

OFFER INFORMATION STATEMENT DATED 12 JUNE 2013

(Lodged with the Monetary Authority of Singapore on 12 June 2013)

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

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

A copy of this Offer Information Statement, together with copies of the Application Form for Rights Shares and Excess Rights Shares (“**ARE**”), the Application Form for Rights Shares (“**ARS**”) and the Provisional Allotment Letter (“**PAL**”), has been lodged with the Monetary Authority of Singapore (“**Authority**”). The Authority assumes no responsibility for the contents of this Offer Information Statement, the ARE, the ARS and the PAL. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights Shares being offered, or in respect of which an invitation is made, for investment.

A copy of this Offer Information Statement has been filed or will be filed, as soon as reasonably practicable, with the Registrar of Companies in Bermuda. The Registrar of Companies in Bermuda in accepting this Offer Information Statement for filing accepts no responsibility for the financial soundness of the Group or any proposal or for the correctness of any of the statements made or opinions expressed in this Offer Information Statement or any other documents.

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

The approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement.

No Rights Shares will be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the date of lodgement of this Offer Information Statement with the Authority.



GLOBAL INVESTMENTS LIMITED

(Company Registration Number: EC38267)
(Incorporated in Bermuda on 24 April 2006)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 340,566,462 NEW ORDINARY SHARES OF PAR VALUE OF S\$0.01 EACH IN THE CAPITAL OF THE COMPANY (THE “RIGHTS SHARES”) AT AN ISSUE PRICE OF S\$0.143 FOR EACH RIGHTS SHARE, ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY FIVE (5) EXISTING ORDINARY SHARES OF PAR VALUE OF S\$0.01 EACH IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE, FRACTIONAL ENTITLEMENTS BEING DISREGARDED

Issue Manager



**HONG LEONG
FINANCE**

Hong Leong Finance Limited

(Incorporated in Singapore)
(Company Registration No.: 196100003D)

IMPORTANT DATES AND TIMES

Last date and time for splitting	: 26 June 2013 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares	: 5 July 2013 at 5.00 p.m. (9.30 p.m. for Electronic Applications through the ATMs of Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited)
Last date and time for renunciation of and payment for Rights Shares	: 5 July 2013 at 5.00 p.m.
Last date and time for application and payment for excess Rights Shares	: 5 July 2013 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited)

IMPORTANT NOTES

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

For investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares must be done through the respective finance companies or Depository Agents. Any application made directly through CDP or through ATMs will be rejected.

For Shareholders who have subscribed for or purchased Shares under the SRS, subject to applicable SRS rules and regulations, they must use monies standing to the credit of their respective SRS accounts to pay for the acceptance of their entitlements to the Rights Shares and (if applicable) application for excess Rights Shares.

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

For Entitled Depositors (which exclude Entitled Scripholders, SRS investors and investors who hold Shares through a finance company or Depository Agent), acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares may be made through CDP or by way of Electronic Application at any ATM of a Participating Bank.

For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares may be made through the Company’s Share Transfer Agent, Boardroom Corporate & Advisory Services Pte Ltd.

As the Company’s Shares are not registered under the CPF Investment Scheme, CPF Funds in CPF Investment Accounts cannot be used for the payment of the Issue Price to accept provisional allotments of Rights Shares or to apply for excess Rights Shares.

The existing Shares are quoted on the SGX-ST.

Persons wishing to subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to so subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the assets and liabilities, profits and losses, financial position, risk factors, performance and prospects of the Company and the Group, the merits of the Rights Issue and the rights and liabilities attaching to the Rights Shares (when allotted and issued pursuant to the Rights Issue). They should also make their own independent enquiries and investigations of any bases and assumptions, upon which financial or other projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons seek professional advice from their accountant, stockbroker, bank manager, solicitor or other professional adviser before deciding whether to acquire the Rights Shares or invest in any Shares.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Rights Issue or the provisional allotment of the “nil-paid” rights and the issue of the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company. Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied

upon as a promise or representation as to the future performance, prospects or policies of the Company or the Group. Neither the delivery of this Offer Information Statement nor the issue of the Rights Shares will, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same via SGXNET and, if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders and their renounees should take note of any such announcement, or supplementary or replacement document and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, will be deemed to have notice of such changes.

The Company, the Manager and the Issue Manager make no representation or warranty to any person regarding the legality of an investment in the “nil-paid” rights, the Rights Issue, the Rights Shares or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. Each prospective investor should consult his own professional or other adviser for business, financial, legal or tax advice regarding an investment in the Rights Issue, the Rights Shares or the Shares.

