:	The irrevocable undertakings dated 3 May 2017 given by the Undertaking Shareholders in favour of the Company, as described in paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by Way of Rights Issue) of this Offer Information Statement
“Issue Price”	:	The issue price of S\$0.43 for each Rights Share
“Latest Practicable Date”	:	16 June 2017, being the latest practicable date prior to the date of lodgement of this Offer Information Statement

DEFINITIONS

“Listing Approval”	:	The approval in-principle of the SGX-ST granted on 13 June 2017 for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST
“Listing Manual”	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
“Manager”	:	CIMB Bank Berhad, Singapore Branch, as the manager of the Rights Issue
“Market Day”	:	A day on which the SGX-ST is open for securities trading
“Maximum Subscription Scenario”	:	<p>Based on the Existing Share Capital and assuming that:</p> <p>(a) all the Exercisable Share Options have been exercised; and</p> <p>(b) all the Entitled Shareholders subscribe in full for their respective <i>pro rata</i> Rights Shares,</p> <p>and in this scenario, 141,555,538 Rights Shares will be issued pursuant to the Rights Issue</p>
“Minimum Subscription Scenario”	:	<p>Based on the Existing Share Capital and assuming that:</p> <p>(a) none of the Exercisable Share Options have been exercised; and</p> <p>(b) none of the Entitled Shareholders subscribe for their respective <i>pro rata</i> Rights Shares (other than the Undertaking Shareholders subscribing for the Rights Shares in accordance with the terms and conditions of their respective Irrevocable Undertakings),</p> <p>and in this scenario, 96,619,314 Rights Shares will be issued pursuant to the Rights Issue</p>
“Net Proceeds”	:	Has the meaning ascribed to it in paragraph 2 of Part IV (Key Information) of this Offer Information Statement
“Offer Information Statement”	:	This document issued by the Company in respect of the Rights Issue, together with the PAL, the ARE or the ARS (as the case may be) and all other accompanying documents issued by the Company, including, where the context admits, any supplementary or replacement document which may be issued by the Company in connection with the Rights Issue
“PAL”	:	The provisional allotment letter to be issued to the Entitled Scripholders in respect of their provisional allotments of Rights Shares under the Rights Issue

DEFINITIONS

“Participating Banks”	:	DBS Bank Ltd. (including POSB); Oversea-Chinese Banking Corporation Limited; and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited; and “Participating Bank” refers to any one of them
“Petroships”	:	Petroships Investment Pte. Ltd., an existing shareholder of SCD
“Ports Business”	:	The Group’s ports operations, which is one (1) of the Group’s two (2) core business divisions
“PRC”	:	People’s Republic of China
“Proposed Transactions”	:	Has the meaning defined on page 43 of this Offer Information Statement
“Proposed Transactions Announcement”	:	The announcement released by the Company on 3 May 2017 in relation to the Proposed Transactions which include the Rights Issue
“Proposed Xinghua Group”	:	Xinghua and its subsidiaries, including SCD, CXP and CCIP
“Purchasers”	:	Persons purchasing the provisional allotments of Rights Shares traded on the SGX-ST through the book-entry (scripless) settlement system during the “nil-paid” Rights trading period
“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
“Rights”	:	Rights to subscribe in accordance with the terms and conditions of this Offer Information Statement for 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, on the terms and conditions of this Offer Information Statement

DEFINITIONS

“Rights Issue”	:	Renounceable non-underwritten rights issue with a maximum of 141,555,538 Rights Shares (assuming the Maximum Subscription Scenario) and a minimum of 96,619,314 Rights Shares (assuming the Minimum Subscription Scenario) to be issued by the Company at an Issue Price of S\$0.43 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
“Rights Issue Period”	:	The period commencing from the date of the Irrevocable Undertakings up to and including the date of listing of and quotation for the Rights Shares on the Official List of the SGX-ST
“Rights Shares”	:	A maximum of 141,555,538 Rights Shares (assuming the Maximum Subscription Scenario) and a minimum of 96,619,314 Rights Shares (assuming the Minimum Subscription Scenario) to be allotted and issued by the Company pursuant to the Rights Issue
“RMC”	:	Ready mixed concrete
“SCD”	:	Singapore Changshu Development Company Pte Ltd
“Scheme”	:	The Pan-United Share Option Scheme which was extended for another ten (10) years up to 18 April 2022 following the approval from the Shareholders at the extraordinary general meeting held on 19 April 2012
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“Securities and Futures Act”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
“SEHK”	:	The Stock Exchange of Hong Kong Limited
“SEHK Listing Rules”	:	The Rules Governing the Listing of Securities on SEHK, as amended or modified from time to time
“SFR”	:	The Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited

DEFINITIONS

“SGXNET”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system network(s) as may be prescribed by the SGX-ST
“Shares”	:	Ordinary shares in the capital of the Company
“Shareholders”	:	Persons who are registered as holders of Shares in the Register of Members of the Company, or where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with Shares
“Share Options”	:	The outstanding share options granted to participants under the Scheme
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“SIC”	:	Securities Industry Council of Singapore
“SRS”	:	Supplementary Retirement Scheme, a voluntary scheme to encourage individuals to save for retirement, over and above their CPF savings
“SRS Account”	:	An account opened by a participant in the SRS from which monies may be withdrawn for, <i>inter alia</i> , payment for the subscription of Rights Shares under the Rights Issue
“SRS Investors”	:	Investors who have purchased Shares pursuant to the SRS
“Substantial Shareholder”	:	In relation to the Company, a person who has an interest in one or more voting shares included in one of the classes of shares in the Company and the total votes attached to such share(s) is not less than 5.0% of the total votes attached to all the voting shares included in that class
“Undertaking Shareholders”	:	Mr Ng Han Whatt, Ms Ng Bee Bee, Ms Jane Kimberly Ng Bee Kiok and Mr Patrick Ng Bee Soon
“Unit Share Market”	:	The unit share market of the SGX-ST, which allows the trading of odd lots in quantities less than the board lot size
“Xinghua”	:	Xinghua Port Holdings Pte. Ltd. (formerly known as Pan-United Infrastructure Pte. Ltd.)
“Xinghua Shares”	:	The ordinary shares in the issued and paid-up share capital of Xinghua

DEFINITIONS

CURRENCIES, UNITS AND OTHERS

“%” or “per cent.”	:	Per centum or percentage
“km”	:	Kilometre
“m ² ”	:	Square metre
“m ³ ”	:	Cubic metre
“RMB”	:	Renminbi, the lawful currency of the PRC
“S\$” and “cents”	:	Singapore dollars and cents, respectively

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

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

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to a “**person**” include any individual, company, corporation, firm, partnership, joint venture, association, organisation, institution, trust or agency, whether or not having a separate legal personality.

Any reference to a time of a day or date in this Offer Information Statement, the PAL, the ARE or the ARS shall be a reference to a time of a day or date, as the case may be, in Singapore, unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the PAL, the ARE or the ARS 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 date(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 PAL, the ARE or the ARS to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Securities and Futures Act, the SFR, the Companies Act, the Listing Manual or any amendment or modification thereof and used in this Offer Information Statement, the PAL, the ARE or the ARS shall, where applicable, have the meaning assigned to it under the Securities and Futures Act, the SFR, the Companies Act, the Listing Manual or such amendment or modification thereof, as the case may be, unless otherwise provided.

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

Any reference to an “announcement” of or by the Company in this Offer Information Statement, the PAL, the ARE and the ARS includes announcements of or by the Company posted on the website of the SGX-ST, <http://www.sgx.com>.

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.

Number of Rights Shares : Based on the Maximum Subscription Scenario, 141,555,538 Rights Shares are expected to be issued pursuant to the Rights Issue.

Based on the Minimum Subscription Scenario, 96,619,314 Rights Shares are expected to be issued pursuant to the Rights Issue.

Basis of provisional allotment : The Rights Issue is made on a renounceable non-underwritten basis, based on one (1) Rights Share for every four (4) existing Shares held by the Entitled Shareholders as at the Books Closure Date.

Fractional entitlements to Rights Shares will be disregarded and will be aggregated with entitlements to the Rights Shares not taken up or allotted for any reason, and shall be used 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 interests of the Company. None of the Undertaking Shareholders will be subscribing for Excess Rights Shares. In the allotment of any Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots. In addition, Directors and other Substantial Shareholder, if any, who have control or influence 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 in the rounding of odd lots and allotment of Excess Rights Shares.

Issue Price : S\$0.43 for each Rights Share, payable in full on acceptance and/or application.

The Issue Price represents a discount of approximately:

- (a) 41.1% to the closing price of S\$0.73 per Share on the SGX-ST on 2 May 2017, being the last Market Day on which the Shares were traded preceding the date of the Proposed Transactions Announcement; and

SUMMARY OF THE RIGHTS ISSUE

(b) 33.6% to the theoretical ex-Rights trading price of S\$0.65 per Share, calculated based on the closing price of S\$0.73 per Share on the SGX-ST on 2 May 2017 and assuming that the maximum number of Rights Shares are issued under the Maximum Subscription Scenario pursuant to the Rights Issue.

- Status of Rights Shares** : The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing issued Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls on or before the date of allotment and issue of the Rights Shares.
- Eligibility to participate in the Rights Issue** : Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” on pages 22 to 26 of this Offer Information Statement for further details.
- Listing of the Rights Shares** : The SGX-ST had on 13 June 2017 granted the approval in-principle for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST. The Listing Approval is in no way reflective of and is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries, or the Shares. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Information Statement.
- Trading of the Rights Issue** : Upon the listing of and quotation for the Rights Shares on the Official List of the SGX-ST, the Rights Shares will be traded under the book-entry (scripless) settlement system. For the purpose of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares.
- Acceptance, Excess Application and payment procedures** : Please refer to Appendices A to E of this Offer Information Statement, and the PAL, the ARE or the ARS.
- Net Proceeds** : In the Maximum Subscription Scenario, the estimated Net Proceeds from the Rights Issue (after deducting estimated costs and expenses in connection with the Rights Issue of approximately S\$0.5 million) are expected to be approximately S\$60.4 million.
- In the Minimum Subscription Scenario, the estimated Net Proceeds from the Rights Issue (after deducting estimated costs and expenses in connection with the Rights Issue of approximately S\$0.5 million) are expected to be approximately S\$41.0 million.

SUMMARY OF THE RIGHTS ISSUE

Use of Net Proceeds : The Company intends to utilise the entire amount of Net Proceeds under the Minimum Subscription Scenario or Maximum Subscription Scenario to partially retire the Company's external debt primarily incurred in connection with the 2013 SCD Acquisition.

As and when any significant amount of the Net Proceeds is disbursed or deployed, the Company will make the necessary announcements on SGXNET and subsequently provide a status report on the use of such proceeds in its annual report.

Pending the deployment of the Net Proceeds for the use mentioned above, the Net Proceeds may be placed as deposits with financial institutions or invested in short-term money market or debt instruments or for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interest of the Group.

The Directors are of the opinion that there is no minimum amount which must be raised from the Rights Issue beyond the amount which will be raised pursuant to the Irrevocable Undertakings by the Undertaking Shareholders and taking into consideration the intended use of Net Proceeds as disclosed above.

Undertaking Shareholders : As an indication of their support and commitment to the Company, each of the Undertaking Shareholders has provided Irrevocable Undertakings to the Company in respect of the following specified shareholdings held by them respectively (the "**Specified Shareholdings**"):

(a) in respect of Mr Ng Han Whatt, the 153,000,000 Shares, which are jointly held in the names of Ms Ng Bee Bee, Ms Jane Kimberly Ng Bee Kiok and himself, his deemed interest in 165,600,000 Shares held under a nominee's account with BOS Trustee Limited (formerly known as OCBC Trustee Limited), his deemed interest in 17,960,030 Shares held by nominees and his direct interest in 5,400,000 Shares;

(b) in respect of Ms Ng Bee Bee, the 153,000,000 Shares, which are jointly held in the names of Mr Ng Han Whatt, Ms Jane Kimberly Ng Bee Kiok and herself, her deemed interest in 165,600,000 Shares held under a nominee's account with BOS Trustee Limited (formerly known as OCBC Trustee Limited) and her deemed interest in 8,100,002 Shares held by nominees;

SUMMARY OF THE RIGHTS ISSUE

- (c) in respect of Ms Jane Kimberly Ng Bee Kiok, the 153,000,000 Shares, which are jointly held in the names of Mr Ng Han Whatt, Ms Ng Bee Bee and herself, her deemed interest in 165,600,000 Shares held under a nominee's account with BOS Trustee Limited (formerly known as OCBC Trustee Limited) and her deemed interest in 8,447,602 Shares held by nominees; and
- (d) in respect of Mr Patrick Ng Bee Soon, the 27,969,630 Shares which he is the registered holder.

The Irrevocable Undertakings include, *inter alia*, the following:

- (a) not to, directly or indirectly, transfer, sell or dispose of or otherwise reduce any of their interests in their respective Specified Shareholdings from the date of their respective Irrevocable Undertakings up to the Books Closure Date;
- (b) to subscribe and pay, and/or procure the subscription and payment, for in full such number of Rights Shares representing all of the Rights Shares under the Rights Issue in relation to the Shares which he/she has interest in as at the Books Closure Date (the "**Undertaken Rights Shares**"), in accordance with the terms and conditions of the Rights Issue; and
- (c) other than the Undertaken Rights Shares, to not subscribe and pay for any Excess Rights Shares not taken up by the Entitled Shareholders.

Each Irrevocable Undertaking shall lapse and cease to have any effect whatsoever in the event that the Rights Issue is terminated or upon the Undertaking Shareholders having been notified by the Company that it is not proceeding with the Rights Issue.

Please refer to paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by Way of Rights Issue) of this Offer Information Statement for further details on the Undertaking Shareholders.

Non-underwritten : The Rights Issue will not be underwritten.

Use of CPF Funds : Shareholders who have subscribed for or purchased Shares under the CPFIS-OA must use, subject to the CPF Regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their entitlements to the Rights Shares and (if applicable) application for Excess Rights Shares, if they have previously bought their Shares using CPF Funds.

SUMMARY OF THE RIGHTS ISSUE

Such Shareholders who wish to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective CPF Approved Banks, where such Shareholder hold their CPF Investment Accounts, to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Shareholders who have insufficient funds or stock limit may top up cash into their CPF Investment Accounts with their CPF Approved Banks before instructing their respective CPF Approved Banks to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares. CPF Funds may not, however, be used for the purchase of provisional allotments of Rights Shares directly from the market.

CPF members should also note that CPF Funds cannot be used for the payment of Rights Shares and/or Excess Rights Shares if they submit their acceptances and/or applications directly through CDP, Electronic Applications, the Share Registrar and/or the Company. Any such acceptance and/or application purporting to use CPF Funds for the payment of Rights Shares and/or Excess Rights Shares will be rejected.

- Risk factors** : Investing in the Rights Shares involves risks. Please refer to the section entitled “Risk Factors” set out in this Offer Information Statement.
- Governing law** : Laws of the Republic of Singapore.

INDICATIVE TIMETABLE OF KEY EVENTS

An indicative timetable for the Rights Issue is set out below. For events listed which are described as “expected”, please refer to future announcement(s) by the Company and/or the SGX-ST for the exact dates of these events.

Shares trade ex-Rights	:	20 June 2017 from 9.00 a.m.
Books Closure Date	:	22 June 2017 at 5.00 p.m.
Despatch of Offer Information Statement (together with the PAL, the ARS and the ARE, as the case may be) to Entitled Shareholders	:	28 June 2017
Commencement of trading of “nil-paid” Rights	:	28 June 2017 from 9.00 a.m.
Last date and time of trading of “nil-paid” Rights	:	6 July 2017 at 5.00 p.m.
Last date and time for splitting of “nil-paid” Rights	:	6 July 2017 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares ⁽¹⁾	:	12 July 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Last date and time for acceptance of and payment for the Rights Shares by renounees	:	12 July 2017 at 5.00 p.m.
Last date and time for application and payment for Excess Rights Shares ⁽¹⁾	:	12 July 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Expected date for issuance of Rights Shares	:	19 July 2017
Expected date for crediting of Rights Shares	:	20 July 2017
Expected date for refund of unsuccessful or invalid applications (if made through CDP)	:	20 July 2017
Expected date for commencement of trading of Rights Shares	:	20 July 2017 from 9.00 a.m.

Pursuant to Rule 820(1) of the Listing Manual, the Rights Issue will not be withdrawn after the Shares have commenced ex-Rights trading. Based on the above timetable, the Shares are expected to commence ex-Rights trading on 20 June 2017 from 9.00 a.m.

The above timetable is indicative only and is subject to change. As at the Latest Practicable Date, the Company does not expect the above timetable to be modified. However, the Company may, in consultation with the Manager, and (if necessary) with the approval of the SGX-ST and CDP, decide to modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST’s website at <http://www.sgx.com>.

Note:

- (1) Investors who hold Shares through finance companies or Depository Agents (including but without limitation those who have paid for their Shares using funds in their CPF Investment Accounts or SRS Accounts), where applicable, will receive notification letter(s) from their relevant approved banks which they hold their CPF Investment Accounts and/or SRS Accounts, finance companies and/or Depository Agents, and should refer to such notification letter(s) for details of the last date and time to submit applications to their relevant approved banks which they hold their CPF Investment Accounts and/or SRS Accounts, finance companies and/or Depository Agents. Any acceptance and/or application made or purported to be made by these investors directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

ENTITLED SHAREHOLDERS

In order to be eligible for the Rights Issue, a Shareholder must be an Entitled Shareholder, and not be a person to whom it is unlawful to send this Offer Information Statement or make an invitation under the Rights Issue.

All questions as to the eligibility of any person to participate in the Rights Issue, subscribe and/or apply for Rights Shares and as to the validity, form and eligibility (including time of receipt) of any PAL, ARE or ARS is determined by the Company in its sole discretion. The Company's determination as to whether a person is an Entitled Shareholder and as to whether or when a PAL, ARE or ARS is received, whether it is duly completed or whether acceptance is validly revoked shall be final and binding.

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

Entitled Shareholders have been provisionally allotted the Rights Shares under the Rights Issue on the basis of their shareholdings as at the Books Closure Date, fractional entitlements, if any, being disregarded. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or in the case of Entitled Depositors only, trade their nil-paid Rights on the SGX-ST during the rights trading period prescribed by the SGX-ST, and are eligible to apply for Excess Rights Shares. Fractional entitlements to any Rights Shares will be disregarded and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and allocated to satisfy Excess Applications (if any) or disposed of or otherwise dealt with in such manner as the Directors in their absolute discretion, deem fit in the interests of the Company.

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, which are to be issued to Entitled Scripholders, will not be valid for delivery pursuant to trades done on the SGX-ST.

Use of CPF Funds

Shareholders who have subscribed for or purchased Shares under the CPFIS-OA 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 their entitlements to the Rights Shares and (if applicable) application for Excess Rights Shares, if they have previously bought their Shares using CPF Funds.

Such Shareholders who wish to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective CPF Approved Banks, where such Shareholders hold their CPF Investment Accounts, to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Shareholders who have insufficient funds or stock limit may top up cash into their CPF Investment Accounts with their CPF Approved Banks before instructing

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

their respective relevant approved banks to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares. **CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.**

CPF members should also note that CPF Funds cannot be used for the payment of Rights Shares and/or Excess Rights Shares if they submit their acceptances and/or applications directly through CDP, Electronic Applications, the Share Registrar and/or the Company. Any such acceptance and/or application purporting to use CPF Funds for the payment of Rights Shares and/or Excess Rights Shares will be rejected.

Use of SRS Funds

Shareholders who have subscribed for or purchased Shares under the SRS 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 entitlements to the Rights Shares and (if applicable) application for Excess Rights Shares.

