



GLOBAL INVESTMENTS  
LIMITED

## **GLOBAL INVESTMENTS LIMITED**

(A mutual fund company incorporated with limited liability in Bermuda)

### **ADDENDUM RELATING TO THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE - 28 March 2018**

The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Addendum.



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## Board of Directors

Mr Boon Swan Foo (Chairman and Non-Executive Director)  
Mr Adrian Chan Pengee (Lead Independent Director)  
Mr Ronald Seah Lim Siang (Independent Director)  
Mr Tan Kok Wee (Independent Director)  
Mr Jason See Yong Kiat (Manager Nominated Director)

28 March 2018

To: The Shareholders of  
Global Investments Limited

Dear Sir/Madam

## **ADDENDUM RELATING TO THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE (THE ADDENDUM)**

### **1. INTRODUCTION**

- 1.1 The purpose of this Addendum is to provide Shareholders of the Company (the Shareholders) with information relating to the proposed renewal of the mandate (the Share Purchase Mandate) set out in the Notice of SGM.
- 1.2 We refer to:
  - (a) the Notice of Special General Meeting of Global Investments Limited (the Company) dated 28 March 2018 (the Notice of SGM), accompanying the annual report of the Company for the financial year ended 31 December 2017, convening the 2018 Special General Meeting to be held on 25 April 2018 (the SGM); and
  - (b) Ordinary Resolution 1 relating to the proposed renewal of the mandate (the Share Purchase Mandate) set out in the Notice of SGM.
- 1.3 Any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate will be made in accordance with, and in the manner prescribed by the memorandum of association of the Company (the Memorandum), the bye-laws of the Company (the Bye-laws), the listing manual of Singapore Exchange Securities Trading Limited (the SGX-ST, and the listing manual of the SGX-ST, the Listing Manual), the Companies Act 1981 of Bermuda, as amended or modified from time to time (the Bermuda Companies Act), and such other laws and regulations as may for the time being be applicable.

### **2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE**

#### **2.1 Background**

The Share Purchase Mandate was originally approved by the Shareholders at a Special General Meeting held on 5 December 2011 and subsequently the Shareholders have approved the renewal of the mandate every year.

At the 2017 SGM, the Shareholders had approved the renewal of the Share Purchase Mandate. The authority and limitations on the Share Purchase Mandate were set out in the circular to Shareholders and notice of the 2017 SGM dated 31 March 2017.

The 2017 Share Purchase Mandate was expressed to take effect on the date of the 2017 SGM and will expire on the conclusion of the forthcoming 2018 Annual General Meeting of the Company to be held immediately before the SGM. Accordingly, the Directors propose that the Share Purchase Mandate be renewed at the SGM.

The Company has not made any purchases or acquisitions of its Shares pursuant to the Share Purchase Mandate.

## **2.2 Rationale for Proposed Renewal of the Share Purchase Mandate**

The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) in line with international practice, the Share Purchase Mandate will provide the Company with greater flexibility in managing its capital and maximising returns to its Shareholders;
- (b) to the extent that the Company has capital and surplus funds which are in excess of its possible financial needs, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner;
- (c) the Share Purchase Mandate will provide the Company the flexibility to undertake Share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. The purchases or acquisitions may, depending on market conditions at the relevant time, lead to an enhancement of the net asset value and/or earnings per Share and would allow the Company to optimally allocate its resources and maximise Share value and is one of the ways through which the return on equity of the Company and its subsidiaries (the Group) may be enhanced.

The purchase or acquisition of Shares will only be undertaken if beneficial to the Company and the Shareholders. While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the ten per cent (10%) limit described in paragraph 2.3, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full ten per cent (10%) limit as authorised or at all and no purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position or financial position of the Company or the Group as a whole and/or will affect the listing status of the Company on the SGX-ST.

## **2.3 Authority and Limits of the Share Purchase Mandate**

The authority relating to, and limitations placed on, purchases or acquisitions of Shares by the Company under the Share Purchase Mandate, if renewed at the SGM, are summarised below:

### **2.3.1 Maximum Number of Shares**

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than ten per cent (10%) of the issued Shares excluding subsidiary holdings as at the date of the SGM (subject to any proportionate adjustments as may result from any capital subdivision and/or consolidation of the Company). The Company does not have any subsidiary holdings as at the Latest Practicable Date.

### **2.3.2 Duration of Authority**

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the SGM at which the renewal of the Share Purchase Mandate is approved, up to:

- (a) the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked by the Company in a general meeting by way of an ordinary resolution; or
- (c) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever occurs the earliest.