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

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

This Offer Information Statement, including the PAL, the ARE and the ARS may not be used for the purpose of, and does not constitute, an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant laws of those jurisdictions. Entitled Shareholders or any other persons having possession of this Offer Information Statement and/or its accompanying documents are advised by the Company to keep themselves informed of and observe such prohibitions and restrictions.

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DEFINITIONS

“2011 Rights Issue”	:	The renounceable non-underwritten rights issue undertaken by the Company which was completed in March 2011
“2012 Rights Issue”	:	The renounceable non-underwritten rights issue undertaken by the Company which was completed in April 2012
“2013 Scrip Dividend”	:	The allotment and issuance of 26,103,375 new ordinary shares at an issue price of S\$0.1522 for each new Share pursuant to the Scrip Dividend Scheme
“Act”	:	Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“AFS”	:	Available-for-sale
“AGM”	:	Annual general meeting of the Company
“Announcement”	:	The announcement released by the Company on 6 May 2013 in relation to the Rights Issue
“ARE”	:	Application form for Rights Shares and excess Rights Shares issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Rights Issue
“ARS”	:	Application form for Rights Shares issued to purchasers of the provisional allotments of Rights Shares under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system
“Ascendos”	:	Ascendos Investments Limited, previously known as Babcock & Brown Rail Investments Limited
“ATM”	:	Automated teller machine
“Authority” or “MAS”	:	The Monetary Authority of Singapore
“Bermuda Companies Act”	:	The Companies Act 1981 of Bermuda, as amended or modified from time to time
“Books Closure Date”	:	5.00 p.m. on 18 June 2013, being the time and date, at and on which the Register of Members and the Transfer Books of the Company will be closed to determine the provisional allotments of Entitled Shareholders under the Rights Issue
“Bye-laws”	:	The Bye-laws of the Company as amended from time to time
“CDO”	:	Collateral debt obligation
“CDP”	:	The Central Depository (Pte) Limited
“CLN”	:	Credit-linked note
“CLO”	:	Collateralised loan obligation

“Closing Date”	:	5.00 p.m. on 5 July 2013, being the last time and date for acceptance and excess application and payment of the Rights Shares under the Rights Issue through CDP or the Share Transfer Agent; or 9.30 p.m. on 5 July 2013, being the last time and date for acceptance and excess application and payment of the Rights Shares under the Rights Issue through an ATM of a Participating Bank
“Code”	:	The Singapore Code on Take-overs and Mergers
“Company” or “GIL”	:	Global Investments Limited
“Directors”	:	The directors of the Company, as at the Latest Practicable Date
“Electronic Application”	:	Acceptance of the Rights Shares and (if applicable) application for excess Rights Shares made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement
“Entitled Depositors”	:	Depositors with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days before the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
“Entitled Scripholders”	:	Shareholders whose share certificates are not deposited with CDP and who have tendered to the Share Transfer Agent valid transfers of their Shares and the certificates relating thereto for registration up to the Books Closure Date and whose registered addresses with the Company are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days before the Books Closure Date, provided the Share Transfer Agent with addresses in Singapore for the service of notices and documents
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“FedEx”	:	Federal Express Corporation
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days before the Books Closure Date, provided to CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents
“FY”	:	Financial year ended or ending 31 December, as the case may be
“Group”	:	The Company and its subsidiaries, collectively
“Irrevocable Undertaking”	:	The irrevocable undertaking dated 6 May 2013 given by the Undertaking Shareholder to the Company
“Issue Manager”	:	Hong Leong Finance Limited
“Issue Price”	:	The issue price of S\$0.143 for each Rights Share