Such Shareholders who wish to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares using SRS monies, must instruct the relevant banks in which they hold their SRS Accounts to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Shareholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their relevant approved banks before instructing their respective relevant approved banks to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares. **SRS monies may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.**

Entitled Depositors should note that all notices and documents will be sent to their last registered address with CDP. Entitled Depositors who may wish to maintain a mailing address with CDP for the purpose of receiving the Rights Issue documents should inform CDP in writing ("**Rights Mailing Address**"). Entitled Depositors are reminded that any request to CDP to register a Rights Mailing Address or any request to CDP to update its records for a new Rights Mailing Address 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 prior to the Books Closure Date.

Entitled Scripholders should note that all notices and documents will be sent to their last registered address with the Company. Shareholders 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 may provide such a Singapore address by notifying the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, at least three (3) Market Days prior to the Books Closure Date.

Entitled Scripholders are encouraged to open Securities Accounts if they have not already done so and to deposit their share certificates with CDP before the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and their provisional allotments of Rights Shares.

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

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

FOREIGN SHAREHOLDERS AND FOREIGN PURCHASERS

This Offer Information Statement and its accompanying documents relating to the Rights Issue 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 in 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 laws of those jurisdictions.

For practical reasons and in order to avoid any violation of the legislation applicable in countries 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. **Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. No provisional allotments of the Rights Shares will be made to Foreign Shareholders and no purported acceptance thereof or application therefor by Foreign Shareholders will be valid.**

This Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited by CDP to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renouncee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of Rights Shares renounced to him.

The Company further reserves the right, but shall not be obliged, to treat as invalid any acceptance or purported acceptance of the provisional allotment of Rights Shares and (if applicable) application or purported application for Excess Rights Shares or to decline such acceptance or purported acceptance and (if applicable) such application or purported application 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 any 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 representation or warranty or confirmation, whether express or deemed, to be given by such person.

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

The net proceeds from all such sales (after deducting any applicable brokerage, commissions and expenses, including goods and services tax) will be aggregated and thereafter distributed to Foreign Shareholders in proportion to their respective holdings of Shares or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them at their own risk by ordinary post to their mailing address maintained with CDP, or in such other manner as the Foreign Shareholders may have agreed with CDP for the payment of any cash distributions, save that in any case no payments will be made

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

for amounts of less than S\$10.00 to any single Foreign Shareholder, and the Company shall be entitled to retain such amount for the sole benefit of the Company or otherwise deal with such amount as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Manager, CDP or the Share Registrar in connection therewith.

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

If such provisional allotments of Rights Shares cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be issued to satisfy Excess Applications (if any) or otherwise disposed of or dealt with in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Manager, CDP or the Share Registrar in connection therewith.

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

Notwithstanding the above, Entitled Shareholders 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. No person in any jurisdiction outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation to or solicitation by or on behalf of the Company to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any registration or other regulatory or legal requirements in those jurisdictions.

The Rights Shares which are not otherwise taken up or allotted for any reason or which represent fractional entitlements disregarded in accordance with the terms of the Rights Issue shall be used to satisfy applications for Excess Rights Shares (if any) or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

Fractional entitlements to the Rights Shares will be aggregated and used with provisional allotments which are not taken up or allotted for any reason to satisfy application for Excess Rights Shares (if any) 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.

Fractional entitlements to the Rights Shares, if any, have been disregarded in arriving at the Entitled Shareholders’ entitlements and will, together with the provisional allotments which are not validly taken up by Entitled Shareholders, the original allottees or their respective renounee(s) or the Purchasers, any unsold “nil-paid” provisional allotments of Rights Shares of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions contained in the PAL, the ARE, the ARS and/or any other application form for Rights Shares, be aggregated and used to satisfy Excess

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

Applications for Rights Shares (if any) or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit. None of the Undertaking Shareholders will be subscribing for Excess Rights Shares. In the allotment of any Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots. In addition, Directors and other Substantial Shareholders, if any, who have control or influence 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 in the rounding of odd lots and allotment of Excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sale of the provisional allotments of Rights Shares and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices A to E to this Offer Information Statement and in the PAL, the ARE and the ARS.

TRADING

LISTING OF AND QUOTATION FOR THE RIGHTS SHARES

The Listing Approval has been obtained from the SGX-ST on 13 June 2017 for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST, subject to certain conditions. The Listing Approval is in no way reflective of and is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries, or the Shares.

Upon the listing of and quotation for the Rights Shares on the Official List of the SGX-ST, subject to certain conditions, the Rights Shares, when allotted and issued, will be traded under the book-entry (scripless) settlement system. For the purpose of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares. 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 the “Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited” and the “Terms and Conditions for The Central Depository (Pte) Limited to act as Depository for the Rights Shares”, as the same may be amended from time to time. Copies of the above are available from CDP.

ARRANGEMENTS FOR SCRIPLESS TRADING

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 may be credited by CDP into their Securities Accounts.

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 have their Rights Shares credited by CDP into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identification Card (“**NRIC**”)/passport numbers (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 (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (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 for the Rights Shares allotted to them in their own names and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will be forwarded to Entitled Scripholders by ordinary post at their own risk but 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 certificates with CDP but wishes to trade on the SGX-ST, must deposit with CDP his share certificates, together with the duly executed instrument(s) of transfer in favour of CDP, 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.

RIGHTS TRADING

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the Official List of the SGX-ST can do so for the period commencing on 28 June 2017 from 9.00 a.m., being the date and time of commencement of the “nil-paid” Rights trading period, and ending on 6 July 2017 at 5.00 p.m., being the last date and time of the “nil-paid” Rights trading period.

TRADING OF ODD LOTS

Shareholders should note that most counters on the SGX-ST trade in board lot sizes of 100 shares. Following the Rights Issue, Shareholders who hold odd lots of Shares (i.e. lots other than board lots of 100 Shares) and who wish to trade in odd lots of Shares on the SGX-ST should note that they are able to do so on the Unit Share Market of the SGX-ST which allows trading of odd lots.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by the Company or its related corporations, directors, officers, executives 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 “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Company’s and the Group’s expected financial position and performance, operating results, business strategies, plans and future prospects are forward-looking statements.

These forward-looking statements, including, but not limited to, statements as to the Company’s and the Group’s revenue and profitability, cost measures, expected industry trends, prospects, future plans, planned strategy 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, uncertainties and other factors that may cause the Company’s and 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. These risks, uncertainties and other factors are discussed in more detail in this Offer Information Statement, in particular, but not limited to, discussions under paragraph 9 of Part V (Operating and Financial Review and Prospects) of this Offer Information Statement.

Given the risks, uncertainties and other factors that may cause the Company’s and 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 and information. None of the Manager, the Company and their respective related corporations, directors, officers, executives and employees or any other person represents or warrants that the Company’s and the Group’s actual future results, performance or achievements will be as discussed in those statements and financial information. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements as a result of, *inter alia*, the risks and uncertainties faced by the Company and the Group.

In light of the volatile global financial markets and global economic uncertainties, any forward-looking statements contained in this Offer Information Statement must be considered with significant caution and reservation.

Further, the Manager, the Company and their respective related corporations, directors, officers, executives and employees disclaim 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, subject to compliance with any applicable laws and regulations and/or rules of the SGX-ST and/or any regulatory or supervisory body or agency. Where such developments, events or circumstances occur after the lodgement of this Offer Information Statement with the Authority but before the Closing Date and are materially adverse from the point of view of an investor, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. The Company is also subject to the provisions of the Listing Manual regarding corporate disclosure.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

This Offer Information Statement may include market and industry data and information that have been obtained from, *inter alia*, internal studies and publicly available information such as government statistical and industry reports, and industry publications. Please note that such information is supplied to you for your personal use only. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but the accuracy and completeness of that information is not guaranteed, and may contain other disclaimers in relation to reliance on their contents. There can therefore be no assurance as to the accuracy or completeness of such information.

While reasonable steps have been taken to ensure that the information is extracted accurately, the Manager, the Company and their respective related corporations, directors, officers, executives and employees have not independently verified any of the data from third party sources or ascertained the underlying bases or assumptions relied upon therein, nor have the consents of these sources been obtained for the inclusion of such data or information in this Offer Information Statement.

THE SINGAPORE CODE ON TAKEOVERS AND MERGERS

The Code regulates the acquisition of voting shares in, *inter alia*, corporations with a primary listing of their equity securities in Singapore (such as the Company). In general terms, 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 in a company which, taken together with shares held by persons acting in concert with him, carry 30.0% or more of the voting rights of the company; or
- (b) any person who, together with persons acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights in the company and such person, or any party acting in concert with him, acquires in any six (6) month-period additional shares carrying more than 1.0% of the voting rights,

such person must extend a mandatory take-over offer immediately to the shareholders for the remaining shares in the company in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of parties acting in concert with him, may, according to the circumstances of the case, have the obligation to extend an offer.

In general, the acquisition of instruments convertible into securities which carry voting rights does not give rise to an obligation to make a mandatory take-over offer under the Code but the exercise of any conversion rights will be considered an acquisition of voting rights for the purposes of the Code.

Shareholders who are in doubt as to their position including obligations, if any, under the Code in connection with the acquisition of Rights Shares under the Rights Issue should consult the SIC and/or their professional advisers immediately.

For the avoidance of doubt, the Company may at its discretion scale down any Entitled Shareholder's application to subscribe for Excess Rights Shares to avoid placing such Entitled Shareholder in the position of incurring an obligation to make an offer for shares in the Company under the Code as a result of other Entitled Shareholders not taking up their entitlements to the Rights Shares.

RISK FACTORS

To the best of the Directors' knowledge and belief, the risk factors which are specific to the Group and that are material to Shareholders and prospective investors in making an informed judgement on the Rights Issue are set out below. Shareholders and prospective investors 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 in the Rights Shares. The Group could be affected by a number of risks that may relate to the industry and countries in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive.

There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations. If any of the following considerations and uncertainties develops into actual events, the business operations, results of operations, financial condition, net sales, revenues, cash flow, profitability, liquidity, capital resources and/or prospects of the Group could be materially and adversely affected. In that event, the trading price of the Shares and/or the Rights Shares could decline due to any of these considerations and uncertainties, and Shareholders and prospective investors may lose all or part of their investment in the Shares and/or the Rights Shares.

Save as disclosed below and in this Offer Information Statement, the audited financial statements of the Group for FY2014, FY2015 and FY2016, the unaudited financial statements of the Group for 1Q2016 and 1Q2017, and the announcements of the Company and barring any unforeseen circumstances, the Directors are not aware of any trends, uncertainties, demands, commitments or events of the current financial year, that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this Offer Information Statement to not necessarily be indicative of the future operating results or financial condition of the Group, in respect of the performance of the Group for the current financial year and relating to the business and financial prospects of the Group and/or trends that will have a material effect on the financial condition and operating results of the Group.

RISKS ASSOCIATED WITH THE GROUP'S BUSINESS AND OPERATIONS

RISKS RELATING TO THE GROUP'S C&C BUSINESS

The Group's C&C Business is dependent on the demand for building construction works in Singapore

The Group's C&C Business is principally engaged in the supply of RMC and cement in Singapore. The Group's C&C Business derives the bulk of its revenue from the construction industry in Singapore.

The private sector construction demand is forecasted to remain subdued in view of the current slowdown in the property market and continued economic uncertainties. In addition, whilst total public sector construction demand is projected to strengthen to between S\$20.0 billion and S\$24.0 billion in 2017, demand for building construction works, as well as supply of RMC and cement in Singapore for both the public and private sectors is dependent on, among others, the general health of the Singapore economy.

RISK FACTORS

A downturn in the Singapore economy may affect the development plans of the Singapore government and/or reduce the budgets of the Singapore government and hence reduce public sector demand for building construction works as well as supply of RMC and cement in Singapore, which in turn will result in a reduction in the number of projects available for tender and/or lower contract value for the Group's projects.

Similarly, a slowdown in the private sector construction demand amid challenging market conditions in an uncertain global economic climate will also affect supply of RMC and cement in Singapore which will invariably have a material adverse effect on the Group's C&C Business and financial performance.

The Group's C&C Business is dependent on the demand for RMC in Singapore

BCA reported that the demand for RMC was 14.0 million m³ in 2016 which was a 13.0% drop as compared to 16.1 million m³ in 2015. According to the BCA, the reduction in the demand of RMC in Singapore was mainly on account of a shift in on-site project composition towards more civil engineering works, which generally consume less RMC as compared to building works.

BCA also reported that the estimated demand for RMC for 2017 is projected to be in the range of 12.0 million m³ to 13.5 million m³ in view of an anticipated further moderation in on-site building construction activities.

Any slowdown in the RMC demand in Singapore will invariably have a material adverse effect on the Group's C&C Business and financial performance.

The Group's C&C Business is exposed to the cyclical nature of construction and infrastructure sectors

The Group's C&C Business is exposed to the cyclical fluctuations of the construction and infrastructure sectors in the countries in which the Group operates such as Singapore, Malaysia, Vietnam and Indonesia. A downturn in such sectors, including any significant delay or cancellation of construction projects or a reduction in foreign and/or public investment in infrastructure in the countries in which the Group operates will have an adverse impact on the Group's financial performance.

The financial performance of the Group's C&C Business is dependent on the Group's ability to secure new projects on a continuous basis and the non-cancellation of secured projects

Most of the Group's projects in its C&C Business are undertaken on a non-recurring basis. Therefore, there may be fluctuations in the aggregate value and volume of projects that the Group is able to secure on an ongoing basis. The Group's inability to continuously secure and/or maintain projects of similar contract value and/or volume of projects will have a material and adverse impact on the Group's financial performance. In addition, there may be a lapse of time between the completion of the Group's projects and the commencement of the Group's subsequent projects. Accordingly, the Group's earnings and financial performance during such periods may be materially and adversely affected. Cancellation or delay in the commencement of secured projects due to factors such as shortage of raw materials may also materially and adversely affect us. Any cancellation or delay of projects could lead to the Group's inability to recover costs associated with purchase of raw materials and rental of equipment, idle or excess capacity, and in the event that the Group is unable to secure new projects in place thereof on a timely basis, the Group's business operations and financial position in respect of its C&C Business will be materially and adversely affected.

RISK FACTORS

Changes in the availability or price of raw materials and products could adversely affect the costs and profitability of the Group's C&C Business

The raw materials used in the Group's C&C Business include cement, aggregates, sand and admixtures, and the Group's C&C Business may be adversely affected by the availability and/or price of these raw materials and products. The availability and price of raw materials may be subject to curtailment or change due to, among other things, new laws or regulations, global economic or political events including (but not limited to) terrorist attacks and war, suppliers' allocations to other purchasers, interruptions in production by suppliers, changes in exchange rates and prevailing price levels. In some instances there are limited sources for raw materials and a limited number of primary suppliers for some of the Group's products for resale. Although the Group is not dependent upon any single source for any of the C&C Business' principal raw materials or products for resale, and such materials and products have, historically, been readily available, there is no assurance that such raw materials and products will continue to be readily available.

Disruption in the supply of raw materials or products or the Group's inability to come to favourable agreements with the Group's suppliers could impair the Group's ability to manufacture, sell and deliver the Group's products and require the Group to pay higher prices. Any increase in prices for such raw materials or products could materially adversely affect the Group's costs and the Group's profitability in respect of its C&C Business.

The Group's C&C Business may be adversely affected by changes in government legislation, regulations or policies which affect the construction industry in Singapore

As the bulk of the Group's revenue for its C&C Business is derived from the construction business in Singapore, any changes in government legislation, regulations or policies affecting the construction industry in Singapore could adversely affect the Group's business operations and/or have a negative effect on the demand for RMC and cement. 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 the Group's 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 financial performance and financial position in respect of its C&C Business.

The Group's C&C Business is subject to credit risks of its customers

The Group's C&C Business is subject to the credit risks of its customers. The Group's ability to receive payment promptly is dependent on the creditworthiness of its customers and their ability to honour the repayment terms contained in the Group's contracts. There is no assurance that the Group will be able to collect all or any part of its trade receivables within the credit terms stipulated in its contracts. In the event that the Group's customers default on their payments, its cash flow and financial performance in respect of its C&C Business may be adversely affected.

The Group's C&C Business may be exposed to government regulations and changes in government regulations

The Group's C&C Business is subject to government regulations of the countries in which it has operations such as Singapore, Malaysia, Indonesia and Vietnam. Changes in government regulations in respect of (but not limited to) foreign investments, taxation, employment, wage controls, importation of cranes and heavy equipment, and repatriation of profits could adversely affect the Group's business, earnings, investment returns, asset values, and cash flows. In a number of countries in which the Group operates, there are numerous regulations governing the

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use and importation of heavy equipment. Such regulations prescribe, *inter alia*, safety specifications, the maximum age of the equipment, and level of exhaust emissions. A change towards a more stringent regulatory regime may cause the Group to incur additional costs in meeting the prescribed regulations and may impact its operations, for example, changes in regulations may render some of the Group's equipment unsuitable for use in their present condition and the Group would have to incur additional cost to upgrade or replace such equipment.

The Group needs to comply with all the regulations in the various countries that it operates and the failure to do so may result in the imposition of a fine, a stop work order and other penalties which may include the suspension of its business or revocation of licences. All these would have an adverse impact on the Group's operations and financial performance in respect of its C&C Business.

The Group's operations require various licences and permits

The Group's C&C Business is required to obtain various licences and permits to carry out its C&C Business in countries in which it operates such as business licences, manufacturing licences and raw material import permits. These licences and permits are generally subject to various conditions and relevant laws and regulations under which such licences and permits are issued. Failure to comply with such conditions, laws or regulations could result in the Group being penalised. Penalties could include the imposition of fines, stop work orders, business suspension or the revocation or non-renewal of the relevant licences or permits. Whilst the Group constantly monitors and ensures its compliance with such conditions imposed, any serious breaches of compliance could result in the revocation or non-renewal of any of the licences and permits that could render the Group unable to carry out its business and operations. In such instances, the Group's C&C Business, results of operations and financial performance may be materially and adversely affected.

The Group may be affected by changes in any environmental laws and regulations applicable to its C&C Business

The Group's C&C Business is subject to local environmental laws and regulations of the countries in which it has operations. Such laws and regulations may change from time to time and are subject to interpretation by the authorities. The compliance with such new laws, regulations and interpretations by the relevant regulatory authorities may increase the Group's costs. Any significant increase in compliance costs with new laws or regulations or the change in interpretation thereof may adversely affect the Group's C&C Business and its financial performance.

RISKS RELATING TO THE GROUP'S PORTS BUSINESS

The Group's Ports Business could be unfavourably impacted by adverse economic conditions, including uncertainties and instability in global and regional market conditions

The volume of cargoes handled by the Group and the use of other port-related services by customers are influenced by the performance and growth of regional and international trading economies. The Group's Ports Business consists of the management and operation of its two (2) adjacent ports, which are both located in Changshu, PRC, in the Changjiang River Delta. The types of cargoes handled by the ports include steel cargoes, pulp and paper, logs, project equipment and containers. Accordingly, any adverse economic developments in Asia, in particular,

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the PRC, as a result of global economic slowdown or otherwise, could lead to a general decline in domestic consumption and a slowdown in international trade, which could have a significant impact on the Group's Ports Business.

In addition, international trade and political issues, disputes, tensions and conflicts including, trade embargoes and tariffs, may cause delays and interruptions to cross-border transportation. If the cargoes are unable to be transported to and from countries with trade restrictions in a timely manner or at all, the business, financial conditions and results of operations of the Group's Ports Business could be materially and adversely affected.