### 2.3.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases (Market Purchases), transacted through the SGX-ST's trading system through one or more duly licenced dealers appointed by the Company for the purpose; and/or
- (b) off-market purchases (Off-Market Purchases), other than on a securities exchange, in accordance with an equal access scheme.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Memorandum of Association of the Company, the Bye-laws, the listing manual of the SGX-ST (the Listing Manual) and the Bermuda Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An equal access scheme must, however, satisfy all the following conditions:

- (a) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers are the same, except that there shall be disregarded:
  - (i) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
  - (ii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares; and
  - (iii) (if applicable) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed share buy-back;
- (d) the consequences, if any, of share buy-backs by the Company that will arise under the Singapore Code on Take-overs and Mergers (the Take-over Code) or other applicable take-over rules;
- (e) whether the share buy-back, if made, could affect the listing of the Shares on the SGX-ST;
- (f) details of any share buy-back made by the Company in the previous twelve (12) months (whether Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

### 2.3.4 Maximum Purchase Price

The purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for a Share will be determined by the Directors subject to, and in accordance with, the Listing Manual and the Bye-laws. The purchase price to be paid for the Shares as determined by the Directors, in the case of a Market Purchase and an Off-Market Purchase pursuant to an equal access scheme, must not exceed:

- (a) in the case of a Market Purchase, 105 per cent (105%) of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 120 per cent (120%) of the Average Closing Price of the Shares,

in each case, excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses of the purchase or acquisition (the Maximum Price).

For these purposes:

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Listing Rules, for any corporate action that occurs after the relevant five (5) day period;

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

“Market Day” means a day on which the SGX-ST is open for trading in securities.

## **2.4 Status of Purchased Shares**

Shares purchased or acquired by the Company, in its capacity as a mutual fund company under Bermuda law, are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation). Accordingly, the issued share capital of the Company, but not the Company's authorised share capital, will be diminished by the nominal value of those Shares purchased or acquired by the Company. The Company will be able to issue Shares equal in aggregate par value to the aggregate par value of those Shares purchased and cancelled as if those Shares had never been issued. Shares purchased or acquired by the Company will be automatically delisted by the SGX-ST and all certificates issued to the former holder (if applicable) in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

## **2.5 Source of Funds**

The Bye-laws and the Bermuda Companies Act provide that the Company may repay the capital paid-up on purchased or acquired Shares out of paid-in capital, share premium or other reserves and pay the premium (if any) on purchased or acquired Shares out of the realised or unrealised profits of the Company, share premium or other reserves of the Company, so long as the Company is, and shall after the payment be, able to pay its liabilities as they become due.

The Company intends to utilise its internal funds to finance its purchase or acquisition of the Shares. The Company does not intend to obtain or incur any borrowings to finance its purchase or acquisition of the Shares. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that it would materially affect the working capital requirements of the Group.

## **2.6 Financial Effects**

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, inter alia, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired and the price paid for such Shares. The financial effects on the Company and the Group arising from purchases or acquisitions of Shares pursuant to the Share Purchase Mandate, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2017, are based on the assumptions set out below.

### **2.6.1 Purchase or Acquisition out of Capital or Profits**

Where purchases or acquisitions of Shares by the Company are made out of the Company's capital, there will be no impact on the amount available for the distribution of cash dividends by the Company.

Where purchases or acquisitions of Shares by the Company are made out of profits (if any), the amount available for the distribution of cash dividends by the Company will be correspondingly reduced.

### **2.6.2 Number of Shares Acquired or Purchased**

As at 12 March 2018 (the Latest Practicable Date), the issued capital of the Company comprised 1,652,574,643 Shares. No Shares are reserved for issue by the Company as at the Latest Practicable Date. Purely for illustrative purposes, on the basis of 1,652,574,643 Shares in issue as at the Latest Practicable Date, the purchase by the Company of 10 per cent (10%) of its issued Shares will result in the purchase or acquisition of 165,257,464 Shares.

### **2.6.3 Maximum Price Paid for Shares Acquired or Purchased**

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 165,257,464 Shares at the maximum price of S\$0.153 for one Share (being the price equivalent to 105 per cent (105%) of the Average Closing Price of the Shares for the last five Market Days on which the Shares were transacted on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 165,257,464 Shares is approximately S\$25,284,392 (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses).

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 165,257,464 Shares at the maximum price of S\$0.175 for one Share (being the price equivalent to 120 per cent (120%) of the Average Closing Price of the Shares for the last five Market Days on which the Shares were transacted on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 165,257,464 Shares is approximately S\$28,920,057 (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses).

