

OFFER DOCUMENT DATED 26 MAY 2020

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

IF YOU ARE IN ANY DOUBT ABOUT THIS OFFER (AS DEFINED BELOW), YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

UOB Kay Hian Private Limited (“**UOBKH**”) is acting for and on behalf of Wang Zhi (the “**Offeror**”) and does not purport to advise the shareholders (“**Shareholders**”) of Darco Water Technologies Limited (the “**Company**”) or any other person.

The views of the directors of the Company who are considered independent for the purposes of the Offer and the independent financial adviser to such directors of the Company on the Offer will be made available to you in due course. You may wish to consider their views before taking any action in relation to the Offer.

If you have sold or transferred all your ordinary shares in the capital of the Company (“**Shares**”) held through CDP (as defined herein), you need not forward this Offer Document and the FAA (as defined herein) to the purchaser or transferee as CDP will arrange for a separate Notification (containing the address and instructions for the electronic retrieval of the Offer Document and related documents) and FAA to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately hand the Notification and the FAT (as defined herein) to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale for onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted to any jurisdiction outside of Singapore.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Document.

MANDATORY CONDITIONAL CASH OFFER

by

UOBKayHian

UOB Kay Hian Private Limited
(Company Registration No.: 197000447W)
(Incorporated in the Republic of Singapore)

for and on behalf of

Wang Zhi

to acquire all the issued and paid-up ordinary shares in the capital of

DARCO WATER TECHNOLOGIES LIMITED
(Company Registration No. 200106732C)
(Incorporated in the Republic of Singapore)

excluding treasury shares and other than shares already owned, controlled or agreed to be acquired by the Offeror

ACCEPTANCES MUST BE RECEIVED BY THE CLOSE OF THE OFFER AT 5.30 P.M. (SINGAPORE TIME) ON 23 JUNE 2020. THE OFFEROR DOES NOT INTEND TO EXTEND THE OFFER BEYOND THAT DATE OR TO REVISE THE TERMS OF THE OFFER. NOTICE IS HEREBY GIVEN THAT THE OFFER WILL CLOSE AT 5.30 P.M. ON 23 JUNE 2020 AND WILL NOT BE OPEN FOR ACCEPTANCE BEYOND 5.30 P.M. ON 23 JUNE 2020 AND WILL NOT BE REVISED, SAVE THAT SUCH NOTICE SHALL NOT BE CAPABLE OF BEING ENFORCED IN A COMPETITIVE SITUATION.

THE PROCEDURES FOR ACCEPTANCE ARE SET OUT IN APPENDIX 2 TO THIS OFFER DOCUMENT AND IN THE FAA AND/OR FAT (WHERE APPLICABLE).

CONTENT

	Page
DEFINITIONS	3
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS	9
1. INTRODUCTION	10
2. TERMS OF THE OFFER	11
3. MINIMUM ACCEPTANCE CONDITION	12
4. WARRANTY	12
5. DURATION OF THE OFFER	12
6. FURTHER DETAILS OF THE OFFER	13
7. PROCEDURES FOR ACCEPTANCE	13
8. INFORMATION ON THE OFFEROR	13
9. INFORMATION ON THE COMPANY	13
10. RATIONALE FOR THE OFFER	13
11. THE OFFEROR'S INTENTIONS RELATING TO THE COMPANY	14
12. FINANCIAL EVALUATION OF THE OFFER	14
13. LISTING STATUS AND COMPULSORY ACQUISITION	15
14. DISCLOSURES OF HOLDINGS AND DEALINGS IN SECURITIES	16
15. CONFIRMATION OF FINANCIAL RESOURCES	18
16. OVERSEAS SHAREHOLDERS	18
17. INFORMATION PERTAINING TO CPFIS AND SRS INVESTORS	19
18. RESPONSIBILITY STATEMENT	20
19. GENERAL	20
 APPENDICES	
APPENDIX 1 — DETAILS OF THE OFFER	22
APPENDIX 2 — PROCEDURES FOR ACCEPTANCE OF THE OFFER	26
APPENDIX 3 — ADDITIONAL INFORMATION ON THE COMPANY	33
APPENDIX 4 — GENERAL INFORMATION	35

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Offer Document, the FAA and the FAT:

“Accepting Shareholder”	:	Shall have the meaning ascribed to it in Section 2.4
“ACRA”	:	The Accounting and Corporate Regulatory Authority of Singapore
“Adjusted Offer Price”	:	Shall have the meaning ascribed to it in Section 2.4(b)
“Acquisition”	:	The acquisition of 13,387,118 Shares by the Offeror in accordance with the terms of the Sale and Purchase Agreement
“Authorised Persons”	:	Shall have the meaning ascribed to it in paragraph 3.9 of Appendix 2
“Books Closure Date”	:	Books closure date for determination of entitlements to any Distribution
“Business Day”	:	A day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore
“CDP”	:	The Central Depository (Pte) Limited
“Closing Date”	:	5.30 p.m. (Singapore time) on 23 June 2020, being the last day for the lodgement of acceptances of the Offer
“Code”	:	The Singapore Code on Take-overs and Mergers
“Company”	:	Darco Water Technologies Limited
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore
“Concert Parties”	:	Parties acting or presumed to be acting in concert with the Offeror in connection with the Offer
“CPF”	:	Central Provident Fund
“CPF Agent Banks”	:	Agent banks included under the CPFIS
“CPFIS”	:	CPF Investment Scheme
“CPFIS Investors”	:	Investors who purchased Shares using their CPF savings under the CPFIS
“Date of Receipt”	:	The date of receipt of the FAA or FAT by CDP and/or the Registrar on behalf of the Offeror

DEFINITIONS

“Despatch Date”	:	26 May 2020, being the date of despatch of the Notification, the FAA and FAT, and electronic dissemination of this Offer Document and any related documents
“Dissenting Shareholders”	:	Shall have the meaning ascribed to it in Section 13.2
“Distributions”	:	Any dividends, rights and other distributions that have been, or will be, declared, paid or made by the Company in respect of the Shares
“Electronic Acceptance”	:	Acceptance of the Offer via the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for depository agents
“Encumbrances”	:	All mortgages, assignments, debentures, liens, hypothecation, charges, pledges, adverse claims, rent charge, title retention, claims, equity, options, encumbrances, pre-emption rights, rights to acquire, security agreement and security interest or other rights of whatever nature
“FAA”	:	Form of Acceptance and Authorisation, which forms part of this Offer Document and which is issued to Shareholders whose Shares are deposited with CDP
“FAT”	:	Form of Acceptance and Transfer, which forms part of this Offer Document and which is issued to Shareholders whose Shares are held in scrip form
“Final Day Rule”	:	Shall have the meaning ascribed to it in paragraph 1.3 of Appendix 1
“Group”	:	The Company and its subsidiaries
“Independent Directors”	:	Directors of the Company who are considered independent for the purposes of the Offer
“Last Trading Day”	:	30 April 2020, being the last full day of trading in the Shares prior to the Offer Announcement Date
“Latest Practicable Date”	:	19 May 2020, being the latest practicable date prior to the issue of this Offer Document
“Listing Manual”	:	The listing manual of the SGX-ST, as amended up to the Latest Practicable Date
“Listing Rules”	:	The listing rules of the SGX-ST, as amended or modified from time to time

DEFINITIONS

“LOI”	:	Shall have the meaning ascribed to it in paragraph 1.1(a) of Appendix 4
“Market Day”	:	A day on which the SGX-ST is open for trading of securities
“Minimum Acceptance Condition”	:	Shall have the meaning ascribed to it in Section 3
“Notification”	:	Notification of electronic dissemination of the Offer Document and related documents dated 26 May 2020
“Offer”	:	The mandatory conditional cash offer made by UOBKH for and on behalf of the Offeror, to acquire all Offer Shares on the terms and subject to the conditions set out in this Offer Document, the FAA and/or the FAT (as applicable), as may be amended or revised from time to time by or on behalf of the Offeror
“Offer Announcement”	:	The announcement dated 5 May 2020 released by UOBKH, for and on behalf of the Offeror, on the Offer Announcement Date
“Offer Announcement Date”	:	5 May 2020, being the date of the Offer Announcement
“Offer Document”	:	This offer document dated 26 May 2020 and any other document(s) which may be issued by or on behalf of the Offeror to amend, revise, supplement or update this document from time to time, including the FAA and/or FAT, as the case may be
“Offer Period”	:	The period commencing from the Offer Announcement Date and ending on the Closing Date
“Offer Price”	:	S\$0.17 in cash for each Offer Share
“Offer Shares”	:	Shall have the meaning ascribed to it in Section 1.2
“Offeror”	:	Wang Zhi
“Overseas Shareholders”	:	Shareholders whose addresses are outside Singapore as shown in the Register of Members or in the records of CDP, as the case may be
“Project”	:	Shall have the meaning ascribed to it in paragraph 1.1(a) of Appendix 4
“Reference Period”	:	The period commencing on 5 November 2019, being the date falling six (6) months prior to the Offer Announcement Date, and ending on the Latest Practicable Date
“Register of Members”	:	The register of members of the Company