“Issued Share Capital”	:	The issued share capital of the Company as at the Latest Practicable Date comprising 851,416,155 Shares
“Latest Practicable Date”	:	5 June 2013, being the latest practicable date before the printing of this Offer Information Statement
“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“Management Agreement”	:	The management agreement entered into between the Manager and the Company on 24 September 2009
“Manager” or “STAM”	:	ST Asset Management Ltd.
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Offer Information Statement”	:	This document together with (where the context admits) the PAL, the ARE, the ARS and all other accompanying documents, including any supplementary or replacement document which may be issued by the Company in connection with the Rights Issue
“PAL”	:	The provisional allotment letter issued to Entitled Scripholders, setting out the provisional allotments of Rights Shares of such Entitled Scripholders
“Participating Banks”	:	Oversea-Chinese Banking Corporation Limited (“ OCBC ”) and United Overseas Bank Limited (“ UOB ”) and its subsidiary, Far Eastern Bank Limited (“ FEB ”), and each of them a “Participating Bank”
“Pepper 6”	:	Pepper Residential Securities Trust No. 6
“Receiving Bank”	:	Standard Chartered Bank Singapore
“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time in accordance with market practice as may have been notified by the Company) on which Shareholders must be registered with CDP or the Company, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
“Rights Issue”	:	The proposed renounceable non-underwritten rights issue by the Company of up to 340,566,462 Rights Shares at the Issue Price, on the basis of two (2) Rights Shares for every five (5) existing Shares held as at the Books Closure Date, fractional entitlements being disregarded
“Rights Shares”	:	Up to 340,566,462 new Shares to be allotted and issued by the Company pursuant to the Rights Issue
“RMBS”	:	Residential Mortgage-Backed Securities
“Scrip Dividend Scheme”	:	The scrip dividend scheme contained in Appendix V of the prospectus dated 12 December 2006, as amended on 14 August 2012
“Securities Account”	:	The securities accounts maintained directly with CDP, but not including the securities accounts maintained with a Depository Agent

“Securities and Futures Act” or “SFA”	:	Securities and Futures Act, Chapter 289 of Singapore, or “SFA” as amended or modified from time to time
“SGXNET”	:	The Singapore Exchange Network, a system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“SGX-ST”	:	The Singapore Exchange Securities Trading Limited
“Share Transfer Agent”	:	Boardroom Corporate & Advisory Services Pte Ltd (formerly known as Lim Associates (Pte) Ltd)
“Shareholders”	:	Persons who are for the time being registered as holders of Shares in the Register of Members of the Company
“Shares”	:	Ordinary shares of par value of S\$0.01 each in the capital of the Company
“Singapore”	:	The Republic of Singapore
“SRS”	:	Supplementary Retirement Scheme
“Substantial Shareholder”	:	A person who has an interest or interests in one or more voting shares in the Company and the total votes attached to that share or those shares, is not less than 5% of the total votes attached to all the voting shares of the Company
“Undertaking Shareholder”	:	Mr Boon Swan Foo
“S\$” or “SGD” and “cents”	:	Singapore dollars and cents, respectively
“A\$”	:	The legal currency of Australia
“US\$” or “USD”	:	The legal currency of the United States of America
“€” or “Euro”	:	The legal currency of the European Union
“£”	:	The legal currency of the United Kingdom
“%” or “per cent.”	:	Percentage or per centum

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

The term “subsidiary” has the meaning ascribed to it by Section 5 of the Act.

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

Any reference to a time of day and dates in this Offer Information Statement is a reference to Singapore time and dates unless otherwise stated.

Any reference in this Offer Information Statement, the ARE, the ARS or the PAL to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Bermuda Companies Act, the Securities and Futures Act or the Listing Manual or any modification thereof and used in this Offer Information Statement will, where applicable, have the meaning assigned to it under the Act, the Bermuda Companies Act, the Securities and Futures Act or the Listing Manual or such modification thereof, as the case may be, unless otherwise provided.

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

References in this Offer Information Statement to “we”, “our” and “us” refer to the Company and its subsidiaries.

PRINCIPAL TERMS OF THE RIGHTS ISSUE

The procedures for, and terms and conditions applicable to, acceptances, splitting, renunciation and/or sale of provisional allotments of Rights Shares and for the application for excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices 3 to 6 of this Offer Information Statement and in the ARE, the ARS and the PAL.

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

Number of Rights Shares to be issued : Up to 340,566,462 Rights Shares to be issued.

Basis of Provisional Allotment : Two (2) Rights Shares for every five (5) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

Issue Price : S\$0.143 for each Rights Share, payable in full on acceptance and/or application.

The Issue Price represents (a) a discount of approximately 15.9% and 11.7% respectively to the closing price of S\$0.170 per Share on the SGX-ST and the theoretical ex-rights trading price¹ of S\$0.162 per Share as at 3 May 2013, being the last Market Day preceding the date of the Announcement; (b) a discount of approximately 39.7% to the latest net asset value per share of S\$0.237; and (c) a discount of approximately 12.8% to the last transacted price of S\$0.164 per Share on the SGX-ST on the Latest Practicable Date.