The Group's Ports Business is dependent on its customers' business performance and their continuing outsourcing of logistics operations

The Group provides services to its customers to serve their needs along their supply chains. The Ports Business is therefore dependent on the Group's customers' business performance and developments in their market and industries. If the Group's customers sales in a geographic market served by the Group decline, such decline will likely lead to a corresponding decline in demand for the Group's integrated logistics services. In addition, as the Group serves as a third-party logistic provider for its customers, adverse changes in their outsourcing decision could materially and adversely affect the business, financial condition and results of operations of the Group's Ports Business. If the Group's customers change their supply chain strategy or decide to reduce their outsourcing of logistics operations and perform certain or all the operations themselves, this will have a direct negative impact on the Group's Ports Business. Adverse developments in the Group's customers' business performance and outsourcing decision could therefore materially and adversely affect the Group's business, financial conditions and results of operations of its Ports Business.

The port industry in the PRC is a highly regulated industry and the Group's Ports Business is subject to various regulations imposed by the PRC government

The Group's Ports Business and the business and operations of its customers and suppliers in the PRC are subject to the laws and regulations promulgated by the PRC government.

The PRC port industry is highly regulated. Port operators are required to obtain a port operation licence as well as to comply with strict regulations in respect of, among other things, operational management, supervision, inspection and the loading, unloading and storage of cargo.

Port operators set their fees and charges for services with reference to the fees and charges schedule determined by the Ministry of Transport. If the PRC government imposes strict rules in the future in ways that are adverse to the Group's business interests or if there is any change to the current system regulating port fees and the Group is not able to effectively adapt to the new system, the business operations of the Group's business could be adversely affected.

In addition, changes in these law and regulations from time to time may also require the Group to obtain additional approvals and licences from the PRC authorities for the conduct of its operations in the PRC. In such event, the Group may need to incur additional expenses in order to comply with such requirements. This will in turn affect its financial performance as its business costs will increase. Furthermore, there can be no assurance that such approvals or licences will be granted to the Group promptly or at all. If the Group experiences delay in obtaining or inability to obtain such required approvals or licences for the Group's Ports Business, its overall financial performance will be adversely affected.

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The Group is required to obtain qualifications or licenses to undertake its Ports Business and any revocation, cancellation or non-renewal of these qualifications or licenses could have a material and adverse impact on the Group's Ports Business

The Group requires qualifications and licenses issued by relevant government agencies to conduct its Ports Business. The Group must comply with certain restrictions and conditions imposed by various levels of government to maintain its qualifications and licenses. If the Group fails to comply with any of the conditions required for obtaining and maintaining its qualifications and licenses, the Group's qualifications and licenses could be cancelled or revoked, or the renewal of the Group's licenses, upon expiry of their original terms, may be delayed, which could directly and adversely impact the business operations of the Group's Ports Business.

The Group's Ports Business faces competition from other port operators

The Group's major competitors for its Ports Business include port operators in the Changjiang River Delta. New ports and existing ports are expanding their capacity and modernising their port facilities. Some of these ports share a fairly large area of overlapping hinterlands and attract similar types of customers and cargoes to the Group. The Group's competitors may develop advanced technologies, employ advanced equipment or management techniques in processing and handling various types of cargoes, develop transportation networks to enjoy greater inland accessibility, or reduce fee rates. Some of the Group's competitors may have greater and broader operational experience and longer standing relationships with international and domestic shipping companies and cargo owners than the Group. There is no assurance that the Group's current or potential competitors will not provide services comparable or superior to those the Group provides or adapt more quickly than the Group does to evolving industry trends or changing market requirements, and the Group may have to compete more vigorously with these port operators. If the Group fails to maintain its competitive position, the business and prospects of the Ports Business will be materially and adversely affected.

The Group is currently subject to maritime safety and customs standards, and the Group's failure to control the costs associated with any enhancement of these standards could materially and adversely affect the Group's Ports Business

The Group is currently required by the Ministry of Transport, State Administration for the Supervision of Work Safety, State Administration of Quality Supervision, Inspection and Quarantine, Maritime Safety Administration, the Customs General Administration and other government authorities of the PRC to maintain certain security and customs standards at the Group's facilities, including safety assessment schemes for ports. In addition, personnel responsible for any inbound or outbound vessels entering or leaving from maritime points are required to arrange for declarations to the maritime authority and submission of related documentation, and the vessel is required to undergo supervision and inspection by the maritime authority. No inbound or outbound vessels berthing at maritime points are allowed to leave from a port without prior approval by the maritime authority. Consignees of imported cargoes and consignors of exported cargoes must arrange declaration to the customs authority and submission of import and export permits and relevant documentation. Cargoes that are subject to national restrictions on import and export may not be released without evidence of import and export permits. Should the Group fail to fulfil these requirements, a penalty may be imposed or the Group may be subject to confiscation of income, if any, from such non-compliance. Should the Group were to incur such a penalty, the Group's Ports Business, financial condition, results of operations and the Group's reputation may be materially and adversely affected. Any failure by the Group to

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control the costs associated with the enhancement of security and customs standards could have a material adverse effect on the Group's Ports Business, financial condition and results of operations.

Furthermore, as a result of terrorist activities and increased security concerns, there is a global move towards enhanced inspection procedures and tighter import/export controls and safety regulations. If the additional compliance costs of any such regulations or procedures cannot be recovered through higher ports fees, the Group's Ports Business and results of operations may be adversely affected.

GENERAL RISKS RELATING TO THE GROUP'S BUSINESSES

The Group operates in highly competitive industries

The C&C Business and Ports Business in which the Group is engaged in are highly competitive, and the Group has competitors in each of its major business operations on a local, regional, national and international level. Although barriers to entry are high in both the C&C Business and Ports Business, the Group faces competition from new entrants. Increased competition may reduce the growth in the Group's customer base and the market share that it currently enjoys. The Group's profit margins for its C&C Business may be reduced if it has to revise its pricing to match the lower prices offered by its competitors or if higher selling and promotional expenses are incurred. If the Group fails to sustain its competitive advantages, its business, financial condition and results of operations may be materially and adversely affected.

The Group may be affected by uncertain global events that are beyond the Group's control such as political turmoil, terrorist attacks and other acts of violence, wars, or outbreaks of diseases

Wars, political conditions, social unrests, riots, terrorist attacks and government actions such as possible seizure of land and assets and import/export restrictions in countries where the Group operates or may operate in the future could potentially have an adverse effect on the Group's business, financial performance, financial condition and operating cash flow. For instance, any occurrence of terrorist attacks, acts of violence or political turmoil may lead to uncertainty in the economic outlook of these markets. This may have a negative impact on the demand for the Group's services and its business, financial performance and financial condition may be adversely affected.

In addition, terrorist attacks worldwide and the Middle East crisis 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, and the Group may not be able to foresee events that could have an adverse effect on its business operations and results. Any further 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.

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The Group may be adversely affected by natural disasters, acts of God, and occurrence of epidemics

The outbreak of communicable diseases in the countries in which the Group operates, if uncontrolled, could have an adverse effect on the overall business sentiments and environment in these countries, which may materially and adversely affect the Group's businesses. In addition, in the event of an outbreak of epidemic in these countries, if any of the Group's employees are infected with such diseases, the businesses may be materially and adversely affected.

Natural disasters and other acts of God which are beyond the Group's control may adversely affect the economy, infrastructure and livelihood of the people of the countries in which the Group operates. The Group's businesses may be materially and adversely affected if such natural disasters occur.

The Group is dependent on key management personnel and other skilled personnel

The Group is dependent on the continued services of its executive officers and senior management team, as well as other skilled personnel. Having a team of experienced management staff and other skilled personnel is critical in fulfilling the Group's contractual obligations and maintaining its relationships with its customers. The Group's continued success depends to a significant extent on its strong management team and skilled personnel. The loss of any of these personnel without timely and suitable replacement and the inability to attract and retain qualified and experienced personnel may have an adverse effect on its business, financial condition and results of operations.

The Group may be unable to secure bank financing on terms which are acceptable and the Group's bank facilities contain covenants that, if not satisfied or waived, could result in acceleration of the Group's debt obligations under these facilities that may be outstanding from time to time

The Group finances its capital expenditure through internal funds and loans from financial institutions. The Group's ability to arrange adequate financing on terms which are acceptable to the Group depends on a number of factors that are beyond its control, including general economic and political conditions in the countries in which the Group operates, the terms on which financial institutions are willing to extend credit to the Group and the availability of other sources of debt or equity financing. Uncertainty in the capital and credit markets may also adversely affect the Group's ability to obtain financing on terms which are acceptable to the Group. If the Group is unable to obtain financing on terms which are acceptable to the Group, it may have to curtail its capital expenditure. Any curtailment of capital expenditure could result in a reduction in net sales, inability to tender for construction projects, harm to reputation, or other adverse effects to the Group's business, financial condition and results of operations.

The Group may from time to time need to obtain additional capital through debt or equity financing to fund its business operations. Additional debt financing, if obtained, may expose the Group and/or the Company to the covenants imposed by the financial institutions or lenders. These covenants may:

- (a) increase the Group's and/or the Company's vulnerability to general adverse economic and industry conditions;
- (b) require the Group and/or the Company to seek consent for the payment of dividends;

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- (c) limit the ability of the Group and/or the Company to pay dividends; and/or
- (d) require the Group and/or the Company to dedicate a substantial portion of our cash from operations to payments on the Group's debts, thereby reducing the availability of the Group's cash flow to fund capital expenditure, working capital and other general corporate purposes.

Failure to raise the required capital in the future on acceptable terms, or at all, will affect the Group's ability to plan for, or react to, changes in its business and its industry.

In addition, the Group's failure to comply with covenants and terms in the Group's bank facilities could result in an event of default which, if not satisfied or waived, could result in the Group being required to repay any borrowings it may have under the Group's facilities. If the Group is unable to refinance its borrowings under the Group's facilities that may fall due, the Group's business, financial condition and results of operations may be adversely affected.

The Group's interim financial statements have not been audited or reviewed

The Group announced its interim financial statements as of and for the period ended 31 March 2017 (the "**31 March 2017 Financial Statements**") on 3 May 2017. The Group's most recent audited financial statements were prepared as of and for the 12 month period ended 31 December 2016. The 31 March 2017 Financial Statements which have been included in this Offer Information Statement have neither been audited nor subjected to any review by the auditors. There can be no assurance that if such financial statements had been audited or reviewed that there would be no change in the financial statements and that such changes would not be material.

The Group may not have complete insurance coverage for the risks associated with the operation of the Group's businesses

The Group's operations involve certain risks, for which full insurance cover is either not available or not available on commercially reasonable terms. In addition, the severity and frequency of various events, such as accidents and other mishaps, business interruptions, environmental damage, personal injuries and fatalities, or damage to the Group's facilities, property and equipment caused by inclement weather, human error, pollution, labour disputes and acts of God, as well as risks relating to the Group's provision of services to customers may result in losses or expose the Group to liabilities in excess of the Group's insurance coverage or significantly impair the Group's reputation. There is no assurance that the Group has complete insurance coverage for the loss arising from any or all such events or that the Group will be able to renew existing insurance cover on commercially reasonable terms, if at all. Should an incident occur in relation to which the Group has no insurance cover or inadequate insurance cover, the Group could lose the capital invested in, and anticipated future revenues relating to, any property that is damaged or destroyed and, in certain cases, the Group may remain liable for financial obligations related to the impacted property. Similarly, in the event that any assessments are made against the Group in excess of any related insurance cover that the Group may maintain, the Group's assets could be subject to attachment, confiscation or restraint under various judicial procedures. Any of these occurrences could have a material adverse effect on the Group's business, financial condition and results of operations.

RISK FACTORS

The Group operates in jurisdictions where it may have limited experience with the regulatory regime or legal framework

The Group operates in countries or may enter into countries where it may not be familiar with the legal framework and regulatory regime or where the interpretation and application of laws and regulations are vague.

The Group's current management may not have the relevant expertise to ensure its business success in these foreign markets and whilst the Group seeks to engage additional persons with the relevant experience for its operations in these countries, there is no assurance that the Group will be able to attract and retain the right persons with the relevant experience, skills and local knowledge and as such, the Group's business, financial performance and financial condition may be adversely affected. The success of the Group's business in foreign markets depends upon the ability of the Group's management to develop and implement the strategies to achieve its objectives. Subjective decisions made by the Group's management or a general lack of management capability may result in losses or missed profit opportunities or otherwise have an adverse effect on the Group's business, financial performance and financial condition.

The Group may face foreign exchange control restrictions

The Group operates in various countries which have exchange control regulations that apply to foreign funds and the profits made there. Such regulations limit the Group's ability to repatriate funds from its operations in these countries. Further, the Group cannot provide any assurance that the regulatory authorities in such countries will not impose further exchange control restrictions. Any additional restriction may further limit the Group's ability to recover financing extended to the Group's subsidiaries or associated companies in such countries as well as to repatriate funds to the Group for funding the Group's other business activities outside the relevant countries.

The Group is subject to interest rate fluctuations

The Group is subject to the effects of interest rate fluctuations on its borrowings from financial institutions. Some of the Group's existing borrowings are on a floating rate basis, and the Group's future borrowings may also be on a floating rate basis. Consequently, the interest cost to the Group will be subject to fluctuations in interest rates. In addition, the Group is subject to market disruption clauses contained in its loan agreements with banks. Although the Group may enter into hedging transactions to mitigate the risk of such interest rate fluctuations, such hedging may not adequately cover the Group's exposure to interest rate fluctuations. As a result, the Group's businesses could potentially be materially and adversely affected by interest rate fluctuations.

The Group is subject to foreign exchange risks

The Group's turnover is primarily denominated in S\$ and RMB. It also receives revenues in the local currencies of the various markets in which it has operations, *inter alia*, Malaysia ringgit, Indonesia rupiah and Vietnam dong. Given that the reporting currency of the Group's financial statements is in Singapore dollar and the foreign currency composition of the Group's revenue and costs, the Group is exposed to fluctuations in the exchange rate of various foreign currencies against S\$. Currency volatility may impact the Group's results from operations as the Group does not hedge earnings from its overseas subsidiaries.

RISK FACTORS

The Group is subject to the general risks of doing business overseas

The Group is exposed to the inherent risks of doing business overseas as it has businesses in foreign markets such as Malaysia, Indonesia, Vietnam and the PRC. These risks include unexpected changes in regulatory requirements, difficulties in staffing and managing foreign operations, social, economic and political instability, fluctuations in currency exchange rates, potentially adverse tax consequences, legal uncertainty regarding liability, tariffs and other trade barriers, variable and unexpected changes in local law and barriers to the repatriation of capital or profits, any of which could materially affect the Group's overseas operations. These risks, if materialised may affect the Group's business, financial performance and financial condition. In addition, should foreign governments in the foreign jurisdiction which the Group operates adversely change their laws, for instance tightening its rules in relation to the repatriation of their local currency, it may affect the Group's ability to repatriate profits arising from the Group's foreign operations and accordingly, the Group's cash flow may be adversely affected. The Group also faces the risk of delay in the repatriation of income, capital and the proceeds of sales from the Group's subsidiaries and associates in the foreign countries in which the Group operates as such repatriation may require certain governmental registration and approval. In the event that governmental registration or approval for any such proposed repatriation is not granted or obtained, the Group's cash flow may be adversely affected. In addition, if any of the countries in which the Group has a presence is subject to sanctions imposed by specific countries and/or the international community, the growth of the Group's business in that country may be hampered and this may adversely affect the Group's business, financial performance and financial condition.

The Company is a holding company with no revenue generating operations of its own

The Company is a holding company. Substantially all of its business operations are conducted through its wholly or partly-owned subsidiaries and associates. As a result of the holding company structure, the Company's ability to make payments depends upon the receipt of dividends, distributions or advances from its subsidiaries and associates. The ability of its subsidiaries and associates to pay dividends or such other amounts to the Company may be subject to their profitability, to applicable laws and regulations and to restrictions contained in financing or other agreements. Furthermore, the Company's interest in its subsidiaries and associates could be reduced in the future.

RISKS ASSOCIATED WITH INVESTMENT IN THE SHARES

No assurances that the Company will complete the Proposed Transactions

As mentioned in the Proposed Transactions Announcement, the following transactions will take place after the Rights Issue:

- (a) a de-merger of its wholly-owned subsidiary, Xinghua (the "**Proposed De-merger**"), via a distribution in specie of all of the Xinghua Shares held by the Company to the entitled Shareholders (the "**Proposed Distribution**"); and
- (b) in conjunction with the Proposed De-merger, it is proposed that Xinghua be listed by way of introduction on SEHK (the "**Proposed Listing**").

Following the Proposed De-merger, the Proposed Distribution and the Proposed Listing, Xinghua and its group of subsidiaries will cease to be subsidiaries of the Company and the Company will no longer be involved in the Ports Business going forward.

RISK FACTORS

As highlighted in the Proposed Transactions Announcement, as part of the Proposed De-merger, Xinghua also intends to conduct a restructuring exercise, pursuant to which Xinghua plans to perform the following restructuring exercise:

- (a) There is currently an outstanding external loan in the amount of approximately S\$80.0 million taken up by the Company to finance the 2013 SCD Acquisition. The 2013 SCD Acquisition was made through Xinghua and the Company had extended an inter-company loan totalling approximately S\$102.0 million to Xinghua to complete the 2013 SCD Acquisition. It is envisaged that the S\$102.0 million inter-company loan between the Company and Xinghua will be fully capitalised into share capital and all other inter-company loans between the Company and Xinghua and its subsidiaries will be repaid before the Proposed Distribution (the “**Proposed Capitalisation**”). The new Xinghua Shares to be issued to the Company pursuant to the Proposed Capitalisation will form part of the Xinghua Shares to be distributed by the Company as part of the Proposed Distribution; and
- (b) Xinghua shall acquire the remaining 10.0% of the total issued and paid-up share capital of SCD (“**SCD Shares**”) from Petroships, an existing shareholder of SCD, such that SCD will be a wholly-owned subsidiary of Xinghua. Xinghua intends to satisfy the consideration for the SCD Shares by issuing and allotting Xinghua Shares credited as fully paid up to Petroships (the “**Proposed Share Swap**”). It is currently envisaged that Petroships will receive Xinghua Shares representing around 10.0% of the enlarged issued and paid-up share capital of Xinghua following the completion of the Proposed Restructuring (as defined below).

The Proposed Share Swap and the Proposed Capitalisation shall be collectively referred to as the “**Proposed Restructuring**”.

In addition, as mentioned in the Proposed Transactions Announcement, upon completion of the Proposed Restructuring, the Company proposes to undertake a capital reduction exercise under Section 78G of the Companies Act (the “**Proposed Capital Reduction**”).

In conjunction with the Proposed Distribution, Xinghua intends to issue new shares amounting up to 5.0% of the enlarged share capital of Xinghua under a one-time share scheme for the benefit of select employees and certain business partners (including independent suppliers and customers) whom Xinghua considers have contributed or will contribute to the Ports Business.

For the purpose herein:

- (a) the Proposed De-merger which consists of the Proposed Restructuring, the Proposed Capital Reduction, the Proposed Distribution, the Proposed Share Incentive Scheme and the Proposed Listing shall be collectively referred to as the “**Proposed De-merger Transactions**”; and
- (b) the Proposed De-merger Transactions and the Rights Issue shall be collectively referred to as the “**Proposed Transactions**”.

The Proposed De-merger Transactions will take place after the completion of the Rights Issue. **However, the Rights Issue is not conditional upon the Proposed De-merger Transactions.**

Nevertheless, the Company reserves the right not to proceed, complete and/or effect all or any of the Proposed De-merger Transactions if after assessing various factors, including the prevailing general economic and capital market conditions, the Company does not

RISK FACTORS

consider the Proposed De-merger Transactions to be in the best interests of the Company and/or if the requisite approvals required for all or any of the Proposed De-merger Transactions have not been or cannot practicably be obtained.

Please refer to the Proposed Transactions Announcement for further details.

There is no assurance that the Company will complete the Proposed Transactions. Shareholders should take note of the cautionary statement set out in the Proposed Transactions Announcement.