DEFINITIONS

“Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Relevant Day”	:	Shall have the meaning ascribed to it in paragraph 3.1 of Appendix 1
“Relevant Person”	:	Shall have the meaning ascribed to it in Section 14.1
“Relevant Securities”	:	Shall have the meaning ascribed to it in Section 14.1
“Restricted Jurisdiction”	:	Any jurisdiction where the making of or the acceptance of the Offer would violate the laws and regulations of that jurisdiction
“Rule 22.6 Period”	:	Shall have the meaning ascribed to it in paragraph 1.2 in Appendix 1
“Sale and Purchase Agreement”	:	The unconditional sale and purchase agreement dated 5 May 2020 entered between Wuhan Liankai and the Offeror in relation to the Acquisition
“Sale Shares”	:	Shall have the meaning ascribed to it in Section 1.1
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“Settled Shares”	:	Shall have the meaning ascribed to it in paragraph 1.1(a)(ii) of Appendix 2
“SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNET”	:	The Singapore Exchange Network, the corporate announcement system maintained by the SGX-ST for the submission of announcements by listed companies
“Shareholders”	:	Persons who are registered as holders of Shares in the Register of Members and Depositors who have Shares entered against their names in the Depository Register
“Shares”	:	Issued and paid up ordinary shares in the capital of the Company
“Shut-Off Notice”	:	Shall have the meaning ascribed to it in paragraph 1.2 of Appendix 1
“SIC”	:	Securities Industry Council of Singapore
“SRS”	:	Supplementary Retirement Scheme

DEFINITIONS

“SRS Agent Banks”	:	Agent banks included under the SRS
“SRS Investors”	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
“Unsettled Buy Position”	:	Shall have the meaning ascribed to it in paragraph 1.1(a)(ii) of Appendix 2
“UOBKH”	:	UOB Kay Hian Private Limited
“VWAP”	:	Volume weighted average price
“Wuhan Liankai”	:	Wuhan Liankai Investment Co., Ltd.
“%” or “per cent.”	:	Percentage or per centum
“RMB” and “RMB cents”	:	Renminbi yuan and cents, respectively
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“US\$” and “US cents”	:	United States dollars and cents, respectively

In this Offer Document:

- (a) The expressions “**acting in concert**” and “**associates**” shall have the meanings ascribed to them respectively in the Code.
- (b) The expressions “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings as ascribed to them respectively in Section 81SF of the SFA.
- (c) Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.
- (d) The headings in this Offer Document are inserted for convenience only and shall be ignored in construing this Offer Document.
- (e) Any discrepancies in the figures included in this Offer Document between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown in the totals of the figures in this Offer Document may not be an arithmetic aggregation of the figures that precede them.
- (f) References to “**you**”, “**your**” and “**yours**” in this Offer Document are, as the context so determines, to the Shareholders.
- (g) Any reference in this Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Code, the Listing Rules or any modification thereof and used in this Offer Document shall, where applicable, have the meaning assigned to that word under the

DEFINITIONS

- Companies Act, the SFA, the Code, the Listing Rules or that modification, as the case may be, unless the context otherwise requires.
- (h) The expressions “**subsidiary**”, “**related corporations**” and “**associated company**” shall have the meanings ascribed to them in Section 5 of the Companies Act, Section 6 of the Companies Act, and the Code, respectively.
- (i) Any reference to a time of day and date in this Offer Document shall be a reference to Singapore time and date, respectively, unless otherwise specified.
- (j) Any reference in this Offer Document to the total number of Shares is a reference to a total of 93,831,492 Shares in issue as at the Latest Practicable Date based on the results of the electronic instant information search on the Company with the ACRA as at the Latest Practicable Date, unless the context otherwise requires.
- (k) References to the making of an announcement or the giving of notice by the Offeror shall include the release of an announcement by UOBKH or advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone, telex, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.
- (l) References to “**Offer Document**” shall include the FAA and the FAT, unless the context otherwise requires.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements other than statements of historical fact included in this Offer Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “**aim**”, “**seek**”, “**expect**”, “**anticipate**”, “**estimate**”, “**believe**”, “**intend**”, “**project**”, “**plan**”, “**potential**”, “**strategy**”, “**forecast**”, “**possible**”, “**probable**” and similar expressions or future or conditional verbs such as “**if**”, “**will**”, “**would**”, “**should**”, “**could**”, “**may**” or “**might**”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future results, performance, events or achievements and involve known and unknown risks and uncertainties. Accordingly, actual future results, performance, events or achievements may differ materially from those described in such forward-looking statements. Given the risks and uncertainties involved, Shareholders and investors should not place undue reliance on such forward-looking statements and information. Neither the Offeror nor UOBKH undertakes any obligation to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

UOB KAY HIAN PRIVATE LIMITED
(Company Registration No.: 197000447W)
(Incorporated in the Republic of Singapore)

Date: 26 May 2020

To: The Shareholders of the Company

Dear Sir/Madam

MANDATORY CONDITIONAL CASH OFFER BY UOBKH, FOR AND ON BEHALF OF THE OFFEROR, TO ACQUIRE ALL THE OFFER SHARES

1. INTRODUCTION

1.1 The Acquisition and Offer Announcement

On 5 May 2020, UOBKH announced, for and on behalf of the Offeror, that the Offeror had, on the same date, purchased from Wuhan Liankai an aggregate of 13,387,118 ordinary shares in the capital of the Company (the “**Sale Shares**”), representing approximately 14.27% of the total number of 93,831,492 Shares of the Company (the Company does not hold any treasury shares), for an aggregate consideration of S\$2,275,810.06, being S\$0.17 for each Sale Share (the “**Acquisition**”).

The Acquisition was made pursuant to a sale and purchase agreement dated 5 May 2020 and entered into between the Offeror and Wuhan Liankai for the sale and purchase of the Sale Shares and was effected by way of a married deal. The consideration for the Acquisition was satisfied in cash.

Prior to the Acquisition, the Offeror owned or controlled 27,680,000 Shares, representing approximately 29.50% of the total number of Shares. As a result of the Acquisition, the Offeror owns or controls an aggregate of 41,067,118 Shares, representing approximately 43.77% of the total number of Shares.

1.2 Mandatory Offer

As a consequence of the Acquisition, the Offeror is required to make a mandatory general offer for all the Shares (excluding treasury shares and other than Shares already owned, controlled and agreed to be acquired by the Offeror) (the “**Offer Shares**”), in accordance with Section 139 of the SFA and Rule 14 of the Code.

A copy of the Offer Announcement is available on the website of the SGX-ST at www.sqx.com.

1.3 Offer Document

This Offer Document contains the formal offer by UOBKH, for and on behalf of the Offeror, to acquire all the Offer Shares, subject to the terms and conditions set out in this Offer Document and the FAA and/or FAT, as the case may be. Shareholders are urged to read this Offer Document carefully and to properly consider the Offer.

LETTER TO SHAREHOLDERS

2. TERMS OF THE OFFER

2.1 Terms of the Offer

The Offer is extended to all the Offer Shares, subject to the terms and conditions set out in this Offer Document and the FAA and/or FAT, as the case may be.

2.2 Offer Price

For an on behalf of the Offeror, UOBKH hereby makes the Offer in accordance with Section 139 of the SFA and Rule 14 of the Code to acquire the Offer Shares on the following basis:

For each Offer Share: S\$0.17 in cash

The Offeror does not intend to revise the Offer Price, except that the Offeror reserves the right to do so in a competitive situation.

2.3 No Encumbrances

The Offer Shares will be acquired:

- (a) validly issued and fully paid;
- (b) free from all mortgages, assignments, debentures, liens, hypothecation, charges, pledges, adverse claims, rent-charge, title retention, claims, equity, options, encumbrances, pre-emption rights, rights to acquire, security agreement and security interest or other rights of whatever nature; and
- (c) together with all rights, benefits, entitlements and advantages attached to the Offer Shares as at the Offer Announcement Date, and thereafter attaching to the Offer Shares (including the right to receive and retain all Distributions (if any) which may be announced, declared, made or paid thereon by the Company on or after the Offer Announcement Date).