## **2.7 Illustrative Financial Effects**

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 2.6.2 and 2.6.3, the financial effects of the:

- (a) purchase or acquisition of 165,257,464 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases; and
- (b) purchase or acquisition of 165,257,464 Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases,

on the consolidated financial statements of the Company and the Group for the financial year ended 31 December 2017 would have been as follows:

**(a) Market Purchase**

	Group		Company	
	Before Share purchase	After Share purchase	Before Share purchase	After Share purchase
	As at 31 December 2017	As at 31 December 2017	As at 31 December 2017	As at 31 December 2017
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Investments in subsidiaries	-	-	54,296	54,296
Loans and receivables	35,568	35,568	35,568	35,568
Available-for-sale financial assets	109,175	109,175	109,175	109,175
Financial assets at fair value through profit or loss	58,969	58,969	58,969	58,969
	<b>203,712</b>	<b>203,712</b>	<b>258,008</b>	<b>258,008</b>
<b>Current assets</b>				
Cash and cash equivalents	88,090	62,806	88,090	62,806
Available-for-sale financial assets	38,141	38,141	38,141	38,141
Other assets	7,348	7,348	7,348	7,348
	<b>133,579</b>	<b>108,295</b>	<b>133,579</b>	<b>108,295</b>
<b>Total Assets</b>	<b>337,291</b>	<b>312,007</b>	<b>391,587</b>	<b>366,303</b>
<b>Liabilities</b>				
Intercompany payables	-	-	54,297	54,297
Other liabilities	4,399	4,399	4,398	4,398
<b>Total Liabilities</b>	<b>4,399</b>	<b>4,399</b>	<b>58,695</b>	<b>58,695</b>
<b>Net assets attributable to shareholders</b>	<b>332,892</b>	<b>307,608</b>	<b>332,892</b>	<b>307,608</b>
<b>Equity</b>				
Share capital	563,537	538,253	563,537	538,253
Capital reserve	(65,846)	(65,846)	(65,846)	(65,846)
Available-for-sale financial assets revaluation reserve	7,631	7,631	7,631	7,631
Translation reserve	11,115	11,115	-	-
Accumulated losses	(183,545)	(183,545)	(172,430)	(172,430)
<b>Total Equity</b>	<b>332,892</b>	<b>307,608</b>	<b>332,892</b>	<b>307,608</b>
<b>No. of issued and paid-up Shares (in thousands)</b>	<b>1,652,575</b>	<b>1,487,317</b>	<b>1,652,575</b>	<b>1,487,317</b>
<b>Weighted average number of Shares (in thousands)</b>	<b>1,600,058</b>	<b>1,434,800</b>	<b>1,600,058</b>	<b>1,434,800</b>
<b>Net Profit</b>	<b>38,952</b>	<b>38,952</b>	<b>32,835</b>	<b>32,835</b>
<b>Basic earnings per Share (cents per Share)</b>	<b>2.43</b>	<b>2.71</b>	<b>2.05</b>	<b>2.29</b>
<b>Net asset value per Share (S\$ per Share)</b>	<b>0.2014</b>	<b>0.2068</b>	<b>0.2014</b>	<b>0.2068</b>

**(b) Off-Market Purchase**

	Group		Company	
	Before Share purchase	After Share purchase	Before Share purchase	After Share purchase
	As at 31 December 2017	As at 31 December 2017	As at 31 December 2017	As at 31 December 2017
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>				
Investments in subsidiaries	-	-	54,296	54,296
Loans and receivables	35,568	35,568	35,568	35,568
Available-for-sale financial assets	109,175	109,175	109,175	109,175
Financial assets at fair value through profit or loss	58,969	58,969	58,969	58,969
	<b>203,712</b>	<b>203,712</b>	<b>258,008</b>	<b>258,008</b>
<b>Current assets</b>				
Cash and cash equivalents	88,090	59,170	88,090	59,170
Available-for-sale financial assets	38,141	38,141	38,141	38,141
Other assets	7,348	7,348	7,348	7,348
	<b>133,579</b>	<b>104,659</b>	<b>133,579</b>	<b>104,659</b>
<b>Total Assets</b>	<b>337,291</b>	<b>308,371</b>	<b>391,587</b>	<b>362,667</b>
<b>Liabilities</b>				
Intercompany payables	-	-	54,297	54,297
Other liabilities	4,399	4,399	4,398	4,398
<b>Total Liabilities</b>	<b>4,399</b>	<b>4,399</b>	<b>58,695</b>	<b>58,695</b>
<b>Net assets attributable to shareholders</b>	<b>332,892</b>	<b>303,972</b>	<b>332,892</b>	<b>303,972</b>
<b>Equity</b>				
Share capital	563,537	534,617	563,537	534,617
Capital reserve	(65,846)	(65,846)	(65,846)	(65,846)
Available-for-sale financial assets revaluation reserve	7,631	7,631	7,631	7,631
Translation reserve	11,115	11,115	-	-
Accumulated losses	(183,545)	(183,545)	(172,430)	(172,430)
<b>Total Equity</b>	<b>332,892</b>	<b>303,972</b>	<b>332,892</b>	<b>303,972</b>
<b>No. of issued and paid-up Shares (in thousands)</b>	<b>1,652,575</b>	<b>1,487,317</b>	<b>1,652,575</b>	<b>1,487,317</b>
<b>Weighted average number of Shares (in thousands)</b>	<b>1,600,058</b>	<b>1,434,800</b>	<b>1,600,058</b>	<b>1,434,800</b>
<b>Net Profit</b>	<b>38,952</b>	<b>38,952</b>	<b>32,835</b>	<b>32,835</b>
<b>Basic earnings per Share (cents per Share)</b>	<b>2.43</b>	<b>2.71</b>	<b>2.05</b>	<b>2.29</b>
<b>Net asset value per Share (S\$ per Share)</b>	<b>0.2014</b>	<b>0.2044</b>	<b>0.2014</b>	<b>0.2044</b>



**Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical numbers for the financial year ended 31 December 2017, and is not necessarily representative of future financial performance.**

Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10 per cent (10%) of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10 per cent (10%) of the issued Shares or at all.

**IN PARTICULAR, THE DIRECTORS DO NOT INTEND TO EXERCISE THE SHARE PURCHASE MANDATE UP TO THE MAXIMUM LIMIT AND TO SUCH AN EXTENT IF SUCH EXERCISE WOULD MATERIALLY AND ADVERSELY AFFECT THE LIQUIDITY AND CAPITAL ADEQUACY POSITION OR FINANCIAL POSITION OF THE COMPANY OR THE GROUP AS A WHOLE AND/OR WILL AFFECT THE LISTING STATUS OF THE COMPANY ON THE SGX-ST.**

## **2.8 Tax Implications**

Shareholders who are in doubt as to their respective tax positions or the tax implications of Share repurchases by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

## **2.9 Listing Rules**

Listing Rule 886(1) specifies that a listed company shall notify all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such notification currently requires, inter alia, the inclusion of the date of purchase, details of the total number of shares purchased and the purchase price per share or the highest and lowest prices paid for such shares, as applicable.

While the Listing Rules do not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In addition, as per Listing Rule 1207(19)(c), the Company would not purchase or acquire any Shares through Market Purchases during the period commencing one (1) month before the announcement of the Company's full-year results and two (2) weeks before the announcement of the Company's results for each of the first three quarters for the financial year.

Pursuant to Listing Rule 723, the Company has to ensure that at least 10 per cent (10%) of the Shares are at all times held by the "public" (the public being persons other than directors, the chief executive officer, substantial shareholders or controlling shareholders of the Company and its subsidiary companies and associates of the aforesaid persons, as defined in the Listing Manual).

As at the Latest Practicable Date, approximately 86.22 per cent of the issued Shares are held by public Shareholders. Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10 per cent (10%) limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading. Before deciding to effect a purchase of Shares, the Directors will also consider whether, notwithstanding such purchase, a sufficient float in the hands of the public will be maintained to provide for an orderly market for trading in the Shares.

The Directors will use their best efforts to ensure that the Company does not effect a purchase or acquisition of Shares if the purchase or acquisition of Shares would result in the number of Shares remaining in the hands of the public falling to such a level as to cause market illiquidity or adversely affect the listing status of the Company.

## **2.10 Take-over Implications**

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

### **2.10.1 Obligation to make a Take-Over Offer**

If, as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code (Rule 14). If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14.

### **2.10.2 Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Unless the contrary is established, the following persons will be presumed to be acting in concert:

- (a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (b) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforementioned for the purchase of voting rights, all with each other. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20 per cent (20%) but not more than 50 per cent (50%) of the voting rights of the first-mentioned company;
- (c) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (d) partners; and
- (e) an individual, his close relatives, his related trusts, and any person who is accustomed to act in accordance with his instructions, companies controlled by any of the aforementioned and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforementioned for the purchase of voting rights, all with each other.