Certain descriptions and disclosures in respect of the Proposed Xinghua Group and the Ports Business have been included in this Offer Information Statement. If and when a listing document is issued by Xinghua in connection with the Proposed Listing (“**Listing Document**”), it should be noted the information in relation to the Proposed Xinghua Group and the Ports Business set out in the Listing Document may be more comprehensive than that set out in this Offer Information Statement, as it will need to be prepared in compliance with the SEHK Listing Rules and will contain prescribed information and presentation of information, and may also take into account comments from SEHK and the Securities and Futures Commission and further developments following the Latest Practicable Date.

Investors may not be able to participate in future issues of the Shares

In the event that the Group issues new Shares, the Group will be under no obligation to offer those Shares to the Group’s existing Shareholders at the time of issue, except where the Group elects to conduct a rights issue. If the Group offers to the Shareholders rights to subscribe for additional Shares or any rights of any other nature or other equity issues, the Group will have the discretion and be subject to the relevant laws, rules and regulations as to the procedures to be followed in making such rights offering available to the Group’s existing Shareholders or in disposing of such rights for the benefit of such Shareholders and making the net proceeds available to them. The Group may choose not to offer the rights or other equity issues to the Shareholders or investors having an address outside Singapore, hence overseas Shareholders or investors may be unable to participate in future offerings of the Shares and may experience dilution of their interests in the Group.

Shareholders who do not or are not able to accept their provisional allotment of Rights Shares will experience a dilution in their ownership of the Company

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

In the event that a Shareholder does not or is not able to accept all of his provisional allotment of Rights Shares and if the Proposed Distribution is effected, the number of Xinghua Shares which such a Shareholder is entitled to receive will be fewer than that had such a Shareholder accepted his provisional allotment of Rights Shares

The number of Xinghua Shares which a Shareholder is entitled to receive pursuant to the Proposed Distribution will be determined based on the number of Shares held by the Shareholders or on their behalf as at a time and date to be determined by the Directors for the purposes of determining Shareholders’ entitlements under the Proposed Distribution (the “**Proposed**

RISK FACTORS

Distribution Books Closure Date”). As such, in the event that Entitled Shareholders do not or are not able to accept all of their provisional allotment of Rights Shares, and if the Proposed Distribution is effected, the number of Xinghua Shares which the Shareholders would have been entitled to receive will be fewer than that had they accepted their provisional allotment of Rights Shares.

For illustrative purpose and based on an Entitled Shareholder who holds 1,000 Shares as at the Books Closure Date and the indicative basis of one (1) Xinghua Share for every two (2) Shares held by the Shareholders as at the Proposed Distribution Books Closure Date, if the Proposed Distribution is effected, the Entitled Shareholder who accepts all of his provisional allotment of Rights Shares would hold 1,250 Shares as at the Proposed Distribution Books Closure Date, and consequently be entitled to receive 625 Xinghua Shares under the Proposed Distribution. On the other hand, in the event that the Entitled Shareholder does not or is not able to accept all of his provisional allotment of Rights Shares, he would hold 1,000 Shares as at the Proposed Distribution Books Closure Date, and consequently be entitled to receive 500 Xinghua Shares under the Proposed Distribution.

Shareholders should take note that the basis of the Proposed Distribution used in the illustration above is indicative only and may be subject to change as determined by the Directors, in their absolute discretion, at a later date.

The Rights Issue may cause the price of the Shares to immediately decrease, and this decrease may continue

The Issue Price is not an indication of the underlying value of the Company's Shares. The Issue Price represents a discount of approximately (a) 41.1% to the closing price of S\$0.73 per Share on the SGX-ST on 2 May 2017, being the last Market Day on which the Shares were traded preceding the date of the Proposed Transactions Announcement, and (b) 33.6% to the theoretical ex-Rights trading price of S\$0.65 per Share, calculated based on the closing price of S\$0.73 per Share on the SGX-ST on 2 May 2017 and assuming that the maximum number of Rights Shares are issued under the Maximum Subscription Scenario pursuant to the Rights Issue. The discount of the Rights Shares, along with the number of Rights Shares, may result in an immediate decrease in the market value of the Shares. The Issue Price does not bear a direct relationship to the book value of the Group's assets, past operations, cash flow, earnings, financial condition or other established criteria for value. Hence, the Issue Price is not an indication of any underlying value of Shares or of the future performance of the Company or the trading price of the Shares. This decrease in market value may continue after the completion of the Rights Issue.

No assurance that an active market for the Shares will develop after the Rights Issue and/or after the Proposed Transactions

There is also no assurance that the market price for the Rights Shares will not decline below the Issue Price after the Rights Issue. Volatility in the trading price of the Shares may be caused by factors outside the Group's control and may be unrelated to its operating results. Shareholders should note that the Shares trade in board lots of 100 Shares. Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares and who wish to trade in odd lots should note that there is no assurance that they will be able to acquire such number of Rights Shares to make up one board lot of 100 Rights Shares or to dispose of their odd lots (whether in part or whole). Further, Entitled Shareholders who hold odd lots of less than 100 Rights Shares may experience difficulty and/or have to bear disproportionate transaction costs in disposing of odd lots of their Rights Shares.

RISK FACTORS

In addition, there is also no assurance that the market price for the Shares will not decline after the completion of the Proposed Transactions.

Negative publicity may adversely affect the price of the Shares

Any negative publicity or announcement, whether justifiable or not, relating to the Group may adversely affect the Group's share price.

The Undertaking Shareholders and their associates have majority control over the Group, which will allow them to influence the outcome of matters requiring Shareholders' approval

As at the Latest Practicable Date, the Undertaking Shareholders and their associates, through their respective direct and deemed interests, have effective control of more than 50.0% of the Company's share capital. Except where the Undertaking Shareholders and their associates are required by the rules of the Listing Manual to abstain from voting, they will be able to exercise significant influence over all matters requiring the approval of Shareholders, including the election of directors and the approval of significant corporate transactions. Further, the Undertaking Shareholders and their associates will also have power to veto any action or approval of Shareholders which require a majority vote.

The Group may not be able to pay dividends in the future

The Group's ability to declare dividends in relation to the Shares will depend on, inter alia, its operating results, financial condition, other cash requirements including capital expenditure, the terms of borrowing arrangements and other contractual restrictions. These are in turn dependent on the successful implementation of the Group's strategy and financial, regulatory and general economic conditions as well as other factors that may be specific to the Group or specific to the industry, many of which are beyond the Group's control. There is no assurance that the Group will pay dividends on the Shares in the future.

The Group is unable to assure that its share price will not be subject to significant fluctuation

The global financial markets have experienced significant price and volume fluctuations and market prices of shares may continue to be volatile. Volatility in the price of the Shares may be caused by factors outside the Group's control and may be unrelated or disproportionate to the Group's operating results. Examples of such factors include but are not limited to:

- (a) changes in securities analysts' estimates of the Group's financial performance;
- (b) developments affecting the Group, its customers or competitors;
- (c) fluctuations in stock market prices and volume;
- (d) changes in general economic, financial, equity and credit market conditions;
- (e) negative publicity involving the Group or any directors or executive officers of the Group; and
- (f) other events or factors described in this Offer Information Statement.

Any of these events may adversely affect the price of the Shares, including the Rights Shares, during and after the Rights Issue.

RISK FACTORS

A fall in the price of the Shares could have a material adverse impact on the value of the Rights Shares. The Group cannot assure investors that they will be able to sell the Rights Shares at a price equal to or greater than the Issue Price. Accordingly, holders of the Shares who are existing Shareholders or have acquired Rights in the secondary market and/or subscribed for Rights Shares, whether existing Shareholders or not, may suffer a loss.

Liquidity of the Shares

Generally, the liquidity of the Shares is dependent on, *inter alia*, 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 traded on the SGX-ST may not change or decline after the Rights Issue.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART II (IDENTITY OF DIRECTORS, ADVISERS AND AGENTS)

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.
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Name	Designation	Address
Mr Ch'ng Jit Koon	Chairman & Independent Director	c/o 7 Temasek Boulevard, #16-01 Suntec Tower One, Singapore 038987
Mr Patrick Ng Bee Soon	Deputy Chairman	c/o 7 Temasek Boulevard, #16-01 Suntec Tower One, Singapore 038987
Ms Ng Bee Bee	Chief Executive Officer	c/o 7 Temasek Boulevard, #16-01 Suntec Tower One, Singapore 038987
Ms Jane Kimberly Ng Bee Kiok	Executive Director	c/o 7 Temasek Boulevard, #16-01 Suntec Tower One, Singapore 038987
Mr Cecil Vivian Richard Wong	Independent Director	c/o 7 Temasek Boulevard, #16-01 Suntec Tower One, Singapore 038987
Mr Lee Cheong Seng	Independent Director	c/o 7 Temasek Boulevard, #16-01 Suntec Tower One, Singapore 038987
Mr Phua Bah Lee	Independent Director	c/o 7 Temasek Boulevard, #16-01 Suntec Tower One, Singapore 038987
Mr Tay Siew Choon	Independent Director	c/o 7 Temasek Boulevard, #16-01 Suntec Tower One, Singapore 038987

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

2. Provide the names and addresses of –

- (a) the issue manager to the offer, if any;
- (b) the underwriter to the offer, if any; and
- (c) the legal adviser for or in relation to the offer, if any.

Manager to the Rights Issue : **CIMB Bank Berhad, Singapore Branch**
50 Raffles Place
#09-01 Singapore Land Tower
Singapore 048623

Legal Adviser to the Company in relation to the Rights Issue : **Dentons Rodyk & Davidson LLP**
80 Raffles Place
#33-00 UOB Plaza 1
Singapore 048624

3. Provide the names and addresses of the registrars, transfer agents and receiving bankers for the securities being offered, where applicable.

Share Registrar and Transfer Agent : **Boardroom Corporate & Advisory Services Pte. Ltd.**
50 Raffles Place,
#32-01, Singapore Land Tower,
Singapore 048623

Receiving Banker : **CIMB Bank Berhad, Singapore Branch**
50 Raffles Place
#09-01 Singapore Land Tower
Singapore 048623

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART III (OFFER STATISTICS AND TIMETABLE)

1. For each method of offer, the number of securities being offered.

Method of offer : Renounceable non-underwritten rights issue with a maximum of 141,555,538 Rights Shares to be issued (assuming the Maximum Subscription Scenario) and a minimum of 96,619,314 Rights Shares (assuming the Minimum Subscription Scenario) to be issued by the Company at an Issue Price of S\$0.43 per 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.

Please refer to Part X (Additional Information Required for Offer of Securities by Way of Rights Issue) of this Offer Information Statement for more details.

Number of Rights Shares : Based on the Maximum Subscription Scenario, 141,555,538 Rights Shares are expected to be issued pursuant to the Rights Issue.

Based on the Minimum Subscription Scenario, 96,619,314 Rights Shares are expected to be issued pursuant to the Rights Issue.

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 see paragraphs 3 to 7 below.

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 unknown on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Offer period : Please refer to the section entitled “Indicative Timetable of Key Events” on page 21 of this Offer Information Statement for information in relation to the offer period.

Circumstances under which the offer period may be modified : As at the Latest Practicable Date, the Company does not expect the timetable under the section entitled “Indicative Timetable of Key Events” on page 21 of this Offer Information Statement to be modified. However, the Company may, upon consultation with the Manager, and (if necessary) with the approval of the SGX-ST and CDP, modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST’s website at <http://www.sgx.com>.

Name and address of person to whom purchase or subscription to applications are to be submitted : Please refer to Appendices A to E of this Offer Information Statement, and the PAL, the ARE and the ARS for details of the procedures for and the terms and conditions applicable to, acceptance of and/or Excess Applications for, and payment for the Rights Shares, including the names and addresses of the persons to whom the acceptance, application (if any) and payment are to be submitted.

Acceptances should be made in the manner set out in this Offer Information Statement, as well as the PAL, the ARE or the ARS to the persons named therein to the following address:

- (a) in the case of Entitled Depositors, by hand to **PAN-UNITED CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED at 9 NORTH BUONA VISTA DRIVE #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588** or by post in the self-addressed envelope provided, at the sender’s own risk, to **PAN-UNITED CORPORATION LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**; and
- (b) in the case of Entitled Scripholders, by post in the self-addressed envelope provided, at the sender’s own risk, to **PAN-UNITED CORPORATION LTD. C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. AT 50 RAFFLES PLACE, #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623**

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.
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Applicable procedures for making payment

The Rights Shares and Excess Rights Shares are payable in full upon acceptance and/or application. All payments for Rights Shares and Excess Rights Shares must be made either:

- (a) by way of Electronic Applications in the case of Entitled Depositors or the Purchasers; or
- (b) if the acceptance for Rights Shares and/or application for Excess Rights Shares, as the case may be, is made by sending the relevant completed ARE or ARS to CDP, then remittance must be attached to the duly completed and signed ARE or ARS, as the case may be, in Singapore currency in the form of a cashier's order or banker's draft drawn on a bank in Singapore for the full amount payable to "**CDP – PANUNITED RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**". The applicant's name and Securities Account number must be clearly written in block letters on the reverse side of the cashier's order or banker's draft; or
- (c) if the acceptance for Rights Shares and/or application for Excess Rights Shares is made by sending the duly completed PAL to the Share Registrar, payment for the full amount due on acceptance and/or application 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 "**PAN-UNITED CORPORATION LTD. – RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or accepting party clearly written in block letters on the reverse side of the remittance. The completed PAL and form of payment should be addressed and forwarded, at the sender's own risk, to **PAN-UNITED CORPORATION LTD. C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. AT 50 RAFFLES PLACE, #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623.**

The detailed procedures for, the terms and conditions applicable to, acceptances, splitting, renunciation and/or sales of the provisional allotments of the Rights Shares and for the application for Excess Rights Shares, including the different modes of acceptances or application and payment are contained in Appendices A to E of this Offer Information Statement and in the PAL, the ARE and the ARS.

Time for payment

The last date and time for acceptances of the Rights Shares and/or application for Excess Rights Shares and payment for Rights Shares and/or Excess Rights Shares is on **12 July 2017** at **5.00 p.m.** through CDP or through the Share Registrar (as the case may be) or, in the case of acceptances for Rights Shares and/or application for Excess Applications and payment through an ATM of a Participating Bank, on **12 July 2017** at **9.30 p.m.**

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

5. State where applicable, the methods and time limits for:

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

The Rights Shares will be provisionally allotted to Entitled Shareholders on or about 27 June 2017 by crediting the provisional allotments of Rights Shares into the Securities Accounts of the respective Entitled Depositors or through despatch of PALs to Entitled Scripholders.

In the case of Entitled Scripholders and their renounees with valid acceptances and successful applications of 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 certificates representing such number of Rights Shares will be sent by registered post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days from the Closing Date.

In the case of Entitled Depositors and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the PAL) with valid acceptances and successful applications of Excess Rights Shares and who have furnished valid Securities Account numbers in the relevant form(s), share certificate(s) representing such number of Rights Shares will be sent to CDP within ten (10) Market Days from the Closing Date and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. It is expected that CDP will then send a notification letter to the relevant subscribers, at the subscribers' own risk, stating the number of Rights Shares that have been credited to their Securities Account.

Please refer to Appendices A to E of this Offer Information Statement and the PAL, the ARE and the ARS for further details.

6. In the case of any pre-emptive rights to subscribe for or purchase the securities 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.

Not applicable. None of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

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

Results of Rights Issue

The Company will publicly announce, *inter alia*, the results of the allotment or allocation of the Rights Shares, as soon as practicable after the Closing Date, via a SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

Manner of refund

If any acceptance of Rights Shares is invalid and/or if no Excess Rights Shares are allotted to Entitled Depositors or if the number of Excess Rights Shares allotted to them is less than that applied for, the amount paid on acceptance, application and/or the surplus application monies, as the case may be, will be returned or refunded by CDP, on behalf of the Company, to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date by any one or a combination of the following:

- (a) by crediting their bank accounts with the relevant Participating Banks at their own risk (if they accept and (if applicable) apply by way of an Electronic Application), the receipt by such bank being a good discharge to the Company, CDP and the Manager of their obligations, if any, thereunder; or
- (b) by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses as maintained with CDP, or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they accept and (if applicable) apply through CDP).

If any acceptance of Rights Shares is invalid and/or 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, it is expected that the amount paid on acceptance, application and/or the surplus application monies, as the case may be, will be returned or refunded to such Entitled Scripholders by the Company without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date, by means of a crossed cheque drawn on a bank in Singapore and sent to them at their mailing addresses as maintained with the Share Registrar by ordinary post and at their own risk.

Please also refer to Appendices A to E of this Offer Information Statement for further details on the refunding of excess amounts paid by applicants.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART IV (KEY INFORMATION)

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

Please see paragraphs 2 to 7 below.

2. **Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as 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.**
-

In the Maximum Subscription Scenario, the estimated Net Proceeds from the Rights Issue (after deducting estimated costs and expenses in connection with the Rights Issue of approximately S\$0.5 million) are expected to be approximately S\$60.4 million.

In the Minimum Subscription Scenario, the estimated Net Proceeds from the Rights Issue (after deducting estimated costs and expenses in connection with the Rights Issue of approximately S\$0.5 million) are expected to be approximately S\$41.0 million.

The above estimated net proceeds for the Minimum Subscription Scenario and Maximum Subscription Scenario shall be referred to as “**Net Proceeds**” as applicable.

All Net Proceeds from the Rights Issue will be received by the Company for allocation to the principal intended uses as set out in paragraph 3 of Part IV (Key Information) of this Offer Information Statement.

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.**
-

The Company intends to utilise the entire amount of the Net Proceeds under the Minimum Subscription Scenario or Maximum Subscription Scenario to partially retire the Company’s external debt primarily incurred in connection with the 2013 SCD Acquisition.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

As and when any significant amount of the proceeds is disbursed or deployed, the Company will make the necessary announcements on SGXNET and subsequently provide a status report on the use of such proceeds in its annual report.

Pending the deployment of the Net Proceeds for the use mentioned above, the Net Proceeds may be placed as deposits with financial institutions or invested in short-term money market or debt instruments or for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interest of the Group.

The Directors are of the opinion that there is no minimum amount which must be raised from the Rights Issue beyond the amount which will be raised pursuant to the Irrevocable Undertakings by the Undertaking Shareholders and taking into consideration the intended use of Net Proceeds as disclosed above.

-
- 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.**
-

As the final proceeds from the Rights Issue cannot be determined as at the Latest Practicable Date, please find below the breakdown based on the gross proceeds in the event of (a) the Minimum Subscription Scenario; and (b) the Maximum Subscription Scenario:

Use of gross proceeds from the Rights Issue	Assuming Minimum Subscription Scenario		Assuming Maximum Subscription Scenario	
	Estimated amount (\$ million)	Per S\$ of gross proceeds	Estimated amount (\$ million)	Per S\$ of gross proceeds
To partially retire the Company's external debt that was primarily incurred in connection with the 2013 SCD Acquisition	41.0	0.99	60.4	0.99
Estimated expenses incurred in connection with the Rights Issue	0.5	0.01	0.5	0.01
Total	41.5	1.00	60.9	1.00

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

5. **If any 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 other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset 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.**

Not applicable. As at the Latest Practicable Date, the Company has no intention to use the Net Proceeds to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

6. **If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**

Not applicable. As at the Latest Practicable Date, the Company has no intention to use the Net Proceeds to finance or refinance the acquisition of another business.

7. **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.**

The Company will use the entire Net Proceeds from the Rights Issue to partially retire the Company's external debt.