Accordingly, if any Distribution is or has been announced, declared, paid or made by the Company on or after the Offer Announcement Date, the Offeror reserves the right to reduce the Offer Price correspondingly by the amount of such dividend, right, distribution, return of capital and/or other entitlements.

2.4 Adjustment for Distributions

Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Offer Announcement Date.

Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares on or after the Offer Announcement Date to a Shareholder who validly accepts the Offer (the “**Accepting Shareholder**”), the Offer Price payable to such Accepting Shareholder may be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by the Accepting Shareholder falls, as follows:

LETTER TO SHAREHOLDERS

- (a) if such settlement date falls **on or before** the Books Closure Date, the Offer Price for each Offer Share shall remain unadjusted and the Offeror shall pay the Accepting Shareholder the unadjusted Offer Price for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; or
- (b) if such settlement date falls **after** the Books Closure Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share (the Offer Price after such reduction, the **"Adjusted Offer Price"**) and the Offeror shall pay the Accepting Shareholder the Adjusted Offer Price for each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Share from the Company.

2.5 No Convertibles Securities

As at the Latest Practicable Date, based on publicly available information, there are no outstanding instruments convertible into rights to subscribe for, and options in respect of, securities which carry voting rights, in the Company.

3. MINIMUM ACCEPTANCE CONDITION

The Offer will be conditional upon the Offeror having received, by the Closing Date of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and his Concert Parties (either before or during the Offer and pursuant to the Offer or otherwise), would result in the Offeror and his Concert Parties holding such number of Shares carrying more than 50% of the total voting rights attributable to the issued Shares (excluding treasury shares).

4. WARRANTY

A Shareholder who tenders her/his Offer Shares in acceptance of the Offer will be deemed to have unconditionally and irrevocably warranted that she/he sells such Offer Shares, as or on behalf of, the beneficial owner(s) thereof, (a) fully paid, (b) free from all Encumbrances whatsoever and (c) transferred together with all rights, benefits and entitlements attached to them as at the Offer Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any) declared, paid or made by the Company on or after the Offer Announcement Date.

5. DURATION OF THE OFFER

The Offer is open for acceptance by Shareholders for at least 28 days after the Despatch Date, unless the Offer is withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder.

Accordingly, the Offer will close at 5.30 p.m. (Singapore time) on 23 June 2020.

Notice is hereby given that the Offer will not be extended, revised or be open for acceptance beyond 5.30 p.m. on 23 June 2020, save that such notice shall not be capable of being enforced in a competitive situation.

LETTER TO SHAREHOLDERS

6. FURTHER DETAILS OF THE OFFER

Appendix 1 sets out further details on:

- (a) settlement of the consideration for the Offer;
- (b) requirements relating to the announcements of level of acceptances of the Offer; and
- (c) right of withdrawal of acceptances of the Offer.

7. PROCEDURES FOR ACCEPTANCE

Appendix 2 of this Offer Document sets out the procedures for acceptance of the Offer and the FAA and/or FAT, as the case may be.

8. INFORMATION ON THE OFFEROR

The Offeror, a Singapore Citizen, with his residential address at 106 Jalan Dusun #06-21 Ah Hood Gardens Singapore (320106), was appointed to the Board of the Company on 3 April 2018 and re-elected by shareholders of the Company on 26 April 2018 at the annual general meeting of the Company. As at the Latest Practicable Date, he continues to be the Non-Executive Deputy Chairman of the Board and the Non-Executive Chairman of the Investment Committee of the Company.

UOBKH, as the financial advisor to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Offer on the basis of the Offer Price.

9. INFORMATION ON THE COMPANY

Appendix 3 of this Offer Document sets out certain additional information on the Company.

10. RATIONALE FOR THE OFFER

10.1 Compliance with the Code

As a result of the Acquisition, the Offeror owned, controlled or agreed to acquire not less than 30% of the total number of Shares as at the Offer Announcement Date. Accordingly, the Offeror is required to make the Offer in compliance with Rule 14 of the Code.

10.2 Opportunity for Shareholders to Realise their Investment in Cash at a Premium

The Offer Price represents a premium of approximately 33.33% and 30.57% over the VWAP per Share for the 1-month and 3-month periods up to and including the Last Trading Day respectively, and a discount of approximately 15.88% and 20.49% to the VWAP per Share for the 6-month and 12-month periods up to and including the Last Trading Day respectively.

The Offer therefore presents Shareholders with an opportunity to realise up to their entire investment in the Shares in cash at a premium over the prevailing trading prices of the Shares without incurring brokerage and other trading costs.

LETTER TO SHAREHOLDERS

11. THE OFFEROR'S INTENTIONS RELATING TO THE COMPANY

The Offeror currently intends for the Company to continue with its existing business activities and has no current intention to (a) introduce any major changes to the business of the Group, (b) re-deploy the fixed assets of the Group, or (c) discontinue the employment of the employees of the Group, other than in the normal course of business.

The Offeror retains the flexibility at any time to consider any options or opportunities which may present themselves and which the Offeror regards to be in the interest of the Offeror and/or the Company.

12. FINANCIAL EVALUATION OF THE OFFER

The Offer Price of S\$0.17 represents the following premium over or discount to the benchmark prices of the Shares as set out below:

Description	Benchmark Price ⁽¹⁾ (S\$)	Premium over / (Discount) to the Benchmark Price ⁽²⁾ (%)
Last transacted price per Share as quoted on the SGX-ST on the Last Trading Day	0.1300	30.77
VWAP of the Shares for the 1-month period up to and including the Last Trading Day	0.1275	33.33
VWAP of the Shares for the 3-month period up to and including the Last Trading Day	0.1302	30.57
VWAP of the Shares for the 6-month period up to and including the Last Trading Day	0.2021	(15.88)
VWAP of the Shares for the 12-month period up to and including the Last Trading Day	0.2138	(20.49)

Notes:

- (1) Based on data extracted from Bloomberg L.P. Figures have been rounded to the nearest four (4) decimal places.
- (2) Percentage figures have been rounded to the nearest two (2) decimal places.

LETTER TO SHAREHOLDERS

13. LISTING STATUS AND COMPULSORY ACQUISITION

13.1 Listing Status

Under Rule 1105 of the Listing Manual, upon the announcement by the Offeror that valid acceptances have been received pursuant to the Offer that brings the holdings owned by the Offeror and his Concert Parties to above 90% of the total number of issued Shares (excluding treasury shares), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time as it is satisfied that at least 10% of the total number of issued Shares (excluding treasury shares) are held by at least 500 Shareholders who are members of the public.

Under Rule 1303(1) of the Listing Manual, where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding treasury shares), thus causing the percentage of the total number of issued Shares (excluding treasury shares) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of issued Shares (excluding treasury shares) is at all times held by the public. In addition, under Rule 724(1) of the Listing Manual, if the percentage of the total number of issued Shares (excluding treasury shares) held in public hands falls below 10%, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Listing Manual further states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

It is the current intention of the Offeror to maintain the listing status of the Company on the SGX-ST following completion of the Offer. In the event that the percentage of Shares (the Company does not hold any treasury shares) held in public hands falls below 10% and the SGX-ST suspends trading of the Shares, the Offeror intends to undertake and/or support any action as may be necessary for any such trading suspension by the SGX-ST to be lifted.

However, the Offeror reserves the right to re-evaluate his position, taking into account, among other things, the level of acceptances received by the Offeror and the prevailing market conditions at the relevant time. Accordingly, there is no assurance that the Offeror will take steps to preserve the listing status of the Company on the SGX-ST if the percentage of Shares (the Company does not hold any treasury shares) held in public hands falls below 10%.

If the Offeror decides not to maintain the listing status of the Company on the SGX-ST after the Company loses its public float, the SGX-ST will generally consider waiving compliance imposed on a voluntary delisting if (a) the Offer is fair and reasonable (and the independent financial adviser to the Company has opined that the Offer is fair and reasonable), and (b) the Offeror has received acceptances from independent Shareholders at the close of the Offer that represent a majority of least 75% of the total number of issued Shares held by independent Shareholders (which refers to Shareholders other than the Offeror and his Concert Parties). The Offeror will make an announcement if it receives acceptances of the Offer in respect of 75% of the total number of issued Shares held by independent Shareholders.

LETTER TO SHAREHOLDERS

If the waiver conditions are not met and the Company wishes to undertake a voluntary delisting, it will need to do so in accordance with Rule 1307 of the Listing Manual. In the event the Company is unable to meet the conditions for a voluntary delisting, the Company will be obliged to comply with the Listing Manual, including the requirement to restore its public float (through private placement or otherwise).