Listing of the Rights Shares : Approval in-principle of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Official List of the Main Board of the SGX-ST (the “**Approval in-Principle**”) was granted on 28 May 2013, subject to certain conditions.

The Approval in-Principle is not to be taken as an indication of the merits of the Rights Issue, Rights Shares, the Company and/or its subsidiaries.

Trading of “nil-paid” rights : Entitled Depositors who wish to trade all or part of their “nil-paid” rights on the SGX-ST can do so for the period commencing on 21 June 2013 from 9.00 a.m., being the date and time of commencement of trading of the “nil-paid” rights, and ending on 1 July 2013 at 5.00 p.m., being the last date and time of the trading of the “nil-paid” rights.

All dealings in and transactions of the “nil-paid” rights through the SGX-ST will be effected under the book-entry scripless settlement system. Accordingly, the PALs which are issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.

¹ The theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the closing price of S\$0.170 per Share on the SGX-ST on 3 May 2013, being the last trading day of the Shares on the SGX-ST prior to the date of the Announcement and the total number of issued Shares following the completion of the Rights Issue.

Trading of the Rights Shares : Upon the listing of and quotation for the Rights Shares on the Official List of the Main Board of the SGX-ST, the Rights Shares will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. For the purpose of trading on the SGX-ST, each board lot of Shares will consist of 1,000 Shares.

Shareholders who hold odd lots of Shares (that is, lots other than board lots of 1,000 Shares) and who wish to trade in odd lots on the SGX-ST are able to trade odd lots of Shares in board lots of one (1) Share on the Unit Share Market of the SGX-ST.

In addition, the Company has applied for and obtained the approval of the SGX-ST for the establishment of a temporary counter to facilitate the trading of Shares in board lots of 200 Shares for a period of one (1) month commencing on the first Market Day on which the Rights Shares are listed for quotation on the Main Board of the SGX-ST. The temporary counter is provisional only. Investors who continue to hold odd lots of less than 1,000 Shares after one (1) month from the listing of the Rights Shares may face difficulty and/or have to bear disproportionate transactional costs in realising the fair market price of such Shares.

Status of the Rights Shares : The Rights Shares, upon allotment and issue, will rank *pari passu* in all respects with the then existing issued Shares save for any dividends, rights, allotments or other distributions that may be declared or paid, the Record Date for which falls before the date of issue of the Rights Shares.

Eligibility to participate in the Rights Issue : As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue.

Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” of this Offer Information Statement for details on the eligibility of Shareholders to participate in the Rights Issue.

Use of SRS Funds : SRS investors who had purchased Shares using their SRS accounts and who wish to accept their Rights Shares and (if applicable) apply for excess Rights Shares can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS accounts. Such Entitled Shareholders who wish to accept their Rights Shares and (if applicable) apply for excess Rights Shares using SRS monies, must instruct the relevant approved banks in which they hold their SRS accounts to accept their Rights Shares and (if applicable) apply for excess Rights Shares on their behalf. Such Entitled Shareholders who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their approved banks before instructing their respective approved banks to accept their Rights Shares and/or apply for excess Rights Shares. SRS investors are advised to provide their respective approved banks in which they hold their SRS accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their

respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made directly through CDP, Electronic Applications, the Share Transfer Agent and/or the Company will be rejected. For the avoidance of doubt, monies in SRS accounts may not be used for the purchase of the provisional allotments of the Rights Shares directly from the market.

- Irrevocable Undertaking** : The Company has obtained an irrevocable undertaking from the Undertaking Shareholder to, *inter alia*, subscribe and/or procure subscription for in full and pay for his respective entitlement to the Rights Shares under the Rights Issue. Please see Section 1(f) of Part X on page 78 of this Offer Information Statement for further details.
- Non-Underwritten** : The Rights Issue is not underwritten.
- Governing Law** : Laws of the Republic of Singapore.

EXPECTED TIMETABLE OF KEY EVENTS

Shares traded ex-Rights	:	14 June 2013 from 9.00 a.m.
Books Closure Date	:	18 June 2013 at 5.00 p.m.
Despatch of Offer Information Statement (together with the ARE or the PAL, as the case may be) to Entitled Shareholders	:	21 June 2013
Commencement of trading of “nil-paid” rights	:	21 June 2013 from 9.00 a.m.
Last date and time for splitting	:	26 June 2013 at 5.00 p.m.
Last day of trading of “nil-paid” rights	:	1 July 2013 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares	:	5 July 2013 at 5.00 p.m. (9.30 p.m. for Electronic Applications through the ATMs of Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited)
Last date and time for renunciation of and payment for Rights Shares	:	5 July 2013 at 5.00 p.m.
Last date and time for application and payment for excess Rights Shares	:	5 July 2013 at 5.00 p.m. (9.30 p.m. for Electronic Applications through the ATMs of Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited)
Expected date for issuance of Rights Shares	:	12 July 2013
Expected date for commencement of trading of Rights Shares	:	15 July 2013 from 9.00 a.m.