There is currently an outstanding external loan in the amount of approximately S\$80.0 million taken up by the Company to finance the 2013 SCD Acquisition. The 2013 SCD Acquisition was made through Xinghua and the Company had extended an inter-company loan totaling approximately S\$102.0 million to Xinghua to complete the 2013 SCD Acquisition. It is envisaged that the S\$102.0 million inter-company loan between the Company and Xinghua will be fully capitalised into share capital and all other inter-company loans between the Company and Xinghua and its subsidiaries will be repaid before the Proposed Distribution.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

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

Not applicable.

9. 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);

Registered office address and principal place of business	:	7 Temasek Boulevard #16-01 Suntec Tower One Singapore 038987
Telephone number	:	+65 6305 7373
Facsimile number	:	+65 6305 7345

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

The Company was incorporated under the laws of Singapore on 31 December 1991. On 22 December 1993, the Company was admitted to the Official List of the SGX-ST.

The principal activity of the Company is that of an investment holding company. The Group has two (2) core business divisions namely, (i) the C&C Business and (ii) the Ports Business. Xinghua is the holding company of the Group's Ports Business.

The Group's C&C Business is principally engaged in the supply of RMC and cement in Singapore. It also produces and supplies basic building resources, which include concrete, cement, aggregate products, as well as refined petroleum products, to support major public infrastructure and private sector projects in Southeast Asia.

The Ports Business consists of CXP and CCIP, which are both located in Changshu, on the Changjiang River Delta. Both ports are multi-purpose ports.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Information on the Group's subsidiaries

Further information on the principal activities of the subsidiaries of the Group as at the Latest Practicable Date are set out as follows:

Name of subsidiary	Country of incorporation and principal place of business	Principal activities	Effective interest held by the Company (%)
Held by the Company			
Pan-United Industries Pte. Ltd.	Singapore	Trading and supply of refined petroleum products, ready mixed concrete and granite aggregate	100
Xinghua Port Holdings Pte. Ltd. (formerly known as Pan-United Infrastructure Pte. Ltd.)	Singapore	Investment holding	100
PanU Harmony Pte. Ltd.	Singapore	Provision of shipping services	100
United Bulk Shipping Pte. Ltd.	Singapore	Provision of shipping services	51
Pan-United Investments Pte. Ltd.	Singapore	Investment holding	100
Held directly or indirectly through Pan-United Industries Pte. Ltd.			
Pan-United Concrete Pte. Ltd.	Singapore	Manufacture and supply of ready mixed concrete and related products	100
United Cement Pte. Ltd.	Singapore	Cement silo operator and cement trading and distribution	100
Pan-United Asphalt Pte. Ltd.	Singapore	Production of asphalt, building and repairing of roadways	100
Pan-United International Pte. Ltd.	Singapore	Investment holding	100
Pan-United Resources Pte. Ltd.	Singapore	Investment holding and general trading	100
Pan-United Bulk Trade (2010) Pte. Ltd.	Singapore	Investment holding and general trading	100
Resources Development (2010) Pte. Ltd.	Singapore	Investment holding and general trading	100

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Name of subsidiary	Country of incorporation and principal place of business	Principal activities	Effective interest held by the Company (%)
Cresco Development Pte. Ltd.	Singapore	Investment holding and general trading	100
Salvus Development Pte. Ltd.	Singapore	Investment holding and general trading	100
Raffles Cement Pte. Ltd. ⁽¹⁾	Singapore	Cement silo operator, cement trading and distribution	49
Raffles Concrete Pte. Ltd.	Singapore	Manufacture and supply of ready mixed concrete and related products	100
PT. Pan-United Concrete	Indonesia	Investment holding and general trading	100
Fortis Star Sdn. Bhd.	Malaysia	General exploration and trading of basic building materials	100
Meridian Maplestar Sdn. Bhd.	Malaysia	General exploration and trading of basic building materials	100
Blue Star Services Sdn. Bhd.	Malaysia	Quarry operator	100
PT. Pacific Granitama ⁽¹⁾	Indonesia	Quarry operator	49
Fico Pan-United Concrete Joint Stock Company	Vietnam	Manufacture and supply of ready mixed concrete and related products	55
Held directly or indirectly through Xinghua			
Singapore Changshu Development Company Pte Ltd	Singapore	Investment holding	90
Changshu Xinghua Port Co., Ltd.	PRC	Operation of a port and related services	86
Changshu Changjiang International Port Co., Ltd.	PRC	Operation of a port and related services	77

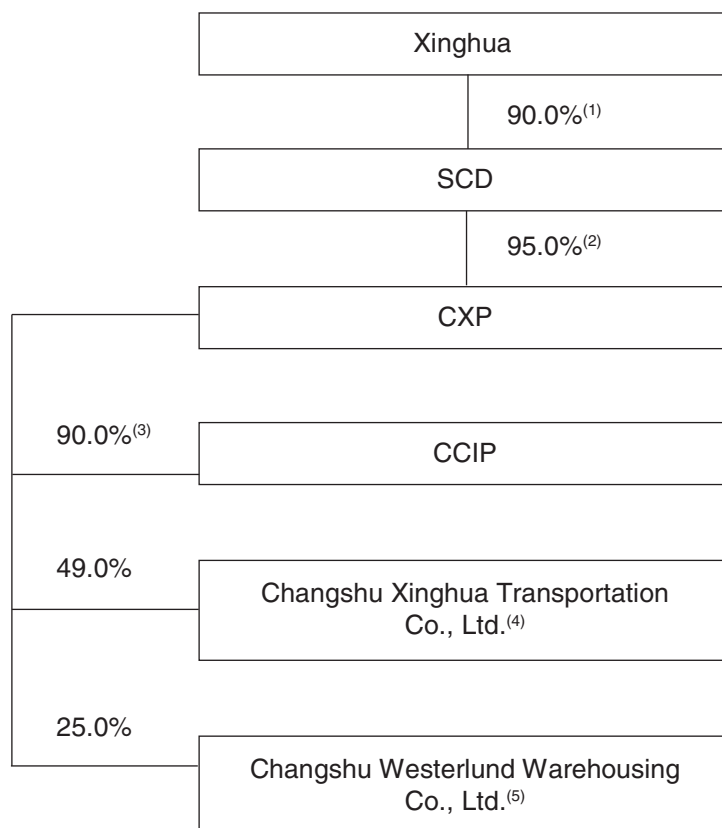
Note:

- (1) Although the Group owns less than half of the voting power of the entity, Management has determined that it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consequently, the Group consolidates this investment as a subsidiary of the Group.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Information on the Ports Business

The corporate structure of the Proposed Xinghua Group and its associate companies immediately prior to the completion of the Proposed De-merger is as follows:



Notes:

- (1) The remaining 10.0% of the issued and paid-up share capital of SCD is held by Petroships.
- (2) The remaining 5.0% of the issued and paid-up share capital of CXP is held by Jiangsu Changshu Economic Development Group.
- (3) The remaining 10.0% of the issued and paid-up share capital of CCIP is held by CBUC.
- (4) Changshu Xinghua Transportation Co., Ltd. is currently a dormant company.
- (5) The principal activity of Changshu Westerlund Warehousing Co., Ltd. is the provision of services to receive, warehouse and distribute forestry products and other related products.

As announced in the Proposed Transactions Announcement, the Company will be undertaking a Proposed Restructuring pursuant to which SCD will become a direct wholly-owned subsidiary of Xinghua.

Xinghua operates and manages two (2) adjacent river ports (“**Ports**”) operated through the Company’s indirect subsidiaries, CXP and CCIP.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

The Ports serve as a transiting base for import and export of cargoes in the eastern and central parts of the PRC. For FY2014, FY2015 and FY2016, Xinghua's unaudited revenue was approximately S\$80.9 million, S\$96.2 million and S\$91.9 million respectively, and the unaudited profit attributable to the equity holders of Xinghua was approximately S\$12.6 million, S\$16.4 million and S\$16.5 million, respectively.

The Ports are located in Changshu in Jiangsu province along the Southern bank of the Changjiang River in the PRC. They occupy a strategic location on the Changjiang River Delta and are direct entry points to the PRC from various points of the world. The Ports are located approximately 90 km west from Shanghai, approximately 40 km north of Suzhou and approximately five (5) km from the Sutong Changjiang Bridge, linking the northern and southern regions of Jiangsu province. The Ports' hinterland stretches across eastern and central PRC, which mainly includes the Shanghai municipality and Jiangsu, Anhui and Zhejiang provinces.

As at the Latest Practicable Date, the Ports have a combined land area of approximately 1,360,307 m², an aggregate of 16 multi-purpose berths, 18 shore cranes, two (2) quay cranes and warehouses with a combined area of approximately 181,000 m².

Leveraging on the Ports' natural deep-water capacity and existing facilities and equipment, the Ports are able to accommodate international ocean-going vessels. The Ports' multi-purpose berths also provide the Proposed Xinghua Group with the flexibility to handle different types of cargoes.

The Ports are connected or in proximity to a well-developed transportation system consisting of highways, waterways and airports. The Ports' facilities are connected to the national highway network. The Ports also have access to regional watercourse routes connecting them and other ports along the Changjiang River. The Ports are located approximately 90 km west from Shanghai where the Shanghai Pudong International Airport and the Shanghai Hongqiao International Airport, being two (2) key aviation hubs of the PRC, are located.

The Proposed Xinghua Group provides a range of port and logistics services such as stevedoring, warehousing, weighing, moving and loading services, transshipment services, repackaging, logistics distribution, freight forwarding and transportation. The Proposed Xinghua Group intends to further enhance its port-based value-added services to meet customer needs in port-related business activities with the goal of improving its customers' logistics efficiency.

The Proposed Xinghua Group has established long-term business and strategic relationships with its major customers, including international shipping companies, cargo owners and logistics companies. These cooperative relationships have played an important role in enabling the Proposed Xinghua Group to maintain and increase its throughput. The Proposed Xinghua Group will continue to explore strategic opportunities and seek to strengthen its cooperative relationships with key customers and partners.

The Proposed Xinghua Group handles a range of cargoes, including pulp and paper, steel cargoes, logs, project equipment and containers for a broad customer base. Different types of cargoes are exposed to variable economic and trade cycles. The Proposed Xinghua Group's cargo mix and broad customer base allow it to better counter fluctuations in demand for different cargo types and the cyclical changes in various sectors of the economy.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

In addition, the Ports are deep-water ports. The ease of access to the jetty on the Ports, due to the deep-water approach channels leading to the jetty, saves time and costs for vessels, as they can take the most direct route to the jetty. Leveraging the Ports' deep-water capacity and strategic location in the waterway transportation network, the Proposed Xinghua Group has been developing transshipment services for cargoes drawn from ports along the Changjiang River. In addition, by taking advantage of the networks of regional highways and waterways in the Changshu, Jiangsu province in the PRC, the Proposed Xinghua Group strives towards being a hub where it provides logistics solutions through third-party service providers and offers complementary services.

The Proposed Xinghua Group's senior management team has an average of approximately 15 years of service and track record in port operation and management. The Proposed Xinghua Group recognises that its business is dependent on its people providing services to its customers. Therefore, it is committed to recruiting or retaining management talent and training its staff to support its future growth.

The unaudited consolidated management financial statements of the Proposed Xinghua Group for FY2014, FY2015 and FY2016 are set out below for illustration purposes.

Unaudited Consolidated Income Statements of Xinghua

	FY2014	FY2015	FY2016
	S\$'000	S\$'000	S\$'000
Revenue	80,939	96,195	91,935
Other income	196	199	458
Subcontract costs and other direct costs	(23,319)	(28,473)	(27,174)
Staff costs	(9,528)	(9,721)	(9,599)
Depreciation of property, plant and equipment	(9,036)	(10,676)	(10,166)
Other expenses	(11,045)	(12,038)	(13,187)
Finance costs	(11,567)	(11,887)	(8,805)
Share of results of associates	2,317	2,685	2,563
Profit before tax	18,957	26,284	26,025
Income tax expense	(3,926)	(6,911)	(6,486)
Profit for the year	15,031	19,373	19,539
Attributable to			
Equity holder of the company	12,581	16,369	16,467
Non-controlling interests	2,450	3,004	3,072
	15,031	19,373	19,539

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Unaudited Consolidated Statements of Comprehensive Income of Xinghua

	FY2014	FY2015	FY2016
	S\$'000	S\$'000	S\$'000
Profit for the year	15,031	19,373	19,539
Other comprehensive income			
Foreign currency translation	1,683	3,822	(6,570)
Other comprehensive income for the year, net of tax	1,683	3,822	(6,570)
Total comprehensive income for the year	16,714	23,195	12,969
Attributable to			
Equity holder of the company	13,710	19,715	11,010
Non-controlling interests	3,004	3,480	1,959
Total comprehensive income for the year	16,714	23,195	12,969

Unaudited Consolidated Balance Sheets of Xinghua

	FY2014	FY2015	FY2016
	S\$'000	S\$'000	S\$'000
Non-current assets			
Property, plant and equipment	293,189	297,360	279,940
Investments in associates	5,254	5,761	5,607
Goodwill	21,629	23,228	22,162
Deferred tax assets	1,053	833	449
	321,125	327,182	308,158
Current assets			
Trade receivables	23,705	23,752	22,223
Other receivables	2,255	1,414	2,026
Prepayments	632	688	812
Inventories	278	249	195
Cash and short-term deposits	11,492	4,400	13,411
	38,362	30,503	38,667
Current liabilities			
Loans and borrowings	23,273	11,472	14,248
Payables and accruals	45,619	35,326	32,775
Deferred income	183	187	178
Income tax payable	1,051	846	1,197
	70,126	47,831	48,398
Net current liabilities	(31,764)	(17,328)	(9,731)

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

	FY2014	FY2015	FY2016
	S\$'000	S\$'000	S\$'000
Non-current liabilities			
Loans and borrowings	167,495	162,274	137,462
Advance from ultimate holding company	101,602	103,360	103,162
Deferred income	1,299	1,133	893
Deferred tax liabilities	2,255	3,182	4,036
	<u>272,651</u>	<u>269,949</u>	<u>245,553</u>
Net assets	<u>16,710</u>	<u>39,905</u>	<u>52,874</u>
Equity attributable to equity holder of the Company			
Share Capital	—*	—*	—*
Reserves	(7,440)	12,275	23,285
Non-controlling interests	<u>24,150</u>	<u>27,630</u>	<u>29,589</u>
Total equity	<u>16,710</u>	<u>39,905</u>	<u>52,874</u>

* Represents S\$2.00

Unaudited Consolidated Cash Flow Statements of Xinghua

	FY2014	FY2015	FY2016
	S\$'000	S\$'000	S\$'000
Cash flows from operating activities			
Profit before tax	18,957	26,284	26,025
Adjustments for:			
Depreciation of property, plant and equipment	9,036	10,676	10,166
Interest income	(218)	(131)	(114)
Interest expense	11,560	11,859	8,798
Loss on disposal of property, plant and equipment	87	3	83
Write-off of property, plant and equipment	—	58	18
Share of results of associates	(2,317)	(2,685)	(2,563)
Foreign exchange differences	(1,560)	(491)	378
Operating cash flows before changes in working capital	<u>35,545</u>	<u>45,573</u>	<u>42,791</u>
(Increase)/decrease in trade receivables	(3,051)	(47)	1,529
(Increase)/decrease in other receivables	(541)	841	(612)
Increase in prepayments	(160)	(56)	(124)
(Increase)/decrease in inventories	(5)	29	54
Decrease in deferred income	(161)	(162)	(249)
Decrease in payables and accruals	(6,380)	(10,293)	(2,551)
Cash flows from operations	<u>25,247</u>	<u>35,885</u>	<u>40,838</u>
Interest paid	(11,560)	(11,859)	(8,798)
Income tax paid	(4,849)	(5,969)	(4,897)
Interest received	218	131	114
Net cash flows from operating activities	<u>9,056</u>	<u>18,188</u>	<u>27,257</u>

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Unaudited Consolidated Cash Flow Statements of Xinghua (continued)

	FY2014	FY2015	FY2016
	S\$'000	S\$'000	S\$'000
Cash flows from investing activities			
Purchase of property, plant and equipment	(1,553)	(8,056)	(6,597)
Net cash outflow on acquisition of a subsidiary	(47,364)	–	–
Proceeds from disposal of property, plant and equipment	88	2	217
Dividend income from an associate	2,194	2,310	2,486
Net cash flows used in investing activities	(46,635)	(5,744)	(3,894)
Cash flows from financing activities			
Proceeds from loans and borrowings	21,789	116,644	–
Repayment of loans and borrowings	–	(138,204)	(13,971)
Dividends paid to non-controlling interests	(83)	–	–
Advance/(repayment of advance) from ultimate holding company	22	1,758	(198)
Net cash flows from/(used in) financing activities	21,728	(19,802)	(14,169)
Net (decrease)/increase in cash and cash equivalents	(15,851)	(7,358)	9,194
Cash and cash equivalents at beginning of year	26,830	11,492	4,400
Effects of exchange rate changes on cash and cash equivalents	513	266	(183)
Cash and cash equivalents at end of year	11,492	4,400	13,411

(c) the general development of the business from the beginning of the period comprising the 3 most recent 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 recent 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 significant developments in the business of the Group in chronological order since FY2014 are set out below. The significant developments described in this Section include matters extracted from the related announcements released by the Company via SGXNET and such information presented herein is correct as at the dates of the relevant announcements. Shareholders are advised to refer to the related announcements for further details.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

General Developments in FY2014

On 14 January 2014, the Company announced that its wholly-owned subsidiaries, P.U. Barge Pte. Ltd. and P.U. Success Pte. Ltd., which were dormant, had upon their respective applications, been struck-off from the Register of Companies of ACRA pursuant to Section 344 of the Companies Act.

On 19 February 2014, the Company announced that its subsidiary, CXP, had on 18 February 2014 entered into an agreement (the “**CCIP Agreement**”) with CBUC for the acquisition of 90% of the equity interest held by CBUC in CCIP. On 24 March 2014, the Company announced that the aforementioned acquisition had been completed and CCIP is now a subsidiary of the Group.

On 10 September 2014, the Company announced that its indirect wholly-owned subsidiary, Meridian Maplestar Sdn. Bhd. had acquired a 60-year leasehold industrial land in Johor Bahru, Malaysia from Johor Corporation.

In FY2014, the Company announced the exercise of an aggregate of 2,782,500 options granted under the Scheme, at an exercise price of S\$0.58 per option. In connection with the exercise of the options, an aggregate of 681,000 treasury shares were transferred pursuant to the Scheme and an aggregate of 2,101,500 new shares were issued and allotted pursuant to the Scheme.

General Developments in FY2015

On 1 July 2015, the Company announced that the Group’s 80% owned subsidiary, Priscojaya Sdn. Bhd., had been liquidated pursuant to members’ voluntary liquidation.

On 27 November 2015, the Company announced that its indirect wholly-owned subsidiary, Resources Development (2010) Pte. Ltd., had sold its entire shareholding in Batubara Development Pte. Ltd. comprising two (2) issued and fully paid up ordinary shares to Borneo Resources International Pte. Ltd. for a total cash consideration of S\$2.00.

In FY2015, the Company announced the exercise of an aggregate of 118,000 options granted under the Scheme, at an exercise price of S\$0.55 per option. In connection with the exercise of the options, an aggregate of 118,000 treasury shares were transferred pursuant to the Scheme.

General Developments in FY2016

On 4 October 2016, the Company announced that it had entered into a sale and purchase agreement with Sedgefield Corporation Pte. Ltd. (“**Sedgefield Agreement**”) for the disposal by the Company of the entire issued and paid-up share capital of its wholly-owned subsidiaries, Pan-United Shipping Pte Ltd and P.U. Vision Pte Ltd (the “**Disposal of Tug and Barge Business**”). On 7 December 2016, the Company announced the completion of the Disposal of Tug and Barge Business.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

General Developments between 1 January 2017 and the Latest Practicable Date

On 10 April 2017, the Company announced that the Company's 100% owned subsidiary, Tinggi Shipping Pte Ltd, had been struck off from the Register of Companies.