Shareholders and investors should note there is the risk that the Company may be subject to prolonged suspension should the free float be lost but the requisite conditions for a delisting are not met.

13.2 Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances of the Offer and/or acquires such number of Offer Shares from the Despatch Date otherwise than through valid acceptances of the Offer in respect of not less than 90% of the total number of issued Shares (excluding treasury shares and other than Shares already held by the Offeror as at the date of the Offer), the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer ("**Dissenting Shareholders**") on the same terms as those offered under the Offer. Under Rule 1308(1)(b) of the Listing Manual, Rules 1307 and 1309 of the Listing Manual do not apply to a delisting pursuant to the Offer provided that the Offeror is exercising his right of compulsory acquisition. Accordingly, independent Shareholders' approval for the delisting under Rule 1307 of the Listing Manual is not required in the event the Offeror exercises his right of compulsory acquisition.

As stated above, it is the current intention of the Offeror to maintain the listing status of the Company. Accordingly, the Offeror presently has no intention of exercising its right of compulsory acquisition under Section 215(1) of the Companies Act, should such right be available to it. However, as set out above, the Offeror reserves the right to re-evaluate his position, taking into account, among other things, the level of acceptances received by the Offeror and the prevailing market conditions at the relevant time.

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror or his nominees acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror or his nominees, comprise 90% or more of the total number of issued Shares. **Dissenting Shareholders who wish to exercise such right are advised to seek their own independent legal advice.**

14. DISCLOSURES OF HOLDINGS AND DEALINGS IN SECURITIES

14.1 Holdings of Relevant Securities by the Relevant Persons

Save as disclosed below, as at the Latest Practicable Date, pursuant to the completion of the Acquisition, none of the Offeror, his Concert Parties and UOBKH (as the financial advisor to the Offeror in connection with the Offer) (each a "**Relevant Person**" and collectively the "**Relevant Persons**") owns, controls or has agreed to acquire any:

LETTER TO SHAREHOLDERS

- (a) Shares;
 - (b) securities which carry voting rights in the Company; or
 - (c) convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company,
- (collectively, the “**Relevant Securities**”).

Name	Direct Interest		Deemed Interest		Total Interest	
	No of Shares ⁽¹⁾	% ⁽²⁾	No of Shares ⁽¹⁾	% ⁽²⁾	No of Shares ⁽¹⁾	% ⁽²⁾
Offeror	41,067,918	43.77	-	-	41,067,918	43.77

Notes:

- (1) Including the Sale Shares which the Offeror acquired pursuant to the Acquisition.
- (2) Based on the 93,831,492 Shares (the Company does not hold any treasury shares) in issue as at the Latest Practicable Date.

14.2 Dealings

Save as disclosed below, none of the Relevant Persons has dealt for value in any Relevant Securities during the Reference Period:

Name	Date of acquisition	Number of Shares acquired	Transaction Price per Share (\$)
Offeror	5 May 2020	13,387,118 ⁽¹⁾	0.17
Offeror	8 May 2020	800	0.17

Notes:

- (1) Being the Sale Shares which the Offeror acquired pursuant to the Acquisition.

14.3 Other Arrangements

As at the Latest Practicable Date, none of the Relevant Persons has:

- (a) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to Shares which might be material to the Offer;
- (b) granted any security interest relating to any Relevant Securities to another person, whether through a charge, pledge or otherwise;
- (c) borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold); or
- (d) lent any Relevant Securities to another person.

LETTER TO SHAREHOLDERS

14.4 Irrevocable Undertaking

As at the Latest Practicable Date, none of the Relevant Persons has received any irrevocable undertaking from any party to accept or reject the Offer.

15. CONFIRMATION OF FINANCIAL RESOURCES

UOBKH, as the financial advisor to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Offer on the basis of the Offer Price.

16. OVERSEAS SHAREHOLDERS

16.1 Overseas Jurisdictions

This Offer Document does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Document in any jurisdiction in contravention of applicable laws. The Offer will be made solely by this Offer Document and the relevant form(s) of acceptance, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

The release, publication or distribution of this Offer Document in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Offer Document is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Offer Document and any other formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and the Offer will not be made to, nor will the Offer be capable of acceptance by, any person within any Restricted Jurisdiction if the offer to and/or acceptance by such person will violate the laws of the Restricted Jurisdiction. Persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable laws and regulations) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

Overseas Shareholders may, nonetheless, obtain copies of the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and related documents), the FAA and/or the FAT and any related documents, by writing in to: (a) Wang Zhi c/o The Central Depository (Pte) Limited at 11 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138589 (if she/he is a Depositor); or (b) Wang Zhi c/o Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (if she/he is a scrip holder), to request for the Notification

LETTER TO SHAREHOLDERS

(containing the address and instructions for the electronic retrieval of the Offer Document and related documents), the FAA and/or the FAT and any related documents, to be sent to an address in Singapore by ordinary post at her/his own risk, up to five (5) Market Days prior to the Closing Date.

This Offer Document is available on the website of the SGX-ST at www.sgx.com.

16.2 Overseas Shareholder

The availability of the Offer to Overseas Shareholders may be affected by laws and regulations of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable legal requirements in the relevant overseas jurisdictions. Overseas Shareholders should also exercise caution in relation to the Offer, as this Offer Document, the FAA and the FAT have not been reviewed by any regulatory authority in any overseas jurisdiction. Where there are potential restrictions on sending this Offer Document, the FAA and/or the FAT to any overseas jurisdiction, each of the Offeror and UOBKH reserves the right not to send these documents to any overseas jurisdiction. **For the avoidance of doubt, the Offer is open to all Shareholders holding Offer Shares, including those to whom this Offer Document, the FAA and/or the FAT have not been or may not be, mailed or otherwise forwarded, distributed or sent.**

It is the responsibility of any Overseas Shareholder who wishes to (a) request for this Offer Document, the FAA and/or the FAT and/or any related documents, or (b) accept the Offer, to satisfy herself/ himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on his behalf (including UOBKH) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on his behalf (including UOBKH) may be required to pay. In (i) requesting for this Offer Document, the FAA and/or the FAT and any related documents and/or (ii) accepting the Offer, the Overseas Shareholder represents and warrants to the Offeror and UOBKH that she/he is in full observance of the laws of the relevant jurisdiction in that connection, and that she/he is in full compliance with all necessary formalities or legal requirements.

Any Overseas Shareholder who is in any doubt about her/his position should consult her/his professional adviser in the relevant jurisdiction.

The Offeror and UOBKH each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Overseas Shareholders by announcement to the SGX-ST or notice and if necessary, by paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement, notice or advertisement.

17. INFORMATION PERTAINING TO CPFIS AND SRS INVESTORS

CPFIS Investors and SRS Investors should receive further information on how to accept the Offer from their respective CPF Agent Banks and SRS Agent Banks. CPFIS Investors and

LETTER TO SHAREHOLDERS

SRS Investors are advised to consult their respective CPF Agent Banks and SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice. CPFIS Investors and SRS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks and SRS Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks and SRS Agent Banks, which may be earlier than the Closing Date. Subject to the Offer becoming or being declared unconditional in all respects, CPFIS Investors and SRS Investors will receive the Offer Price payable in respect of their Offer Shares validly tendered in acceptance of the Offer through appropriate intermediaries in their respective CPF investment accounts and SRS investment accounts.

18. RESPONSIBILITY STATEMENT

The Offeror (who may have delegated detailed supervision of this Offer Document) has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Offer Document are fair and accurate and that there are no material facts that have been omitted from this Offer Document, the omission of which would make any statement in this Offer Document misleading, and accepts responsibility accordingly.

Where any information has been extracted or reproduced from published or publicly available sources or obtained from the Company (including, without limitation, information relating to the Company or the Group), the sole responsibility of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Offer Document.

19. GENERAL

19.1 Accidental Omission

Any omission relating to the despatch of the Notification, the FAA and the FAT, the electronic dissemination of this Offer Document and any related documents, or any notice, advertisement or announcement required to be given under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made or should be made shall not invalidate the Offer in any way.

19.2 Governing Law and Jurisdiction

The Offer, this Offer Document, the FAA and/or the FAT, all acceptances of the Offer, all contracts made pursuant thereto and all actions taken or deemed to be taken in connection with any of the foregoing shall be governed by, and construed in accordance with, the laws of Singapore and all accepting Shareholders agree, by accepting the Offer, to submit to the non-exclusive jurisdiction of the Singapore courts.