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

### **2.10.3 Effect of Rule 14 and Appendix 2 of the Take-over Code**

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30 per cent (30%) or more, or if the voting rights of such Directors and their concert parties fall between 30 per cent (30%) and 50 per cent (50%) of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1 per cent (1%) in any period of six (6) months.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30 per cent (30%) or more, or, if such Shareholder holds not less than 30 per cent (30%) but not more than 50 per cent (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1 per cent (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

As at the Latest Practicable Date, none of the Directors will become obligated to make a mandatory offer, as a result of the relevant increase in the percentage of their shareholding interest in the Company (if applicable), in the event the Company purchases and cancels the maximum number of 165,257,464 Shares under the Share Purchase Mandate. Based on the Register of Substantial Shareholders of the Company as at the Latest Practicable Date, the Directors are not aware of any Substantial Shareholder (together with persons acting in concert with them) who may become obligated to make a mandatory offer, as a result of the relevant increase in the percentage of their shareholding interest in the Company, in the event that the Company purchases and cancels the maximum number of 165,257,464 Shares under the Share Purchase Mandate. As at the Latest Practicable Date, the only Substantial Shareholder of the Company, who is also a Director of the Company, is Mr Boon Swan Foo who holds 219,896,832 Shares representing approximately 13.31% of the total number of issued Shares as at the Latest Practicable Date and representing approximately 14.78% of the total number of issued Shares assuming that the Company purchases and cancels the maximum number of 165,257,464 Shares under the Share Purchase Mandate.

The Share Purchase Mandate is not intended to assist any Shareholder or its concert parties to obtain or consolidate control of the Company. The Directors will decide when, how many and on what terms to purchase any Shares pursuant to the Share Purchase Mandate in the interests of the Company and its Shareholders as a whole, taking into account various commercial considerations such as the financial effects of the Share purchases on the Company.

Shareholders are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity as to whether they would incur an obligation to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate.

## 2.11 Details of Previous Share Purchases

The Company has not undertaken any purchase or acquisition of its own Shares in the 12 months immediately preceding the Latest Practicable Date.

## 3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

### 3.1 Directors

As at the Latest Practicable Date, the interests of the Directors in Shares as recorded in the Register of Directors' Shareholdings are as follows:

Directors	Number of Shares					
	Direct Interest	% <sup>(1)</sup>	Deemed Interest	% <sup>(1)</sup>	Total Interest	% <sup>(1)</sup>
Mr Boon Swan Foo	219,896,832	13.31	-	-	219,896,832	13.31
Mr Adrian Chan Pengee	-	-	37,507 <sup>(2)</sup>	0.002	37,507	0.002
Mr Ronald Seah Lim Siang	58,304	0.004	-	-	58,304	0.004
Mr Tan Kok Wee	-	-	-	-	-	-
Mr Jason See Yong Kiat	7,531,577	0.460	-	-	7,531,577	0.460

**Notes:**

<sup>(1)</sup> Based on the total number of 1,652,574,643 issued Shares as at the Latest Practicable Date.

<sup>(2)</sup> Mr Adrian Chan Pengee is deemed to be interested in the 37,507 Shares held by his wife.

**3.2 Substantial Shareholders.** As at the Latest Practicable Date, the interests of the Substantial Shareholders in Shares as notified to the Company are as follows:

Substantial Shareholder	Number of Shares					
	Direct Interest	% <sup>(1)</sup>	Deemed Interest	% <sup>(1)</sup>	Total Interest	% <sup>(1)</sup>
Mr Boon Swan Foo	219,896,832	13.31	-	-	219,896,832	13.31

**Note:**

<sup>(1)</sup> Based on the total number of 1,652,574,643 issued Shares as at the Latest Practicable Date.

**3.3 Disclosure of Interest.** None of the Directors or Substantial Shareholders (other than in his or her or its capacity as a Shareholder) have any interest, direct or indirect, in the proposed renewal of the Share Purchase Mandate.

**4. DIRECTORS' RECOMMENDATIONS**

Having considered the rationale for the proposed renewal of the Share Purchase Mandate as set out in paragraph 2.2, the Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 1 set out in the Notice of SGM.

**5. ADVICE TO SHAREHOLDERS**

Shareholders who are in any doubt as to the action that they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

**6. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Addendum and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Addendum constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Addendum misleading. Where information in this Addendum 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 Addendum in its proper form and context.

**7. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents are available for inspection during normal business hours at the Company's registered office at Wessex House 3rd Floor, 45 Reid Street, Hamilton, HM12, Bermuda and at the office of SICIM, the manager of the Company, at 51 Cuppage Road, #10-04, Singapore 229469, from the date of this Addendum to the date of the SGM:

- (a) the Memorandum of Association and Bye-laws; and
- (b) the 2017 annual report of the Company

Yours faithfully  
For and on behalf of  
Global Investments Limited

**Boon Swan Foo**  
Chairman