On 3 May 2017, the Company announced that it intends to undertake the Proposed Transactions which comprise, *inter alia*, the Rights Issue and the Proposed De-merger Transactions.

Please refer to the Proposed Transactions Announcement and the section entitled "Risk Factors" of this Offer Information Statement for further details. Shareholders should also take note of the cautionary statement set out in the Proposed Transactions Announcement.

As highlighted in the Proposed Transactions Announcement, **the Company reserves the right NOT to complete the Proposed De-merger Transactions if after assessing various factors, including the prevailing general economic and capital market conditions, the Company does not consider the Proposed De-merger Transactions to be in the best interests of the Company and/or if the requisite approvals required for the Proposed De-merger Transactions have not been or cannot practicably be obtained. However, the Rights Issue is NOT inter-conditional upon the Proposed De-merger Transactions.**

Please refer to the Proposed Transactions Announcement and the section entitled "Risk Factors" for further details. Shareholders should also take note of the cautionary statement set out in the Proposed Transactions Announcement.

As at the Latest Practicable Date, Xinghua has appointed the relevant professional parties and the requisite due diligence and preparation of the listing document to be issued by Xinghua in connection with the Proposed Listing is in progress. The Company will make the announcement to update the Shareholders as and when an application has been submitted to SEHK in connection with the Proposed Listing.

On 2 June 2017, the Company announced that its wholly-owned indirect subsidiary, Resources Development (2010) Pte. Ltd., has transferred 63,367,647 shares in PT Pacific Granitama ("**PTPG**"), representing approximately 31% of the total issued and paid-up capital stock of PTPG, to PT Sandico Synergy Resources, its existing joint venture partner in PTPG.

From 1 January 2017 up to the Latest Practicable Date, the Company announced the exercise of an aggregate of 931,000 options granted under the Scheme, at an exercise price of S\$0.61 per option. In connection with the exercise of the options, an aggregate of 931,000 treasury shares were transferred pursuant to the Scheme.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

(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 share capital and loan capital of the Company comprise:

Issued and paid-up share capital	:	92,052,384
Number of ordinary shares in issue (excluding treasury shares)	:	560,708,660
Number of treasury shares	:	1,110,000
Loan capital which have been issued and remain outstanding	:	Nil

(e) where –

- (i) the relevant entity is a corporation, state 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, state the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the Latest Practicable Date;

The Substantial Shareholders and their interests as at the Latest Practicable Date, as recorded in the Register of Substantial Shareholders kept by the Company under Section 88 of the Companies Act, are as follows:

Substantial Shareholders	Direct		Deemed	
	Number of Shares	% of total Shares ⁽¹⁾	Number of Shares	% of total Shares ⁽¹⁾
Ng Han Whatt ⁽²⁾	5,400,000	0.96	336,560,030	60.02
Ng Bee Bee ⁽²⁾	–	–	326,700,002	58.27
Jane Kimberly Ng Bee Kiok ⁽²⁾	–	–	327,047,602	58.33

Notes:

- (1) Based on the total number of issued Shares (excluding treasury shares) of 560,708,660 Shares as at Latest Practicable Date.
- (2) The deemed interests of Ng Han Whatt, Ng Bee Bee and Jane Kimberly Ng Bee Kiok include their shareholdings held as joint shareholders, the full shareholdings of BOS Trustee Limited (formerly known as OCBC Trustee Limited) held in nominees, and their shareholdings held by their nominees.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- (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 twelve (12) months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**
-

Save as disclosed in this Offer Information Statement and in all public announcements made by the Company via SGXNET, as at the date of lodgement of this Offer Information Statement, the Directors are not aware of any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the twelve (12) months preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group taken as a whole.

- (g) **where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the Latest Practicable Date:-**
- (i) **if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**
 - (ii) **if the securities 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 or equity interests;**
-

No other securities or equity interests have been issued for cash or services within the twelve (12) months immediately preceding the Latest Practicable Date.

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

A summary of the material contracts, not being contracts entered into in the ordinary course of business, entered into by the Company or its subsidiaries during the two (2) years immediately preceding the date of lodgement of this Offer Information Statement is set out below:

- (a) the Sedgefield Agreement; and
- (b) the restructuring agreement entered into by Petroships, the Company and Xinghua on 7 June 2017 in relation to the Proposed Restructuring.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART V (OPERATING AND FINANCIAL REVIEW AND PROSPECTS)

1. Provide selected data from –
 - (a) the audited income statements of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statements of the relevant entity or the audited combined income statements 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 statements of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statements of the relevant entity or interim combined income statements of the group, for any subsequent period for which that statement has been published.

 2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statements, audited consolidated income statements, audited combined income statements, interim income statements, interim consolidated income statements or interim combined income statements, as the case may be, and in addition include the following items:
 - (a) dividends declared per share in both currency of the financial statements and the Singapore currency, including the formula used for any adjustments 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.
-

The audited consolidated income statements of the Group for FY2014, FY2015, FY2016 and the unaudited consolidated income statements of the Group for 1Q2016 and 1Q2017 are set out below:

Consolidated Income Statements of the Group

	← Audited →		← Unaudited →		
	FY2014 ⁽²⁾	FY2015	FY2016	1Q2016	1Q2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	763,197	803,708	704,256	178,514	153,231
Other income	3,515	4,481	4,837	1,327	782
Raw materials, subcontract costs and other direct costs	(593,027)	(646,043)	(546,464)	(141,939)	(118,212)
Staff costs	(38,156)	(36,124)	(41,086)	(9,448)	(9,523)
Depreciation expenses	(25,075)	(22,491)	(23,250)	(5,823)	(6,051)

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Consolidated Income Statements of the Group (continued)

	← Audited →			← Unaudited →	
	FY2014 ⁽²⁾	FY2015	FY2016	1Q2016	1Q2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Other expenses	(56,045)	(54,994)	(52,051)	(13,212)	(14,137)
Finance costs	(13,203)	(14,753)	(12,295)	(3,241)	(2,898)
Shares of results of associates	2,317	2,685	3,413	480	1,273
Profit before tax from continuing operations	43,523	36,469	37,360	6,658	4,465
Income tax expense	(7,727)	(7,714)	(8,635)	(1,719)	(520)
Profit from continuing operations, net of tax	35,796	28,755	28,725	4,939	3,945
Discontinued operations					
Loss from discontinued operations, net of tax	–	(3,849)	(10,309)	(1,798)	–
Profit for the year	35,796	24,906	18,416	3,141	3,945
Attributable to equity holders of the Company					
Profit from continuing operations, net of tax	32,403	24,160	24,108	3,841	3,126
Loss from discontinued operations, net of tax	–	(3,849)	(10,309)	(1,798)	–
Profit for the year/period attributable to equity holders of the Company	32,403	20,311	13,799	2,043	3,126
Non-controlling interest					
Profit from continuing operations, net of tax	3,393	4,595	4,617	1,098	819
	35,796	24,906	18,416	3,141	3,945

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

	← Audited →			← Unaudited →	
	FY2014 ⁽²⁾	FY2015	FY2016	1Q2016	1Q2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Earnings per share (cents) from continuing operations attributable to equity holders of the Company (cents per share)⁽¹⁾					
– Basic	5.8	4.3	4.3	0.7	0.6
– Diluted	5.8	4.3	4.3	0.7	0.6
Earnings per share before the Rights Issue (cents per share)⁽¹⁾					
– Basic	5.8	3.6	2.5	0.4	0.6
– Diluted	5.8	3.6	2.5	0.4	0.6
<u>Assuming Minimum Subscription Scenario</u>					
Earnings per share (cents) after adjusting for the Rights Issue					
– Basic	4.9	3.1	2.1	0.3	0.5
– Diluted	4.9	3.1	2.1	0.3	0.5
<u>Assuming Maximum Subscription Scenario</u>					
Earnings per share (cents) after adjusting for the Rights Issue					
– Basic	4.6	2.9	1.9	0.3	0.4
– Diluted	4.6	2.9	1.9	0.3	0.4

Notes:

(1) Calculated based on the weighted average number of shares of all the shares in FY2014, FY2015, FY2016, 1Q2016 and 1Q2017.

(2) FY2014 includes the Tug and Barge Business.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

3. In respect of –

- (a) each financial year (being one of the three (3) most recent 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 the relevant entity 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 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.

FY2015 vs FY2014

Group revenue rose year-on-year (“yoy”), driven primarily by higher sales volume of RMC and cement in the C&C Business, as well as strong cargo throughput growth in the Ports Business.

The C&C Business held up well in FY2015. Revenue grew 9% yoy and the business remained profitable despite the still keen pricing for projects in Singapore, and the strengthening of the US dollar against the Singapore dollar. The latter resulted in higher raw material costs for the C&C Business. The Group booked record volumes for RMC and cement sold, maintaining its market lead for these basic building materials in Singapore.

Despite the PRC’s slower economic growth, Xinghua and its subsidiaries reported improved earnings on a 13% rise in cargo throughput, mainly from steel cargoes, logs, pulp and paper and project equipment—a testament of the management’s ability to integrate the operations well. Both Ports saw cargo volume growth during the year and also added new customers, diversifying its cargo base further.

The higher operating overheads and depreciation were mainly attributable to CCIP as well as capacity expansions in the C&C Business operations in Singapore and Indonesia. The acquisition of CCIP on 24 March 2014 also resulted in higher interest expenses.

The Group reported a 30% yoy decline in its net profit after tax to S\$24.9 million.

FY2016 vs FY2015

On 7 December 2016, the Group completed the disposal of two wholly-owned subsidiaries, Pan-United Shipping Pte Ltd and P.U. Vision Pte Ltd (the “**Discontinued Business**”), for a consideration of S\$29.9 million.

From its continuing businesses, the Group reported revenue of S\$704.3 million for the full year ended 31 December 2016. This was 12% lower yoy, due to the drop of prices for RMC and cement in Singapore.

Revenue from the C&C Business fell 14% from S\$668.4 million in FY2015 to S\$577.6 million in FY2016, on the back of lower raw material prices which has weighed on selling prices for RMC and cement. According to the BCA, RMC prices registered a 16% drop over the 12-month period from December 2015 to December 2016.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

For the Ports Business, notwithstanding a tougher market, revenue remained stable due to management efforts to achieve higher cargo volumes. The business posted an overall growth of 6% in bulk cargo volumes in FY2016.

Finance costs came in 17% lower at S\$12.3 million as compared to S\$14.8 million a year ago, mainly due to cuts in China's the People's Bank of China interest rate in 2015 and the lower debt level of the Ports Business.

Taking into account the aforementioned, the Group reported a net profit after tax attributable to equity holders (from continuing businesses) of S\$24.1 million in FY2016.

The Discontinued Business registered a loss after tax attributable to equity holders of S\$10.3 million, compared to a loss of S\$3.8 million in FY2015.

1Q2017 (unaudited) vs 1Q2016 (unaudited)

Group revenue was 14% lower yoy at S\$153.2 million, mainly due to lower RMC and cement demand and selling prices in Singapore.

For the period of January to February 2017, the BCA reported a 12% and 30% yoy decline in the industry demand for RMC and cement respectively. The average prices of RMC and cement in the quarter, based on BCA's reports, fell by 10% and 13% respectively, compared to 1Q2016. However, higher sales volume in the Group's overseas RMC operations was achieved in the quarter.

In the Ports Business, cargo volumes handled in CXP and CCIP grew 6% yoy, which partly mitigated the lower revenue from the C&C Business.

The Group recorded lower profit after tax of S\$3.9 million.

-
- 4. Provide selected data from the balance sheets 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 recent completed financial year for which audited financial statements have been published; and**
 - (b) if interim financial statements have been published for any subsequent period, that period.**

 - 5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheets of the relevant entity or the group, as the case may be, and shall in addition include the following items:**
 - (a) number of shares after any adjustment to reflect the sale of new securities;**
 - (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.**
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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Consolidated Balance Sheets of the Group

	Audited FY2016 S\$'000	Unaudited 1Q2017 S\$'000
Non-current assets		
Vessels, property, plant and equipment	455,178	445,235
Associates	9,803	10,096
Other investments	996	814
Other receivables	933	815
Goodwill	24,507	23,974
Deferred tax assets	831	915
	<hr/>	<hr/>
	492,248	481,849
	<hr/>	<hr/>
Current assets		
Cash and short-term deposits	72,662	77,120
Trade and other receivables	146,252	130,547
Prepayments	3,322	3,883
Work-in-progress	382	62
Inventories	20,193	17,248
Derivatives	2,879	–
Other assets	1,577	949
	<hr/>	<hr/>
	247,267	229,809
	<hr/>	<hr/>
Current liabilities		
Loans and borrowings	52,381	45,016
Payables and accruals	109,215	96,373
Deferred Income	558	3,864
Provisions	1,983	1,947
Income tax payable	3,350	2,311
Derivatives	–	382
	<hr/>	<hr/>
	167,487	149,893
	<hr/>	<hr/>
Net current assets	79,780	79,916

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

	Audited FY2016 S\$'000	Unaudited 1Q2017 S\$'000
Non-current liabilities		
Loans and borrowings	245,936	240,554
Deferred tax liabilities	10,605	10,287
Deferred income	893	863
Other liabilities	580	560
Provisions	3,000	3,047
Derivatives	368	453
	<hr/> 261,382	<hr/> 255,764
Net assets	<hr/> 310,646	<hr/> 306,001
Equity attributable to equity holders of the Company		
Share capital	92,052	92,052
Treasury Shares	(1,759)	(1,381)
Reserves	183,394	178,370
	<hr/> 273,687	<hr/> 269,041
Non-controlling interest	36,959	36,960
Total equity	<hr/> 310,646	<hr/> 306,001
NAV before Rights Issue		
Number of shares ('000)	559,778	560,216
NAV per share (cents)	48.9	48.0
<u>Assuming Minimum Subscription Scenario</u>		
Number of Shares after Rights Issue ('000)	662,841	662,841
NAV after Rights Issue (S\$'000)	314,733	310,087
NAV per Share after Rights Issue (cents)	47.5	46.8
<u>Assuming Maximum Subscription Scenario</u>		
Number of Shares after Rights Issue ('000)	707,778	707,778
NAV after Rights Issue (S\$'000)	334,056	329,410
NAV per Share after Rights Issue (cents)	47.2	46.5

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of:
- (a) the most recent 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.
-

Consolidated Cash Flow Statements of the Group

	Audited FY2016 S\$'000	Unaudited 1Q2017 S\$'000
Cash flow from operating activities		
Profit before tax from continuing operations	37,360	4,465
Loss from discontinued operations	(10,308)	–
Adjustments for		
Depreciation expenses	28,093	6,051
Dividend income from other investments	(830)	–
Interest income	(404)	(127)
Interest expense	12,103	2,852
Gain on disposal of subsidiaries	(483)	–
Gain on disposal of property, plant and equipment	(281)	(46)
Reversal of bad debts	(23)	–
Impairment loss/(reversal of impairment loss) on trade receivables	105	(195)
Write-down of inventories	42	–
Gain on disposal of other investments	–	(19)
Reversal of provisions	(15)	(21)
Write-off of property, plant and equipment	1,593	307
Fair value changes on held for trading investment	16	–
Share-based payment expenses	262	37
Share of results of associates	(3,413)	(1,273)
Foreign exchange differences	2,122	(249)
Operating cash flows before working capital changes	65,939	11,782

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

	Audited FY2016 S\$'000	Unaudited 1Q2017 S\$'000
Decrease in trade and other receivables	16,925	16,018
Increase in prepayments	(1,136)	(561)
Decrease in inventories and work-in-progress	8,066	3,265
Decrease in other assets	2,235	628
Decrease in payables, accruals and provisions	(16,964)	(12,810)
(Decrease)/increase in deferred income	(3,021)	3,276
Cash flows from operations	72,044	21,598
Interest paid	(12,103)	(2,852)
Income tax paid	(6,795)	(1,961)
Interest received	404	127
Net cash flows from operating activities	53,550	16,912
Cash flows from investing activities		
Acquisition of vessels, property, plant and equipment	(46,017)	(5,096)
Proceeds from disposal of subsidiaries	27,543	–
Purchase of other investments	(67)	–
Proceeds from disposal of property, plant and equipment	1,078	645
Proceeds from disposal of other investments	–	45
Dividend income from associates	2,486	840
Dividend income from other investments	830	156
Net cash flows used in investing activities	(14,147)	(3,410)
Cash flows from financing activities		
Proceeds from bank borrowings	181,270	–
Repayment of bank borrowings	(169,428)	(8,782)
Proceeds from reissuance of treasury shares	–	263
Dividends paid to shareholders	(20,992)	–
Dividends paid to non-controlling interests	(1,322)	–
Net cash flows used in financing activities	(10,472)	(8,519)
Net increase in cash and cash equivalents	28,931	4,983
Cash and cash equivalents at beginning of year	43,686	72,662
Effect of exchange rate changes on cash and cash equivalents	45	(525)
Cash and cash equivalents at end of year/period	72,662	77,120

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Review of cash flows for FY2016

For FY2016, operating cash flows before working capital changes was approximately S\$65.9 million. Net cash flows from operating activities were S\$53.6 million, after interest expense of S\$12.1 million and tax expense of S\$6.8 million.

Net cash used in investing activities amounted to S\$14.1 million. This was mainly due to S\$46.0 million incurred for the acquisition of property, plant and equipment and partially offset by S\$27.5 million received from the Disposal of Tug and Barge Business.

Net cash used in financing activities amounted to S\$10.5 million, which comprised mainly S\$21.0 million of dividend payments and S\$11.8 million of net proceeds from bank borrowings.

Review of cash flows for 1Q2017

For 1Q2017, operating cash flows before working capital changes was approximately S\$11.8 million. Net cash flows from operating activities were S\$16.9 million, due to positive working capital change of S\$9.8 million contributed mainly from the decrease in trade and other receivables.

Net cash used in investing activities amounted to S\$3.4 million. This was mainly due to S\$5.1 million of capital expenditure in 1Q2017.

Net cash used in financing activities amounted to S\$8.5 million, mainly used in the repayment of bank borrowings.

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- 7. Provide a statement by the directors or equivalent persons of the relevant entity whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary, is proposed to be provided.**
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The Directors are of the opinion that, after taking into account the Group's internal cash resources, operating cash flows, existing banking facilities and Net Proceeds (based on the Minimum Subscription Scenario), the Group's working capital as at the date of lodgement of this Offer Information Statement is sufficient to meet its present funding requirements.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

8. **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 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).**

Save as disclosed in this Offer Information Statement and in all public announcements made by the Company via SGXNET, as at the Latest Practicable Date and 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 investment by holders of securities in the Company.

Trend Information and Profit Forecast or Profit Estimate

9. **Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company of a group, the group, as well as 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, or that would 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 entitled "Cautionary Note on Forward-Looking Statements" of this Offer Information Statement for further details.

Save as disclosed in this Offer Information Statement and in all public announcements made by the Company via SGXNET, the Directors are not aware of any known trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on 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.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

In January 2017, the BCA reported that it projected that the total construction demand or the value of construction contracts to be awarded in 2017, to reach S\$28.0 billion to S\$35.0 billion in 2017, higher than the preliminary estimate of S\$26.1 billion in 2016. The projected stronger construction demand is due to an anticipated increase in the public sector demand from about S\$15.8 billion in 2016 to between S\$20.0 billion and S\$24.0 billion in 2017. However, the demand for RMC is expected to drop between 12.0 to 13.5 million m³ in 2017 from 14.0 million m³ in 2016. In addition, pricing pressure on RMC and cement is likely to persist.

In terms of expansion, the C&C Business continues to explore avenues to strengthen its presence in the region, especially in Vietnam and Malaysia where the growth remains positive. The port environment in the PRC remains competitive. To mitigate this, the Ports Business is exploring broadening its services and improving the cargo mix for growth.