19.3 No Third Party Rights

Unless expressly provided otherwise in this Offer Document, the FAA and/or the FAT, a person who is not a party to any contracts made pursuant to the Offer, this Offer Document, the FAA and/or the FAT 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 and in the FAA and/or the FAT, the consent of any third party is not

LETTER TO SHAREHOLDERS

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.

19.4 Valid Acceptances

The Offeror and UOBKH each reserves the right to treat acceptances of the Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated herein or in the FAA or the FAT, or if made otherwise than in accordance with the provisions and instructions herein and in the FAA and the FAT.

19.5 Independent Advice

UOBKH is acting for and on behalf of the Offeror and does not purport to advise the Shareholders or any other person. In preparing the Offer Document for and on behalf of the Offeror, UOBKH has not had regard to the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any Shareholder. You must make your own decision as to whether to tender your Shares. If you are in doubt as to the action you should take, you should immediately seek your own advice from your relevant financial, legal or tax advisers or other independent financial adviser(s).

19.6 General Information

The views of the Independent Directors and the independent financial adviser to the Independent Directors on the Offer will be made available to the Shareholders in due course and in any event, the Independent Directors are required under the Code to despatch their views within 14 days of the posting of this Offer Document. Shareholders may wish to consider their advice before taking any action in relation to the Offer.

Appendix 4 to this Offer Document sets out additional general information relating to the Offer. Your attention is drawn to all the appendices which form part of this Offer Document.

Yours faithfully
UOB Kay Hian Private Limited

For and on behalf of
Mr. Wang Zhi

APPENDIX 1 - DETAILS OF THE OFFER

1. DURATION OF THE OFFER

1.1 Closing Date

Pursuant to Rule 22.3 of the Code, except insofar as the Offer is withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder, the Offer will remain open for acceptances by Shareholders for a period of at least 28 days from the Despatch Date.

Accordingly, the Offer will close at 5.30 p.m. (Singapore time) on 23 June 2020.

Notice is hereby given that the Offer will not be extended, revised or be open for acceptance beyond 5.30 p.m. on 23 June 2020, save that such notice shall not be capable of being enforced in a competitive situation.

1.2 Offer to Remain Open for 14 Days after being Declared Unconditional as to Acceptances

Pursuant to Rule 22.6 of the Code, after the Offer has become or is declared unconditional as to acceptances, the Offer must remain open for acceptance (the “**Rule 22.6 Period**”) for not less than 14 days after the date on which the Offer would otherwise have closed, in order to give Shareholders who have not accepted the Offer the opportunity to do so. This requirement does not apply if, before the Offer becomes or is declared unconditional as to acceptances, the Offeror has given Shareholders notice in writing of at least 14 days (the “**Shut-Off Notice**”) that the Offer will not be open for acceptance beyond a specified Closing Date, provided that:

- (a) the Offeror may not give a Shut-Off Notice in a competitive situation; and
- (b) the Offeror may not enforce a Shut-Off Notice, if already given, in a competitive situation.

For the purposes of paragraphs 1.1 and 1.2 above, the SIC would normally regard a “competitive situation” to have arisen if a competing offer for the Company has been announced. If a declaration that the Offer is unconditional is confirmed in accordance with Rule 28.1 of the Code, the Rule 22.6 Period will run from the date of such confirmation or the date on which the Offer would otherwise have closed, whichever is later.

1.3 Final Day Rule

The Offer (whether revised or not) will not be capable of:

- (a) becoming or being declared unconditional as to acceptances after 5.30 p.m. (Singapore time) on the 60th day after the Despatch Date; or
- (b) being kept open after the expiry of such 60-day period unless the Offer has previously become or been declared unconditional as to acceptances, provided that the Offeror may extend the Offer beyond such 60-day period with the permission of the SIC (the “**Final Day Rule**”). The SIC will consider granting such permission in circumstances, including but not limited to, where a competing offer has been announced.

APPENDIX 1 - DETAILS OF THE OFFER

2. SETTLEMENT

Subject to the Offer becoming or being declared unconditional in all respects and to the receipt by the Offeror from the accepting Shareholders of valid acceptances and all relevant documents required by the Offeror which are complete in all respects and in accordance with the instructions given in this Offer Document and in the FAA and/or the FAT, as the case may be, and in the case of a Depositor, the receipt by the Offeror of a confirmation satisfactory to it that the relevant number of Offer Shares tendered by the accepting Shareholders in acceptance of the Offer are standing to the credit of the "Free Balance" of their respective Securities Account at the relevant time(s), remittances in the form of S\$ cheques drawn on a bank in Singapore for the appropriate amounts will be despatched, to the accepting Shareholders (or in the case of an accepting Shareholder holding share certificate(s) which is not deposited with CDP, her/his designated agent (if any)) by ordinary post and at the risk of the accepting Shareholders or by such other manner as the accepting Shareholders may have agreed with CDP for payment of any cash distributions as soon as practicable but in any event:

- (a) in respect of valid acceptances of the Offer which are complete in all respects and are received **on or before** the date on which the Offer becomes or is declared to be unconditional in all respects in accordance with its terms, within seven (7) Business Days of such date; or
- (b) in respect of valid acceptances of the Offer which are complete in all respects and are received **after** the Offer becomes or is declared to be unconditional in all respects in accordance with its terms, but before the Closing Date, within seven (7) Business Days of such date.

3. ANNOUNCEMENTS

3.1 Timing and Contents

Pursuant to Rule 28.1 of the Code, by 8.00 a.m. on the dealing day (the "**Relevant Day**") immediately after the day on which the Offer is due to expire, or becomes or is declared unconditional as to acceptances, the Offeror will announce and simultaneously inform the SGX-ST of the total number of Shares (as nearly as practicable):

- (a) for which valid acceptances of the Offer have been received;
- (b) held by the Offeror and his Concert Parties before the Offer Period; and
- (c) acquired or agreed to be acquired by the Offeror and his Concert Parties during the Offer Period,

and specify the percentages of the total number of issued Shares represented by such numbers.

APPENDIX 1 - DETAILS OF THE OFFER

3.2 Suspension

If the Offeror is unable, within the time limit, to comply with any requirements in paragraph 3.1 of this **Appendix 1**, the SIC will consider requesting SGX-ST to suspend dealings in the Shares until the relevant information is given.

3.3 Valid Acceptances

Under the Code and subject to Section 19.4 of this Offer Document, in computing the number of Offer Shares represented by acceptances, the Offeror will at the time of making an announcement take into account acceptances which are valid in all respects.

Acceptances of the Offer will only be treated as valid for the purposes of the acceptance condition if the relevant requirements of Note 2 on Rule 28.1 of the Code are met.

3.4 Announcements

In this Offer Document, references to the making of any announcement or the giving of notice by the Offeror include the release of an announcement by UOBKH or advertising agents for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

4. RIGHT OF WITHDRAWAL

4.1 Acceptances Irrevocable

Except as expressly provided in this Offer Document and the Code, acceptances of the Offer shall be irrevocable.

4.2 Right of Withdrawal of Shareholders

A Shareholder who has accepted the Offer may:

- (a) withdraw her/his acceptance immediately if the Offer has become or been declared unconditional as to acceptances but the Offeror fails to comply with any of the requirements described in paragraph 3.1 of this **Appendix 1** above, by 3.30 p.m. (Singapore time) on the Relevant Day. Subject to the Final Day Rule referred to in paragraph 1.3 of this **Appendix 1** above, the Offeror may terminate this right of withdrawal not less than eight (8) days after the Relevant Day by confirming (if that be the case) that the Offer is still unconditional as to acceptances and complying with the requirements described in paragraph 3.1 of this **Appendix 1** above. For the purposes of paragraph 1.2 of this **Appendix 1**, the period of 14 days referred to therein will run from the date of such confirmation (if given) or the date on which the Offer would otherwise have expired, whichever is later;
- (b) withdraw her/his acceptance after 14 days from the first Closing Date if the Offer has not by then become unconditional as to acceptances. This right of withdrawal will be exercisable until the Offer becomes unconditional as to acceptances; or

APPENDIX 1 - DETAILS OF THE OFFER

- (c) withdraw her/his acceptance immediately if a competing offer becomes unconditional as to acceptances. This right of withdrawal also applies in the converse situation: if the Offer becomes unconditional, a Shareholder who has accepted a competing offer may likewise withdraw her/his acceptance for such competing offer immediately.

4.3 Method of Withdrawal

To withdraw her/his acceptance under the Offer:

- (a) a Shareholder holding Offer Shares **which are deposited with CDP** must give written notice to the Offeror, c/o The Central Depository (Pte) Limited, 11 North Buona Vista Drive, #01-19/20, The Metropolis, Tower 2, Singapore 138589; and
- (b) a Shareholder holding Offer Shares which are **not deposited with CDP** must give written notice to Wang Zhi c/o Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

Such notice of withdrawal shall be effective only if signed by the accepting Shareholder or her/his agent duly appointed in writing and evidence of whose appointment is produced in a form satisfactory to the Offeror within the said notice and when actually received by the Offeror.

APPENDIX 2 – PROCEDURES FOR ACCEPTANCE OF THE OFFER

1. DEPOSITORS

1.1 Depositors whose Securities Accounts are credited with Offer Shares

If you have Offer Shares standing to the credit of the “Free Balance” of your Securities Account, you should receive the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and related documents), together with a FAA. If you do not receive the FAA, you may obtain such FAA, upon production of satisfactory evidence that you are a Shareholder, from CDP at 11 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138589.

Acceptance

If you wish to accept the Offer in respect of all or part of your Offer Shares, you should:

- (a) complete the FAA in accordance with this Offer Document and the instructions printed on the FAA. In particular, you must state in **Section C** of the FAA, the number of Offer Shares in respect of which you wish to accept the Offer.
 - (i) If you:
 - (aa) do not specify such number; or
 - (bb) specify a number which exceeds the number of Offer Shares standing to the credit of the "Free Balance" of your Securities Account by 5.00 p.m. (Singapore time) on the date of receipt of the FAA by CDP (“**Date of Receipt**”), or in the case where the Date of Receipt is on the Closing Date, by 5.30 p.m. (Singapore time) on the Closing Date,

you shall be deemed to have accepted the Offer in respect of all the Offer Shares standing to the credit of the "Free Balance" of your Securities Account by 5.00 p.m. (Singapore time) on the Date of Receipt (if the FAA is received by CDP prior to the Closing Date) or 5.30 p.m. (Singapore time) on the Closing Date.
 - (ii) if paragraph 1.1(a)(i)(bb) above applies and at the time of verification by CDP of the FAA on the Date of Receipt, there are outstanding settlement instructions with CDP to receive further Offer Shares into the “Free Balance” of your Securities Account (“**Unsettled Buy Position**”), and the Unsettled Buy Position settles such that the Offer Shares in the Unsettled Buy Position are transferred to the “Free Balance” of your Securities Account at any time during the period the Offer is open, up to 5.30 p.m. (Singapore time) on the Closing Date (“**Settled Shares**”), you shall be deemed to have accepted the Offer in respect of the balance number of Offer Shares inserted in Part A of the FAA which have not yet been accepted pursuant to paragraph 1.1(a)(i)(bb) above, or the number of Settled Shares, whichever is less;
- (b) sign the FAA in accordance with this **Appendix 2** and the instructions printed on the FAA; and

APPENDIX 2 – PROCEDURES FOR ACCEPTANCE OF THE OFFER

- (c) deliver the completed and signed original FAA in its entirety (no part may be detached or otherwise mutilated) **by post**, in the enclosed pre-addressed envelope **AT YOUR OWN RISK**, to: Wang Zhi c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934, **so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date**. If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope which is enclosed with the FAA. It is your responsibility to affix adequate postage on the said envelope.

If you have sold or transferred all your Offer Shares held through CDP, you need not forward this Offer Document and the FAA to the purchaser or transferee, as CDP will arrange for the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and related documents) and FAA to be sent to the purchaser or transferee.

If you are a Depository Agent, you may accept the Offer via Electronic Acceptance. CDP has been authorised by the Offeror to receive Electronic Acceptances on his behalf and such Electronic Acceptances must be submitted not later than 5.30 p.m. (Singapore time) on the Closing Date. Such Electronic Acceptances submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Offer Document as if the FAA had been duly completed, signed in its originality and delivered to CDP.

1.2 Depositors whose Securities Accounts will be credited with Offer Shares

If you have purchased Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the "Free Balance" of your Securities Account, you should also receive the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and related documents) together with a FAA. If you do not receive the FAA, you may obtain a copy of such FAA, upon production of satisfactory evidence that you are a Shareholder, from CDP at 11 North Buona Vista Drive, #01-19/20 The Metropolis, Tower 2, Singapore 138589.

Acceptance

If you wish to accept the Offer in respect of all or part of your Offer Shares, you should, after the "Free Balance" of your Securities Account has been credited with such number of Offer Shares:

- (a) complete and sign the FAA in accordance with paragraph 1.1 of this **Appendix 2** and the instructions printed on the FAA; and
- (b) deliver the completed and signed original FAA in its entirety (no part may be detached or otherwise mutilated) **by post**, in the enclosed pre-addressed envelope **AT YOUR OWN RISK**, to: Wang Zhi c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934, **so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date**. If the completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope which is enclosed with the FAA. It is your responsibility to affix adequate postage on the said envelope.

APPENDIX 2 – PROCEDURES FOR ACCEPTANCE OF THE OFFER

1.3 Rejection

If upon receipt by CDP, on behalf of the Offeror, of the FAA, it is established that such Offer Shares have not been or will not be, credited to your "Free Balance" of your Securities Account (as, for example, where you sell or have sold such Offer Shares), your acceptance is liable to be rejected. None of the Offeror, UOBKH and CDP accepts any responsibility or liability in relation to such a rejection, including the consequences thereof.

If you purchase Offer Shares on the SGX-ST on a date close to the Closing Date, your acceptance in respect of such Offer Shares is liable to be rejected if the "Free Balance" of your Securities Account is not credited with such Offer Shares by 5.00 p.m. (Singapore time) on the Date of Receipt of the FAA by CDP, or by 5.30 p.m. (Singapore time) on the Closing Date (if the FAA is received by CDP on the Closing Date), unless paragraph 1.1(a)(i)(bb) read together with paragraph 1.1(a)(ii) of this **Appendix 2** apply. If the Unsettled Buy Position does not settle by 5.30 p.m. (Singapore time) on the Closing Date, your acceptance in respect of such Offer Shares will be rejected. None of the Offeror, UOBKH and CDP accepts any responsibility or liability in relation to such a rejection, including the consequences thereof.

1.4 Depositors whose Securities Accounts are and will be credited with Offer Shares

If you have Offer Shares credited to your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to your Securities Account, you may accept the Offer in respect of the Offer Shares standing to the credit of the "Free Balance" of your Securities Account and may accept the Offer in respect of the additional Offer Shares purchased which are in the process of being credited to your Securities Account only **AFTER** the "Free Balance" of your Securities Account has been credited with such number of Offer Shares. The provisions set out above in paragraphs 1.1 and 1.2 shall apply *mutatis mutandis* to your acceptance(s) of the Offer in respect of such additional Offer Shares.

1.5 Communications and Receipt

No acknowledgement will be given by CDP for submissions of FAAs. All communications, notices, documents and payments to be delivered or sent to you will be sent by ordinary post at your own risk to your address as it appears in the records of CDP. For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You can verify such number in your Securities Account: (i) through CDP Online if you have registered for the CDP Internet Access Service; or (ii) through the CDP Phone Service using SMS OTP, under the option "To check your securities balance".

1.6 Blocked Balance

Upon receipt of the FAA which is complete and valid in all respects accompanied with any other relevant documents (if applicable), CDP will transfer the Offer Shares in respect of which you have accepted the Offer from the "Free Balance" of your Securities Account to the "Blocked Balance" of your Securities Account. Such Offer Shares will be held in the "Blocked Balance" until the consideration for such Offer Shares has been despatched to you.

APPENDIX 2 – PROCEDURES FOR ACCEPTANCE OF THE OFFER

1.7 Notification

If you have accepted the Offer in accordance with the provisions contained in this **Appendix 2** and the FAA, upon the Offer becoming or being declared to be unconditional in all respects in accordance with its terms, CDP will send you a notification letter stating the number of Offer Shares debited from your Securities Account together with payment of the Offer Price in respect of such Offer Shares by way of a cheque in S\$ drawn on a bank in Singapore for the appropriate amount, by ordinary post to your mailing address as it appears in the records of CDP, or in such other manner that you have agreed with CDP for the payment of any cash distribution, at your own risk, as soon as practicable and in any event:

- (a) in respect of acceptances of the Offer which are complete and valid in all respects and are received on or before the date on which the Offer becomes or is declared unconditional in all respects in accordance with its terms, within seven (7) Business Days of that date; or
- (b) in respect of acceptances of the Offer which are complete and valid in all respects and are received after the Offer becomes or is declared unconditional in all respects in accordance with its terms, but before the Offer closes, within seven (7) Business Days of the date of such receipt.