Certain business factors or risks which could materially affect the Group's profitability are set out in the section "Risk Factors" set out in 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 "Risk Factors" set out in this Offer Information Statement is only a summary, and is not an exhaustive description, 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. Save as disclosed in this Offer Information Statement and, in particular, the section "Risk Factors" set out 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.

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- 10. 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 or profit estimate has been disclosed in this Offer Information Statement.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- 11. 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 has been disclosed in this Offer Information Statement.

- 12. 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 referred to in paragraph 11 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.**
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Not applicable. No profit forecast or profit estimate has been disclosed in this Offer Information Statement.

- 13. 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 12 of this Part:**
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, 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 party, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 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 his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**
-

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

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

14. 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 12 of this Part:
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 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 his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

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

15. Disclose any event that has occurred from the end of:
- (a) the most recent 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 party 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 negative statement.

Save as disclosed in this Offer Information Statement and as disclosed by the Company on the SGXNET, the Directors are not aware of any event which has occurred since 31 March 2017 up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

Meaning of “published”

16. In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNET.
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Noted.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART VI (THE OFFER AND LISTING)

Offer and Listing Details

- 1. Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, the method by which the offer price is to be determined must be explained.**
-

The Issue Price for each Rights Share is S\$0.43, payable in full on acceptance and/or application.

The expenses incurred by the Company in the Rights Issue will not be specifically charged to subscribers of the Rights Shares. The Company understands based on information from the Participating Banks that an administrative fee will be incurred for each successful application made through the ATMs of the respective 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 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 Rights Shares shall be traded on the Official List 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 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.

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 subject to and upon the terms and conditions set out in this Offer Information Statement. Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” on pages 22 to 26 of this Offer Information Statement for further details.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange:
- (a) in a case where the first-mentioned securities have been listed for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities:
 - (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
 - (b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities:
 - (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;
 - (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and
 - (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.

-
- (a) The highest and lowest traded prices and volume of the Shares traded on the SGX-ST over the last twelve (12) months immediately preceding the Latest Practicable Date and for the period from 1 June 2017 to the Latest Practicable Date are as follows:

	Share Price (S\$)		Volume ⁽⁴⁾
	High ⁽²⁾	Low ⁽³⁾	
June 2016	0.620	0.560	356,200
July 2016	0.640	0.580	488,100
August 2016	0.625	0.570	682,500
September 2016	0.655	0.585	918,000
October 2016	0.610	0.570	930,700
November 2016	0.635	0.580	1,276,800
December 2016	0.600	0.570	617,900

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

	Share Price (S\$)		Volume ⁽⁴⁾
	High ⁽²⁾	Low ⁽³⁾	
January 2017	0.660	0.580	1,112,300
February 2017	0.665	0.615	2,363,400
March 2017	0.695	0.635	2,241,800
April 2017	0.705	0.670	1,264,400
May 2017	0.815	0.650	11,310,700
1 June 2017 to the Latest Practicable Date	0.725	0.641	1,451,592

Source: Bloomberg⁽¹⁾

Notes:

- (1) Bloomberg L.P. has not consented to the inclusion of the prices quoted under this section and is thereby not liable for such information under Sections 253 and 254 of the Securities and Future Act. The Company and the Manager have included the above information in their proper form and context in this Offer Information Statement and has not verified the accuracy of these statements.
 - (2) Based on the highest market price for the Shares in a particular month/period.
 - (3) Based on the lowest market price for the Shares in a particular month/period.
 - (4) Based on the total volume of the Shares traded in a particular month/period.
- (b) Not applicable as the Shares have been listed and quoted for more than twelve (12) months immediately preceding the Latest Practicable Date.
 - (c) Save for a temporary trading halt requested on 3 May 2017 to cater for the release of the Proposed Transactions Announcement, there has been no trading suspension that has occurred on the Official List of the SGX-ST during the three (3) years immediately preceding the Latest Practicable Date.
 - (d) The Shares are regularly traded on the Official List of the SGX-ST.

5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide –

- (a) a statement of the rights, preferences and restrictions attached to the securities being offered; and**
 - (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.**
-

Not applicable as the Rights Shares, when allotted and issued, will rank *pari passu* in all respects with the existing Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the Rights Shares.

The Rights Shares are to be issued pursuant to the share issue mandate granted to the Directors at the Annual General Meeting of the Company held on 26 April 2017.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Plan of Distribution

6. Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities 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.
-

Number of Rights Shares : Based on the Maximum Subscription Scenario, 141,555,538 Rights Shares are expected to be issued pursuant to the Rights Issue.

Based on the Minimum Subscription Scenario, 96,619,314 Rights Shares are expected to be issued pursuant to the Rights Issue.

Basis of provisional allotment : The Rights Issue is made on a renounceable non-underwritten basis, based on one (1) Rights Share for every four (4) existing Shares held by the Entitled Shareholders as at the Books Closure Date.

Fractional entitlements to Rights Shares will be disregarded and will be aggregated with entitlements to the Rights Shares not taken up or allotted for any reason, and shall be used 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 interests of the Company. None of the Undertaking Shareholders will be subscribing for Excess Rights Shares. In the allotment of any Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots. In addition, Directors and other Substantial Shareholder, if any, who have control or influence 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 in the rounding of odd lots and allotment of Excess Rights Shares.

Issue Price : S\$0.43 per Rights Share

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Entitled Shareholders : Entitled Shareholders will be at liberty to accept (in full or in part), decline or otherwise renounce or (in the case of Entitled Depositors) trade their provisional allotments of the Rights Shares and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Entitled Depositors will be able to trade their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST. **For the avoidance of doubt, only Entitled Shareholders (and not the Purchasers or renounees of Entitled Shareholders) shall be entitled to apply for Excess Rights Shares.**

Fractional entitlements to the Rights Shares, if any, have been disregarded in arriving at the entitlements of Entitled Shareholders and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders, the original allottees or their respective renounee(s) or the Purchasers, any unsold "nil-paid" provisional allotments of Rights Shares of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions contained in the PAL, the ARE, the ARS and/or any other application form for Rights Shares, be aggregated and issued to satisfy applications for Excess Rights Shares (if any) or otherwise disposed of or otherwise dealt with in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit.

The basis of allotting any Excess Rights Shares will be determined at the absolute discretion of the Directors. None of the Undertaking Shareholders will be subscribing for Excess Rights Shares. In the allotment of any Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots. In addition, Directors and other Substantial Shareholder, if any, who have control or influence 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 in the rounding of odd lots and allotment of Excess Rights Shares.

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

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Foreign Shareholders : As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, Foreign Shareholders will not be entitled to participate in the Rights Issue subject to and upon the terms and conditions set out in this Offer Information Statement.

Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” on pages 22 to 26 of this Offer Information Statement for further details.

Terms and conditions : 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, including the Appendices to this Offer Information Statement, the PAL, the ARE and the ARS.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.

Not applicable. The Rights Issue is non-underwritten.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART VII (ADDITIONAL INFORMATION)

Statement 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 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.**
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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 26(2) or (3) applies.**
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Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

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) in the offer, include a statement that the person has given, and has not withdrawn, his 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 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 Manager of the Rights Issue.

5. Include particulars of any other matters not disclosed under any 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 in the relevant entity.
-

Save as disclosed in this Offer Information Statement and to the best of the Directors' knowledge, the Directors are not aware of any other matter which could materially affect, directly or indirectly:

- (a) the Company's business operations or financial position or results; or
- (b) investments by holders of securities in the Company.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART VIII (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES)

Not applicable.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART IX (ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES)

Not applicable.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART X (ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE)

1. Provide –

- (a) the particulars of the rights issue;**
 - (b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;**
 - (c) the last day and time for acceptance and payment for the securities to be issued pursuant to the rights issue;**
 - (d) the last day and time for the renunciation of and payment by the renounee for the securities to be issued pursuant to the rights issue;**
 - (e) the terms and conditions of the offer of securities to be issued pursuant to the rights issue.**
-

(a) Particulars of the Rights Issue:

Number of Rights Shares : Based on the Maximum Subscription Scenario, 141,555,538 Rights Shares are expected to be issued pursuant to the Rights Issue.

Based on the Minimum Subscription Scenario, 96,619,314 Rights Shares are expected to be issued pursuant to the Rights Issue.

Basis of provisional allotment : The Rights Issue is made on a renounceable non-underwritten basis, based on one (1) Rights Share for every four (4) existing Shares held by the Entitled Shareholders as at the Books Closure Date.

Fractional entitlements to Rights Shares will be disregarded and will be aggregated with entitlements to the Rights Shares not taken up or allotted for any reason, and shall be used 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 interests of the Company. None of the Undertaking Shareholders will be subscribing for Excess Rights Shares. In the allotment of any Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots. In addition, Directors and other Substantial Shareholder, if any, who have control or influence 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 in the rounding of odd lots and allotment of Excess Rights Shares.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- Issue Price** : S\$0.43 for each Rights Share, payable in full on acceptance and/or application.
- The Issue Price represents a discount of approximately:
- (a) 41.1% to the closing price of S\$0.73 per Share on the SGX-ST on 2 May 2017, being the last Market Day on which the Shares were traded preceding the date of the Proposed Transactions Announcement; and
 - (b) 33.6% to the theoretical ex-Rights trading price of S\$0.65 per Share, calculated based on the closing price of S\$0.73 per Share on the SGX-ST on 2 May 2017 and assuming that the maximum number of Rights Shares are issued under the Maximum Subscription Scenario pursuant to the Rights Issue.
- Status of Rights Shares** : The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing issued Shares, save for any dividends, rights, allotments or other distributions, the Record Date for which falls on or before the date of allotment and issue of the Rights Shares.
- Eligibility to participate in the Rights Issue** : Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” on pages 22 to 26 of this Offer Information Statement for further details.
- Listing of the Rights Shares** : The SGX-ST had on 13 June 2017 granted the approval in-principle for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST. The Listing Approval is in no way reflective of and is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries, or the Shares. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Information Statement.
- Trading of the Rights Issue** : Upon the listing of and quotation for the Rights Shares on the Official List of the SGX-ST, the Rights Shares will be traded under the book-entry (scripless) settlement system. For the purpose of trading on the SGX-ST, each board lot of Shares will comprise 100 Shares.
- Acceptance, Excess Application and payment procedures** : Please refer to Appendices A to E of this Offer Information Statement, and the PAL, the ARE or the ARS.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Net Proceeds : In the Maximum Subscription Scenario, the estimated net proceeds from the Rights Issue (after deducting estimated costs and expenses in connection with the Rights Issue of approximately S\$0.5 million) are expected to be approximately S\$60.4 million.

In the Minimum Subscription Scenario, the estimated net proceeds from the Rights Issue (after deducting estimated costs and expenses in connection with the Rights Issue of approximately S\$0.5 million) are expected to be approximately S\$41.0 million.

Use of Net Proceeds : The Company intends to utilise the entire amount of Net Proceeds under the Minimum Subscription Scenario or Maximum Subscription Scenario to partially retire the Company's external debt primarily incurred in connection with the 2013 SCD Acquisition.

As and when any significant amount of the Net Proceeds is disbursed or deployed, the Company will make the necessary announcements on SGXNET and subsequently provide a status report on the use of such proceeds in its annual report.

Pending the deployment of the Net Proceeds for the use mentioned above, the Net Proceeds may be placed as deposits with financial institutions or invested in short-term money market or debt instruments or for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interest of the Group.

The Directors are of the opinion that there is no minimum amount which must be raised from the Rights Issue beyond the amount which will be raised pursuant to the Irrevocable Undertakings by the Undertaking Shareholders and taking into consideration the intended use of Net Proceeds as disclosed above.

Undertaking Shareholders : As an indication of their support and commitment to the Company, each of the Undertaking Shareholders has provided Irrevocable Undertakings to the Company in respect of their respective Specified Shareholdings.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

The Irrevocable Undertakings include, *inter alia*, the following:

- (a) not to, directly or indirectly, transfer, sell or dispose of or otherwise reduce any of their interests in their respective Specified Shareholdings from the date of their respective Irrevocable Undertakings up to the Books Closure Date;
- (b) to subscribe and pay, and/or procure the subscription and payment, for the Undertaken Rights Shares in full, in accordance with the terms and conditions of the Rights Issue; and
- (c) other than the Undertaken Rights Shares, to not subscribe and pay for any Excess Rights Shares not taken up by the Entitled Shareholders.

Each Irrevocable Undertaking shall lapse and cease to have any effect whatsoever in the event that the Rights Issue is terminated or upon the Undertaking Shareholders having been notified by the Company that it is not proceeding with the Rights Issue.

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

Please refer to paragraph 1(f) of Part X (Additional Information Required for Offer of Securities by Way of Rights Issue) of this Offer Information Statement for further details on the Undertaking Shareholders.

- Non-underwritten** : The Rights Issue will not be underwritten.
- Use of CPF Funds** : Shareholders who have subscribed for or purchased Shares under the CPFIS-OA must use, subject to the CPF Regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their entitlements to the Rights Shares and (if applicable) application for Excess Rights Shares, if they have previously bought their Shares using CPF Funds.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Such Shareholders who wish to accept their entitlements to Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective CPF Approved Banks, where such Shareholder hold their CPF Investment Accounts, to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Shareholders who have insufficient funds or stock limit may top up cash into their CPF Investment Accounts with their CPF Approved Banks before instructing their respective CPF Approved Banks to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares. CPF Funds may not, however, be used for the purchase of provisional allotments of Rights Shares directly from the market.

CPF members should also note that CPF Funds cannot be used for the payment of Rights Shares and/or Excess Rights Shares if they submit their acceptances and/or applications directly through CDP, Electronic Applications, the Share Registrar and/or the Company. Any such acceptance and/or application purporting to use CPF Funds for the payment of Rights Shares and/or Excess Rights Shares will be rejected.

Risk factors : Investing in the Rights Shares involves risks. Please refer to the section entitled “Risk Factors” set out in this Offer Information Statement.

Governing law : Laws of the Republic of Singapore.

- (a) The last date and time for splitting of the provisional allotments of Rights Shares is on 6 July 2017 at 5.00 p.m.
- (b) The last date and time for acceptance of Rights Shares, application for the Excess Rights Shares and payment for Rights Shares and/or Excess Rights Shares is on 12 July 2017 at 5.00 p.m. (9.30 p.m. for Electronic Applications).
- (c) The last date and time for acceptance of and payment by the renounee for the Rights Shares is on 12 July 2017 at 5.00 p.m.
- (d) The allotment and issue of the Rights Shares are governed by the terms and conditions as set out in this Offer Information Statement, in particular, Appendices A to E of this Offer Information Statement and the PAL, the ARE and the ARS.

Please refer to the Section of this Offer Information Statement entitled “Expected Timetable of Key Events” for more details

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

For CPF Investors, 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 must be done through their relevant approved banks in which they hold their CPF Investment Accounts and/or SRS Accounts, finance companies and/or Depository Agents. **Such investors should provide their relevant approved banks with which they hold their CPF Investment Accounts and/or SRS Accounts, finance companies and/or Depository Agents (as the case may be) with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application by the Closing Date of the Rights Issue.** Any acceptance and/or application made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank will be rejected.

Use of CPF Funds

Shareholders who have subscribed for or purchased Shares under the CPFIS-OA must use, subject to the CPF Regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their entitlements to the Rights Shares and (if applicable) application for Excess Rights Shares, if they have previously bought their Shares using CPF Funds.

Such Shareholders who wish to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective CPF Approved Banks, where such Shareholders hold their CPF Investment Accounts, to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Shareholders who have insufficient funds or stock limit may top up cash into their CPF Investment Accounts with their CPF Approved Banks before instructing their respective CPF Approved Banks to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares. **CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.**

CPF members should also note that CPF Funds cannot be used for the payment of Rights Shares and/or Excess Rights Shares if they submit their acceptances and/or applications directly through CDP, Electronic Applications, the Share Registrar and/or the Company. Any such acceptance and/or application purporting to use CPF Funds for the payment of Rights Shares and/or Excess Rights Shares will be rejected.

Use of SRS Funds

Shareholders who have subscribed for or purchased Shares under the SRS 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 entitlements to the Rights Shares and (if applicable) application for Excess Rights Shares.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Such Shareholders who wish to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares using SRS monies, must instruct the relevant banks in which they hold their SRS Accounts to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Shareholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their relevant approved banks before instructing their respective relevant approved banks to accept their entitlements to the Rights Shares and (if applicable) apply for Excess Rights Shares. **SRS monies may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.**

Information herein relating to CPF Investors, SRS Investors and investors who hold Shares through finance companies and/or Depository Agents is provided in general terms only and such investors should consult their relevant approved banks with which they hold their CPF Investment Accounts, SRS Accounts, finance companies and/or Depository Agents.

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- (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**
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As an indication of their support and commitment to the Company, each of the Undertaking Shareholders has provided Irrevocable Undertakings to the Company in respect of their respective Specified Shareholdings.

The Irrevocable Undertakings include, *inter alia*, the following:

- (a) not to, directly or indirectly, transfer, sell or dispose of or otherwise reduce any of their interests in their respective Specified Shareholdings from the date of their respective Irrevocable Undertakings up to the Books Closure Date;
- (b) to subscribe and pay, and/or procure the subscription and payment, for in full for the Undertaken Rights Shares, in accordance with the terms and conditions of the Rights Issue; and
- (c) other than the Undertaken Rights Shares, to not subscribe and pay for any Excess Rights Shares not taken up by the Entitled Shareholders.

Each of the Undertaking Shareholders has also provided confirmations from financial institutions that he/she has sufficient available funds earmarked to meet his/her respective obligations under the Irrevocable Undertakings.

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 (OFFER OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.**
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The Directors are of the opinion that there is no minimum amount which must be raised from the Rights Issue in view of the Irrevocable Undertakings and that the working capital available to the Group is sufficient to meet its present requirements. Hence, in view of the aforesaid and the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

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

Working Capital

Provide a review of the working capital for the last 3 financial years and the latest half year, if applicable.

The working capital of the Group as at 31 December 2014, 31 December 2015, 31 December 2016 and 31 March 2017 are as follows:

	Audited as at 31 December 2014 S\$'000	Audited as at 31 December 2015 S\$'000	Audited as at 31 December 2016 S\$'000	Unaudited as at 31 March 2017 S\$'000
Total Current Assets	260,707	245,755	247,267	229,809
Total Current Liabilities	173,361	198,360	167,487	149,893
Net Current Assets	87,346	47,395	79,780	79,916

Review of Working Capital

31 December 2015 versus 31 December 2014

The lower trade and other receivables of S\$166.3 million in FY2015 compared to S\$169.5 million in FY2014 was the result of shorter trade receivable turnover days.

The increase in bank loans from S\$268.0 million in FY2014 to S\$294.4 million was mainly for working capital and capital expenditure.

The decrease in cash and short term deposits from S\$53.9 million in FY 2014 to S\$43.7 million in FY2015 was mainly for capital expenditure, settlement of accounts payables and payment of dividends.

31 December 2016 versus 31 December 2015

The Group completed the disposal of two wholly-owned subsidiaries, Pan-United Shipping Pte Ltd and P.U. Vision Pte Ltd, on 7 December 2016. The disposal resulted in an increase in cash and short-term deposits as at 31 December 2016 from S\$43.7 million in FY2015 to S\$72.7 million in FY2016.

The lower trade and other receivables of S\$146.3 million for FY2016 as compared to S\$166.3 million for FY2015 was the result of lower revenue during the year.

The increase in total loans and borrowings from S\$294.4 million in FY2015 to S\$298.3 million in FY2016 was mainly for working capital and capital expenditure.

31 March 2017 versus 31 December 2016

The lower trade and other receivables of S\$130.5 million compared to S\$146.3 million is the result of lower revenue in the first quarter.