1.8 Return of Offer Shares

In the event that the Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, CDP will return the aggregate number of Offer Shares in respect of which you have accepted the Offer and tendered for acceptance under the Offer to the “Free Balance” of your Securities Account as soon as possible but, in any event, within 14 days from the lapse or withdrawal of the Offer.

1.9 No Securities Account

If you do not have an existing Securities Account in your name at the time of acceptance of the Offer, your acceptance as contained in the FAA will be rejected.

2. SCRIP HOLDERS

2.1 Shareholders whose Offer Shares are not deposited with CDP

If you hold Offer Shares which are not deposited with CDP (“**in scrip form**”), you should receive the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and related documents) together with a FAT. If you do not receive a FAT, you may obtain a copy, upon production of satisfactory evidence that you are a Shareholder, from Wang Zhi c/o Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

Acceptances

If you wish to accept the Offer in respect of all or part of your Offer Shares, you should:

- (a) complete the FAT in accordance with this Offer Document and the instructions printed on the FAT. In particular, you must state in the FAT the number of Offer Shares in

APPENDIX 2 – PROCEDURES FOR ACCEPTANCE OF THE OFFER

respect of which you wish to accept the Offer and the share certificate number(s) of the relevant share certificate(s).

- (i) If you:
 - (aa) do not specify such number; or
 - (bb) specify a number which exceeds the number of Offer Shares represented by the attached share certificate(s) accompanying the FAT,you shall be deemed to have accepted the Offer in respect of the total number of Offer Shares represented by the share certificate(s) accompanying the FAT;
- (b) sign the FAT in accordance with this **Appendix 2** and the instructions printed on the FAT; and
- (c) deliver:
 - (i) the completed and signed original FAT in its entirety (no part may be detached or otherwise mutilated);
 - (ii) the share certificate(s), other document(s) of title and/or other relevant document(s) required by the Offeror relating to the Offer Shares in respect of which you wish to accept the Offer. If you are recorded in the Register of Members as holding Offer Shares but do not have the relevant share certificate(s) relating to such Offer Shares, you, at your own risk, are required to procure the Company to issue such share certificate(s) in accordance with the Constitution of the Company and then deliver such share certificate(s) in accordance with the procedures set out in this Offer Document and the FAT; and
 - (iii) where such Offer Shares are not registered in your name, you may send in, at your own risk, the relevant share certificate(s) and/or other document(s) of title and/or other relevant document(s) required by the Offeror, accompanied by transfer form(s) duly executed by the person in whose name such share certificate(s) is/are registered and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it),

by post in the enclosed pre-addressed envelope at your own risk, to Wang Zhi 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 5.30 p.m. (Singapore time) on the Closing Date**. If the completed and signed FAT is delivered by post to the Offeror, please use the pre-addressed envelope, which is enclosed with the FAT. It is your responsibility to affix adequate postage on the said envelope.

2.2 Communications and Receipt

No acknowledgement of receipt of any FAT, share certificate or any other document will be given. All communications, certificates, notices, documents and remittances to be delivered or sent to you will be sent to you (or your designated agent or, in the case of joint accepting

APPENDIX 2 – PROCEDURES FOR ACCEPTANCE OF THE OFFER

Shareholders who have not designated any agent, to the one first named in the Register of Members of the Company) by ordinary post to your address as it appears in the Register of Members of the Company at your own risk (or, for the purpose of remittances only, to such different name and address as may appear in the FAT and at your own risk).

3. GENERAL

3.1 Disclaimer and Discretion

Each of the Offeror, UOBKH, CDP and/or the Registrar will be authorised and entitled, in their sole and absolute discretion, to reject or treat as valid any acceptance of the Offer through the FAA and/or FAT, as the case may be, which is not entirely in order or which does not comply with the provisions and instructions in this Offer Document and in the FAA and/or FAT (as applicable), or which is not accompanied by the relevant share certificate(s), other document(s) of title and/or other relevant document(s) required by the Offeror and/or UOBKH or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality, or invalid in any respect. If you wish to accept the Offer, it is your responsibility to ensure that the FAA and/or FAT, as the case may be, is/are properly completed and executed in all respects and submitted with original signature(s) and that all required supporting documents, where applicable, are provided. Any decision to reject or treat as valid any acceptance will be final and binding and none of the Offeror, UOBKH, CDP and/or the Registrar accepts any responsibility or liability in relation to such a decision, including the consequences of such a decision.

Each of the Offeror, UOBKH, CDP and/or the Registrar reserves the right to treat acceptances of the Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated in this Offer Document or in the FAA and/or the FAT, as the case may be, or if made otherwise than in accordance with the provisions of this Offer Document and in the FAA and/or FAT, as the case may be. Any decision to reject or treat as valid any acceptance will be final and binding and none of the Offeror, UOBKH, CDP and/or the Registrar accepts any responsibility or liability in relation to such a decision, including the consequences of such a decision.

3.2 Shareholders with Scrip and Scripless Shares

If you hold some Offer Shares in scrip form and some Offer Shares with CDP, you should complete and sign the FAT for the former and the FAA for the latter in accordance with the respective procedures set out in this **Appendix 2** if you wish to accept the Offer in respect of all such Offer Shares.

3.3 Deposit Time

If you hold the Offer Shares in scrip form and wish to accept the Offer, you should not deposit the share certificate(s) with CDP on or after the Despatch Date as the Offer Shares may not be credited into your Securities Account in time for you to accept the Offer. If you wish to accept the Offer in respect of such Offer Shares in scrip form, you should complete the FAT and follow the procedures set out in paragraph 2 of this **Appendix 2**.

APPENDIX 2 – PROCEDURES FOR ACCEPTANCE OF THE OFFER

3.4 Acceptances received on Saturday, Sunday and public holidays

For the avoidance of doubt, FAAs and/or FATs, as the case may be, received by the Offeror, UOBKH, CDP and/or the Registrar, as the case may be on a Saturday, Sunday or public holiday will only be processed and validated on the next Business Day.

3.5 Evidence of Title

Submission of the duly completed and signed original of the FAA and/or FAT through CDP and/or the Registrar and/or, as the case may be, the Offeror or UOBKH, shall be conclusive evidence in favour of the Offeror, UOBKH, CDP and the Registrar of the right and title of the persons signing it to deal with the same and with the Offer Shares to which it relates.

3.6 Correspondences

All communications, certificates, notices, documents and remittances to be delivered or sent to you (or your designated agent or, in the case of joint accepting Shareholders who have not designated any agent, to the one first named in the Register of Members) will be sent by ordinary post to your respective mailing addresses as maintained with CDP or as they appear in the Register of Members, as the case may be, at the risk of the person entitled thereto (or for the purposes of remittances only, to such different names and addresses as may be specified by you in the FAA and/or FAT (as applicable) at your own risk).

3.7 Loss in Transmission

The Offeror, UOBKH, CDP and/or the Registrar, as the case may be, shall not be liable for any loss in transmission of the FAA and/or the FAT.

3.8 Acceptances Irrevocable

Except as expressly provided in this Offer Document and the Code, the acceptance of the Offer made by you using the FAA and/or the FAT, as the case may be, shall be irrevocable.

3.9 Personal Data Privacy

By completing and delivering a FAA and/or FAT, each person (i) consents to the collection, use and disclosure of her/his personal data by the Registrar, Securities Clearing and Computer Services (Pte) Ltd, CDP, SGX-ST, the Offeror, UOBKH and the Company (the “**Authorised Persons**”) for the purpose of facilitating her/his acceptance of the Offer, and in order for the Authorised Persons to comply with any applicable laws, listing rules, regulations and/or guidelines; (ii) warrants that where she/he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (iii) agrees that she/he will indemnify the Authorised Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of her/his breach of warranty.

APPENDIX 3 – ADDITIONAL INFORMATION ON THE COMPANY

1. DIRECTORS

Based on, among others, a search conducted with the ACRA and the Company's announcements on SGXNET as at the Latest Practicable Date, the names, addresses and descriptions of all the directors of the Company as at the Latest Practicable Date are as follows:

Name of Director	Address	Position
Mr. Wang Yaoyu	Room 702, Building 1, Feng Garden No. 497 Luoshi Road, Hongshan District, Wuhan, China	Executive Chairman
Mr. Wang Zhi	106 Jalan Dusun #06-21 Ah Hood Gardens Singapore (320106)	Non-Executive Deputy Chairman
Mr. Poh Kok Hong	154 Lorong 2 Toa Payoh #17-618 Toa Payoh Sapphire Singapore (310154)	Executive Director and Chief Executive Officer
Mr. Tay Lee Chye Lester	10 Lorong Abu Talib Singapore (456846)	Lead Independent Director
Mr. Tay Von Kian	16A Duke's Road Singapore (268900)	Non-Executive Independent Director
Ms. Gn Jong Yuh Gwendolyn	50 Bridport Avenue Serangoon Garden Estate Singapore (559340)	Non-Executive Independent Director
Ms. Ong Joo Mien	76 Thomson Walk Happy Park Singapore (574491)	Non-Executive Independent Director

2. PRINCIPAL ACTIVITIES AND SHARE CAPITAL

Based on a search conducted with the ACRA as at the Latest Practicable Date, the Company is a public company limited by shares and was incorporated in Singapore on 13 October 2001. Its shares have been listed on the Mainboard of the SGX-ST since 7 May 2008.

Based on the Company's annual report for the financial year ended 31 December 2018, and, the Company website at <https://darcowater.com> as at the Latest Practicable Date, the Group is principally engaged in the business of water purification and wastewater treatment systems, including providing maintenance services for such systems and trading and supplying materials used in such systems.

Based on the search conducted with the ACRA as at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$81,797,093.926, comprising 93,831,492 Shares (the Company does not hold any treasury shares). Based on publicly

APPENDIX 3 – ADDITIONAL INFORMATION ON THE COMPANY

available information, the Company does not have any outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights.

3. MATERIAL CHANGES IN FINANCIAL POSITION

As at the Latest Practicable Date, save as disclosed in this Offer Document and save for information on the Company which is publicly available (including without limitation, the last unaudited financial statements of the Company for the full year ended 31 December 2019 which was released by the Company on SGXNET on 28 February 2020 and any other information on the Company which is publicly available (including without limitation, the announcements released by the Company on the SGX-ST)), there has not been, within the knowledge of the Offeror, any material change in the financial position or prospects of the Company since 31 December 2018, being the date of the last audited consolidated financial statements of the Company laid before the Shareholders in a general meeting.

4. REGISTERED OFFICE

Based on a search conducted with the ACRA as at the Latest Practicable Date, the registered office of the Company is 280 Woodlands Industrial Park E5 #09-36 Harvest @ Woodlands Singapore (757322).

For more information on the Company, please refer to information available on the SGX-ST website at www.sgx.com.

APPENDIX 4 – GENERAL INFORMATION

1. DISCLOSURES OF INTERESTS

1.1 No Agreement having any Connection with or Dependence upon the Offer

As at the Latest Practicable Date, save as disclosed in this Offer Document, there is no agreement, arrangement or understanding between (a) the Offeror or his Concert Parties and (b) any of the present or recent directors of the Company, or the present or recent Shareholders, having any connection with or dependence upon the Offer.

While not constituting an agreement, arrangement or understanding between (a) the Offeror or his Concert Parties and (b) any of the present or recent directors of the Company, or the present or recent Shareholders, having any connection with or dependence upon the Offer, the Offeror would like to disclose, for completeness, that as at the Latest Practicable Date, the Offeror had entered into the following arrangements with the Company:

- (a) As announced by the Company on SGXNET on 5 November 2018, a non-binding letter of intent (“**LOI**”) was entered into between the Company and the Offeror, in relation to the investment by the Company in a Build-Operate-Transfer Gaoyi Domestic Waste Water Treatment Project, in Hebei, China (the “**Project**”), in which the Offeror will transfer 100% of his equity interest in the Project to the Group in satisfaction of his obligation pursuant to a deed of undertaking dated 23 November 2017, to effect such transfer within 24 months of the completion of the Company’s share placement to the Offeror. The total consideration for the Company’s investment for the Offeror’s 100% equity interest in the Project is RMB 60 million. Pursuant to the LOI, a deposit of RMB 6 million had been paid to the Offeror by the Company. The said share placement had been completed and announced by the Company on SGXNET on 23 March 2018. Also as announced by the Company on SGXNET on 9 September 2019, the Offeror had entered into a supplemental agreement with the Company to extend the deadline for the transfer of the Project from 23 March 2020 to 23 March 2022; and
- (b) As announced by the Company on SGXNET on 11 November 2019, 21 November 2019 and 22 November 2019, an unsecured US\$ term loan facility of a total principal amount not exceeding US\$1,437,200 was extended to the Company by the Offeror, divided into two (2) tranches of US\$1,000,000 and US\$437,200 (“**Loan Agreement**”).

1.2 Transfer of Offer Shares

As at the Latest Practicable Date, there is no agreement, arrangement or understanding whereby any of the Offer Shares acquired pursuant to the Offer will or may be transferred to any other persons. However, the Offeror reserves the right to transfer any of the Offer Shares to any corporation that is majority-owned or controlled by him, or to any of his Concert Parties.

1.3 No Payment or Benefit to Directors of the Company

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit that will be made or given to any director of the Company or its related corporations (as defined in the Companies Act) as compensation for loss of office or otherwise in connection with the Offer.

APPENDIX 4 – GENERAL INFORMATION

1.4 No Agreement Conditional upon Outcome of Offer

As at the Latest Practicable Date, there is no agreement, arrangement or understanding made between (a) the Offeror and (b) any of the directors of the Company or any other person, in connection with or conditional upon the outcome of the Offer or otherwise connected with the Offer.

1.5 No Indemnity and other Arrangements

To the best knowledge of the Offeror, as at the Latest Practicable Date, none of the Offeror or his Concert Parties has:

- (a) entered into any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the Relevant Securities which may be an inducement to deal or refrain from dealing in the Relevant Securities;
- (b) granted any security interest relating to any Relevant Securities to another person, whether through a charge, pledge or otherwise;
- (c) borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold); or
- (d) lent any Relevant Securities to another person.

1.6 Transfer Restrictions

To the best knowledge of the Offeror, there is no restriction in the Constitution of the Company on the right to transfer any Offer Shares, which has the effect of requiring the holders of such Offer Shares before transferring them, to offer them for purchase by members of the Company or any other person.

2. MATERIAL CHANGE IN INFORMATION

Save as disclosed in this Offer Document or otherwise publicly disclosed, to the best knowledge of the Offeror, there has been no material change in any information previously published by or on behalf of the Offeror during the period commencing from the Offer Announcement Date and ending on the Latest Practicable Date.

3. GENERAL

3.1 Cost and Expenses

All costs and expenses of or incidental to the Offer including the preparation and circulation of this Offer Document, the FAA and the FAT (other than professional fees and other costs relating to the Offer or any revision thereof incurred by the Company, and other than affixing adequate postage on the FAA and/or FAT (as applicable) which remains the responsibility of the respective Shareholder) and stamp duty and transfer fees resulting from acceptances of the Offer, will be paid by the Offeror.

APPENDIX 4 – GENERAL INFORMATION

3.2 Consent

UOBKH, as the financial adviser to the Offeror in connection with the Offer, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion of its name and all references to its name in the form and context in which it appears in this Offer Document.

Boardroom Corporate & Advisory Services Pte. Ltd., as the Registrar, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion of its name and all references to it same in the form and context in which it appears in this Offer Document.

4. MARKET QUOTATIONS

4.1 Closing Prices

The closing prices of the Shares on the SGX-ST, as reported by Bloomberg L.P., on (a) 19 May 2020 being the Latest Practicable Date was S\$0.171; and (b) 30 April 2020 being the Last Trading Day was S\$0.130.

The last transacted price on the last Market Day of each of the six (6) calendar months preceding the Offer Announcement Date in which there was trading in the Shares, and the aggregate trading volume of the Shares for the respective month on the SGX-ST, as reported by Bloomberg L.P., are set out below:

Last trading day for the month of	Last Closing Price (S\$)	Volume of Shares Traded for the month
November 2019	0.250	4,400
December 2019	0.180	20,900
January 2020	0.200	93,000
February 2020	0.131	30,500
March 2020 ⁽¹⁾	-	-
April 2020	0.130	8,200

Notes:

(1) There were no trades of the Shares done on the SGX-ST in March 2020.

4.2 Highest and Lowest Prices

The highest and lowest closing prices of the Shares on the SGX-ST during the Reference Period and their respective dates transacted, as reported by Bloomberg L.P., are set out below:

	Price (S\$)	Date(s) transacted
Highest closing price	0.250	29 November 2019, 17 December 2019 and 18 December 2019
Lowest closing price	0.101	24 April 2020

APPENDIX 4 – GENERAL INFORMATION

5. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the office of the Registrar at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, during normal business hours, while the Offer remains open for acceptance:

- (a) the Offer Announcement; and
- (b) the letter of consent from UOBKH and the Registrar referred to in paragraph 3.2 of this **Appendix 4**.