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

The increase in cash and short term deposits from S\$72.7 million to S\$77.1 million came mainly from better working capital management.

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 price fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**
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- (i) Not applicable. The Rights Issue does not involve an issue of convertible securities.
 - (ii) Not applicable.
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Responsibility Statement

A responsibility statement by the financial adviser stating that to the best of the financial adviser's knowledge and belief, the document constitutes full and true disclosure of all material facts about the rights issue, the issuer and its subsidiaries, and the financial adviser is not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, that it is satisfied that the profit forecast has been stated by the directors after reasonable enquiry.

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 Securities and Futures Act.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

Acceptances of the provisional allotment of and any Excess Applications for the Rights Shares must be made on the appropriate form(s) accompanying and forming part of this Offer Information Statement.

Entitled Scripholders are entitled to receive this Offer Information Statement together with the following documents which are enclosed herewith, and are deemed to constitute a part of, this Offer Information Statement:

Renounceable PAL incorporating:

Form of acceptance	Form A
Request for splitting	Form B
Form of renunciation	Form C
Form of nomination	Form D
Application of Excess Rights Shares	Form E

The provisional allotments of the Rights Shares and application for Excess Rights Shares are governed by the terms and conditions of this Offer Information Statement and the enclosed PAL and (if applicable) the Constitution of the Company. 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 entitlements under the Rights Issue. 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 or split all or part of their provisional allotments are set out in the PAL.

With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the PAL, the ARE, the ARS and/or any other application form for the Rights Shares in relation to the Rights Issue or with the terms and conditions of this Offer Information Statement, or in the case of any application by the PAL, the ARE, the ARS and/or any other application form for the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company may, at its absolute discretion, reject or treat as invalid any such application and present for payment or other processes all remittances at any time after receipt in such manner as it may deem fit.

The Company and the Share Registrar shall be entitled to process each application submitted for the acceptance of Rights Shares, and where applicable, application of Excess Right Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder or a renounee, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder or renounee. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application of Rights Shares and (if applicable) application for Excess Rights Shares.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

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.

Entitled Scripholders who intend to trade any part of their provisional allotments of Rights Shares should note that all dealings in and transactions of the provisional allotments of Rights Shares through 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 Official List of SGX-ST.

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 PAL and/or this Offer Information Statement has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. 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 A of the PAL for the number of Rights Shares which he wishes to accept; and
- (b) forward the PAL at his own risk, in its entirety, duly completed and signed, together with payment in the prescribed manner to **PAN-UNITED CORPORATION LTD. C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. AT 50 RAFFLES PLACE, #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623**, so as to arrive not later than **5.00 p.m. on 12 July 2017** (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

If:

- (a) no remittance is attached for the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder; or
- (b) the remittance submitted together with the PAL, is less than the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder;

in each case, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of this Appendix A entitled "Appropriation" which sets out the circumstances and manner in which the Company and the Share Registrar shall be entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

2.3. Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares, he acknowledges that, the Company and 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 drawn on a bank in Singapore to be applied towards the payment of his acceptance of Rights Shares.

3. REQUEST FOR SPLITTING (FORM B), FORM OF RENUNCIATION (FORM C) AND FORM OF NOMINATION (FORM D)

Entitled Scripholders who wish to accept a portion of their provisional allotments of Right 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 (1) 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 Form B together with the PAL, in its entirety, should be returned by post in the self-addressed envelope provided, at the sender's own risk, to reach **PAN-UNITED CORPORATION LTD. C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. AT 50 RAFFLES PLACE, #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623**, not later than **5.00 p.m. on 6 July 2017** (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 is received after **5.00 p.m. on 6 July 2017** (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 Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce, may be renounced by completing the Form for Renunciation (Form C) before delivery to the renounee(s). Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any, and forward the said Split Letter(s) together with remittance for the payment in the prescribed manner to **PAN-UNITED CORPORATION LTD. C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. AT 50 RAFFLES PLACE, #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623**, so as to arrive not later than **5.00 p.m. on 12 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one (1) person, or renounce any part of it in favour of one person and decline the balance, should complete 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 renounee(s). The renounee should complete and sign Form D and send Form D, together with the PAL in its entirety, duly completed and signed, together with payment in the prescribed manner, to reach **PAN-UNITED CORPORATION LTD. C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. AT 50 RAFFLES PLACE, #32-01,**

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

SINGAPORE LAND TOWER, SINGAPORE 048623, not later than **5.00 p.m. on 12 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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 Form A and the Consolidated Listing Form in Form D of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as 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 Form D of only one PAL or Split Letter (the “**Principal PAL**”) by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALs AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D (AS THE CASE MAY BE).**

4. PAYMENT

Payment for full amount due on acceptance and/or application 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 “**PAN-UNITED CORPORATION LTD. – 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 remittance. The completed PAL and remittance should be addressed and forwarded, by post in the self-addressed envelope provided at the sender’s own risk, to **PAN-UNITED CORPORATION LTD. C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. AT 50 RAFFLES PLACE, #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623**, so as to arrive not later than **5.00 P.M. on 12 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

If acceptance and payment in the prescribed manner as set out in the PAL is not received by **5.00 p.m. on 12 July 2017** (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 shall be deemed to have been declined and shall forthwith lapsed and become void 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 all unsuccessful application monies received in connection therewith **BY ORDINARY POST** and at the risk of the Entitled Scripholders or their renounee(s), as the case may be, without interest or share of revenue or benefit arising therefrom within 14 days after the Closing Date.

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

5. APPLICATION FOR EXCESS RIGHTS SHARES (FORM E)

Form E contains full instructions with regard to the application for Excess Rights Shares, and payment and the procedures to be followed if you wish to apply for Rights Shares in excess of your provisional allotment of Rights Shares.

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 form for the application for Excess Rights Shares (Form E) and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the Excess Rights Shares applied for in the form and manner set out above, by post in the self-addressed envelope provided at their own risk, to **PAN-UNITED CORPORATION LTD. C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD. AT 50 RAFFLES PLACE, #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623**, so as to arrive not later than **5.00 p.m. on 12 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

The Excess Rights Shares are available for application subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Constitution of the Company. 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, the unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders 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, the PAL, Form E and (if applicable) the Constitution of the Company.

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. None of the Undertaking Shareholders will be subscribing for Excess Rights Shares. In the allotment of any Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots. In addition, Directors and other Substantial Shareholder, if any, who have control or influence 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 in the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to allot the Excess Rights Shares applied for under Form E in any manner as the Directors may deem fit and to refuse, in whole or in part, any application for Excess Rights Shares without assigning any reason whatsoever. CDP takes no responsibility for any decision that the Directors may make. In the event that the number of the Excess Rights Shares allotted to Entitled Scripholders is less than the number of Excess Rights Shares applied for, Entitled Scripholders shall be deemed to have accepted the number of Excess Rights Shares actually allotted to them. 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, it is expected that the amount paid on application or the surplus of the application monies for Excess Rights Shares received by the Company, as the case may be, will be

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date, **BY ORDINARY POST** at their **OWN RISK**.

6. GENERAL

No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications. **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, legal adviser, accountant or other professional adviser immediately.**

Upon listing of and quotation for on the Official List of the SGX-ST, the Rights Shares when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with CDP", as the same may be amended from time to time. Copies of the above are available from CDP.

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 Official List of 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 before accepting any Rights Shares or applying for any Excess Rights Shares in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may 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 (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 (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (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 Official List of 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**.

If the Entitled Scripholders' addresses stated in the PALs are different from their addresses registered with CDP, they must inform CDP of their updated addresses promptly, failing which the notification letters on successful allotments will be sent to their addresses last registered with CDP. 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 SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly stamped and

APPENDIX A – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

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 or existing Shares, as the case may be, before he can effect the desired trade.

THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IS 5.00 P.M. ON 12 JULY 2017 (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. 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 the Participating Banks, the Share Registrar, Securities Clearing and Computer Services (Pte) Ltd, the SGX-ST, and the Company (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 (collectively, the “**Purposes**”); (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

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

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 shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SSH 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 of the Company 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). 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. 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.

- 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 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 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 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).

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

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 BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the 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 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 Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Shares.

- 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 or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B, of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. MODE OF ACCEPTANCE AND APPLICATION

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

Instructions for Electronic Applications through ATMs to accept the 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 D of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

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

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.

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/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 **PAN-UNITED 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 **PAN-UNITED 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 12 JULY 2017** (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 – PANUNITED 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.

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

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

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

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional 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 5.2 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 paragraph 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

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

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 of the provisional allotments of Rights Shares (“**Purchasers**”) as arrangements will be made by CDP for 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 12 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Purchasers should also note that if they make any purchase on or around the last trading day of the nil-paid Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. You may obtain a copy from The Central Depository (Pte) Limited. Alternatively, you may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents 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

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

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 12 July 2017** (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.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) EXISTING ORDINARY SHARES AT AN ISSUE PRICE OF S\$0.43)

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 12 July 2017 (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 |
|--|--|

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- (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\$1,075.00 (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 – PANUNITED 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 **PAN-UNITED 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 **PAN-UNITED 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 12 July 2017** (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.

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.

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- (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.
- (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 12 July 2017**; or
- (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\$430.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 12 July 2017** (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 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 1,000 Rights Shares or any other board lot size which the SGX-ST may require.

- (c) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, and reject the balance.
- (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 12 July 2017** (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 of his provisional allotment of 1,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$430.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 12 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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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 12 July 2017** or if an acceptance is not made through CDP by **5.00 p.m. on 12 July 2017**.

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

- (A) 9.30 P.M. ON 12 JULY 2017 (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.**
- (B) 5.00 P.M. ON 12 JULY 2017 (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 SGX-SSH SERVICE; AND**

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 12 July 2017** (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 12 July 2017** (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, 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.

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5.2 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, or

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.

5.3.1 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 Memorandum and Articles of Association of the Company. 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 together

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with the aggregated fractional entitlements to the Rights Shares, any unsold “nil-paid” provisional allotment of Rights Shares (if any) of Foreign 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.** None of the Undertaking Shareholders will be subscribing for Excess Rights Shares. In the allotment of any Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots. In addition, Directors and other Substantial Shareholder, if any, who have control or influence 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 in 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, 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 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).

5.4 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 12 July 2017** (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 – PANUNITED RIGHTS ISSUE**”

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

ACCOUNT” and crossed **“NOT NEGOTIABLE, A/C PAYEE ONLY”** with the names and 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 **PAN-UNITED 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 **PAN-UNITED 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 12 July 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent/(s) for the Rights Shares is effected by **5.00 p.m. on 12 July 2017** (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 (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’ OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5 Certificates

The 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.

5.6 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 or through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your telephone pin (T-Pin). Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of 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. 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. You can check the status of your acceptance of the provisional allotment of Rights Shares and (if applicable) your application for Excess Rights Shares through the CDP Automated Phone Services Hotline number (65) 6535-7511 using your T-Pin.

CDP Phone User Guide

1. Dial (65) 6535-7511
2. Press '1' for English; Press '2' for Mandarin
3. Press '1' for 'All CDP account related queries'
4. Press '3' for 'Corporate Actions Announcement and Transactions'
5. Press '2' for your rights application status
6. Enter your 12 digit CDP securities account number
7. Enter your 6 digit telephone pin

All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

6. PERSONAL DATA PRIVACY

By completing and delivering the PAL, an Entitled Shareholder or a renouncee (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons (as defined in Appendix A) for the Purposes (as defined in Appendix A); (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.

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APPENDIX C – PROCEDURES TO COMPLETE THE ARE AND ARS

PROCEDURE TO COMPLETE THE ARE AND ARS

1. Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares
currently held by you

XX,XXX

This is your
shareholdings as at
Record Date.

Shares as at
XX January 2015
(Record Date)

This is the date to
determine your
rights entitlements.

Number of Rights
Shares provisionally
allotted*

XX,XXX

This is your number of
rights entitlement.

Issue Price

\$S0.0X per Rights Share

This is price that
you need to pay
when you subscribe
for one 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.

This is the last date
and time to
subscribe for the
rights share through
ATM and CDP.

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

You can apply your
rights shares
through ATMs of
these participating
banks.

This is the payee
name to be issued on
your Cashier's Order
where XXXXX is the
name of the issuer.

Note: Please refer to the ARE/ARS for the actual holdings, entitlements, Record Date, Issue Price, Closing Date for subscription, list of participating ATM banks and payee name on the Cashier's Order.

APPENDIX D – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Bank (the “Steps”).

Please read carefully the terms of this Offer Information Statement, the Steps, and the terms and conditions for Electronic Applications set out below before making an Electronic Application. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Depositor or the Purchaser who accepts the provisional allotments of Rights Shares or (as the case may be) who applies for the Excess Rights Shares through an ATM of the Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, the Participating Bank before he can make an Electronic Application through an ATM of the Participating Bank.

The actions that the Applicant must take at ATMs of the Participating Bank are set out on the ATM screens of the relevant Participating Bank. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the “**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is to be retained by the Applicant and should not be submitted with any ARE/ARS.

For CPF Investors, SRS Investors and investors who hold Shares through finance companies and/or Depository Agents, acceptances of the Right Shares and (if applicable) applications for Excess Rights Shares must be done through their relevant approved banks which they hold their CPF Investment Accounts and/or SRS Accounts, finance companies and/or Depository Agents (as the case may be). Such investors should provide their relevant approved banks which they hold their CPF Investment Accounts and/or STS Accounts, finance companies and/or Depository Agents (as the case may be) with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application by the Closing Date of the Rights Issue. Any acceptance and/or application made or purported to be made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application at any ATM of a Participating Bank 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 provisional allotment of Rights Shares must be done through the respective finance companies or Depository Agents. Such renounees or Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Applications, the Share Registrar and/or the Company will be rejected.

An Applicant, including one who has a joint bank account with the Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance or (as the case may be) application liable to be rejected.

APPENDIX D – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

The Electronic Application 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 for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) **that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of 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, CPF, the SGX-ST and the Company and any other relevant parties (the “Relevant Parties”) as CDP may deem fit for the purpose of the Rights Issue and his acceptance and/or (if applicable) Excess Application.**

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key, as the case may be. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two (2) 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 that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (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 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 the Rights Shares provisionally allotted and Excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares represented by the provisional allotment of the Rights Shares as may be standing to the credit of the “Free Balance” of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of such Excess Rights Shares or not to allot any number of Excess Rights Shares to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.
- (4) If the Applicant’s Electronic Application is successful, his confirmation (by his action of pressing the “**Enter**” or “**OK**” or “**Confirm**” or “**Yes**” key, as the case may be, on the ATM) 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 that may be allotted to him.

APPENDIX D – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

- (5) In the event that the Applicant accepts the Rights Shares and (if applicable) instructions to apply for Excess Rights Shares together with payment therefor both by way of the ARE and/or ARS (as the case may be), whether directly to CDP and/or by Electronic Application through an ATM of the Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or combination thereof as they may, in their 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 aggregate number of provisionally allotted 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 the Participating Bank, and the number of Rights Shares represented by the provisional allotment of the Rights Shares standing to the credit of the "Free Balance" of his Securities Account which is available for acceptance and payment as at the Closing Date. The Company and/or CDP, in determining the number of Rights Shares for which the Applicant has given valid instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the Rights Shares, whether by way of cashier's order or banker's draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or ARS or by way of acceptance by Electronic Application through an ATM of the Participating Bank, which the Applicant has authorised or is 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 ARE and by Electronic Application through an ATM of the 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 they may, in their absolute discretion, deem fit. In determining the number of Excess Rights Shares which the Applicant has validly given instructions to apply for, 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, whether directly to CDP and/or by Electronic Application through an ATM of the Participating Bank. The Company and/or CDP, in determining the number of Excess Rights Shares which the Applicant has given valid instructions to apply for, 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 in Singapore currency drawn on a bank in Singapore accompanying the ARE or by way of application by Electronic Application through an ATM of the Participating Bank, which the Applicant has authorised or is 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 procure the registration of the Rights Shares and (if applicable) the Excess 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 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 14 days after the Closing Date; and

APPENDIX D – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

- (c) return or refund without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for Excess Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that the submission of his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses, theft (in each case whether or not within the control of the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank) and any other events whatsoever beyond the control of the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank and if, in any such event, the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 12 July 2017**, 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 and the Applicant shall have no claim whatsoever against the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank in respect of any purported acceptance thereof and (if applicable) Excess Application therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.
- (10) **Electronic Applications may only be made through an ATM of the Participating Bank from Mondays to Saturdays (excluding public holidays) between 7.00 a.m. to 9.30 p.m.**
- (11) Electronic Applications shall close at **9.30 p.m. on 12 July 2017** or such other time as the Company may, in its absolute discretion, decide.
- (12) All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
- (13) The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made through the ATMs of Participating Bank which does not strictly conform to the instructions set out on the ATM screens of such Participating Bank will be rejected.
- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be refunded in S\$ (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within 14 days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of application monies will be refunded on the same terms.

APPENDIX D – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

- (15) In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Bank and agreeing to close the Rights Issue at **9.30 p.m. on 12 July 2017** (or such other time(s) and/or date(s) as the Company may, in its absolute discretion, decide) and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not any supplementary 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 CPF Board, the Share Registrar, or the Participating Bank shall be liable for any delay, failure or inaccuracy in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company, CDP or the Participating Bank due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Rights Shares and (if applicable) application for Excess Rights Shares;
 - (e) in respect of the Rights Shares and/or Excess 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 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 right under the Contracts (Rights of Third Parties) Act Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained in 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 the 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 Bank are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and/or 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 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.

APPENDIX D – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

- (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 ARE and/or ARS and/or by way of Electronic Application through any ATM of the Participating Bank, 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 absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be refunded, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date by any one (1) or a combination of the following:
- (a) by means of a crossed cheque drawn on a bank in Singapore and sent BY ORDINARY POST at his own risk to his mailing address, as recorded with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions, if he accepts and (if applicable) applies through CDP; and/or
 - (b) crediting the Applicant's bank account with the relevant Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of the Participating Bank, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder.
- (19) The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of the Rights Shares which he can validly accept, the Company and/or CDP are entitled and the Applicant authorises the Company and/or CDP to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of the Rights Shares that the Applicant has validly accepted, whether under the ARE and/or any other application form (including Electronic Application through an ATM) for the Rights Shares;
 - (b) the total number of Rights Shares represented by the provisional allotment of the 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 the Rights Shares which has been disposed of by the Applicant.
- The Applicant acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him.
- (20) The Applicant irrevocably requests and authorises the Company and/or CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of the Rights Shares accepted by the Applicant and (if applicable) the Excess Rights Shares which the Applicant has applied for.
- (21) With regard to any application which does not conform strictly to the instructions set out under this Offer Information Statement, the PAL, the ARE, the ARS, (if applicable) the Constitution of the Company and/or other application form for the Rights Shares in relation to the Rights Issue 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 application by the PAL, the ARE, the ARS and/or any other application form for the Rights

APPENDIX D – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, 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 Rights Shares subscribed as at the Closing Date, the Company and/or CDP may, at their absolute discretion, reject or treat as invalid any such application or present for payment or other processes all remittances at any time after receipt in such manner as it may deem fit.

- (22) The Company and/or CDP shall be entitled to process each application submitted for the acceptance of Rights Shares, and where applicable, application of Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Shares.

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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 and its subsidiary, Far Eastern Bank Limited

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.

**Board of Directors of
Pan-United Corporation Ltd.**

Dated this 23 of June 2017

Ch'ng Jit Koon
Chairman & Independent
Director

Patrick Ng Bee Soon
Deputy Chairman

Ng Bee Bee
Chief Executive Officer

Jane Kimberly Ng Bee Kiok
Executive Director

Cecil Vivian Richard Wong
Independent Director

Lee Cheong Seng
Independent Director

Phua Bah Lee
Independent Director

Tay Siew Choon
Independent Director