As at the Latest Practicable Date, the Company does not expect the above timetable to be modified. However, the Company may, with the approval of the SGX-ST, modify the timetable subject to any limitations under any applicable laws. In the event of such modification, the Company will publicly announce the changes to the above timetable through a SGXNET announcement to be posted on the internet at the SGX-ST's website <http://www.sgx.com>.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

1. ENTITLED SHAREHOLDERS

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

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

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

Entitled Shareholders have been provisionally allotted Rights Shares under the Rights Issue on the basis of their shareholdings in the Company as at the Books Closure Date, fractional entitlements, if any, to be disregarded. Entitled Shareholders will be at liberty to accept, decline or otherwise renounce or trade their provisional allotments of Rights Shares on SGX-ST during the provisional allotment trading period prescribed by SGX-ST and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

For investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares must be done through the respective finance companies or Depository Agents. Any application made directly through CDP or through ATMs of the Participating Banks will be rejected.

For Shareholders who have subscribed for or purchased Shares under the SRS, subject to applicable SRS rules and regulations, they must use monies standing to the credit of their respective SRS accounts to pay for the acceptance of their entitlements to the Rights Shares and (if applicable) application for excess Rights Shares.

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

For Entitled Depositors (which exclude Entitled Scripholders, SRS investors and investors who hold Shares through a finance company or Depository Agent), acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares may be made through CDP or by way of Electronic Application at any ATM of a Participating Bank.

For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for excess Rights Shares may be made through the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte Ltd.

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

As the Company's Shares are not registered under the CPF Investment Scheme, CPF Funds in CPF Investment Accounts cannot be used for the payment of the Issue Price to accept provisional allotments of Rights Shares or to apply for excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and sales of the provisional allotments of Rights Shares and for the applications for excess Rights Shares, including the different modes of acceptance or application and payment are contained in Appendices 3, 4, 5 and 6 to this Offer Information Statement and in the ARE, the ARS and the PAL.

2. FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents has not been and will not be registered, lodged, or filed in any jurisdiction other than in Singapore and Bermuda. The distribution of this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Rights Shares will not be offered to, and this Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Shareholders.

Foreign Shareholders will not be entitled to participate in the Rights Issue.

Accordingly, no provisional allotment of the Rights Shares has been made or will be made to Foreign Shareholders and no purported acceptance thereof or application for excess Rights Shares by Foreign Shareholders will be valid.

This Offer Information Statement and its accompanying documents have not been and will not be despatched to persons purchasing the provisional allotments of Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore ("**Foreign Purchasers**"). Subject to applicable laws, Foreign Purchasers who wish to accept any provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. The Company reserves the right, but shall not be obliged, to reject or treat as invalid any acceptance or purported acceptance of the provisional allotment of Rights Shares and (if applicable), application or purported application for excess Rights Shares where it believes, or has reason to believe, that such acceptances or applications may violate any applicable legislation of any jurisdiction. The Company further reserves the right to treat as invalid any ARE, ARS or PAL or decline to register such application or purported application which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore or (c) purports to exclude any representation or warranty or confirmation, whether express or deemed to be given by such person. Further, the Company may scale down a Shareholder's application to subscribe for the Rights Issue to avoid placing the Shareholder in the position of incurring a mandatory bid obligation under the Code as a result of other Shareholders not taking up their rights entitlement fully. In addition and without prejudice to the generality of the foregoing, the Company will not make any allotment and issue of Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

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

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them at their own risk by ordinary post, save that where the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, the Company will be entitled to retain or deal with such net proceeds as the directors of the Company may, in their absolute discretion, deem fit for the sole benefit of the Company and no Foreign Shareholder will have any claim whatsoever against the Company, the Manager, the Issue Manager or CDP in connection therewith.

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

If such provisional allotments of Rights Shares cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST declares to be the last day for trading in the provisional allotments of Rights Shares, the Rights Shares represented by such provisional allotments will be issued to satisfy applications for excess Rights Shares or dealt with in such manner as the directors of the Company may, in their absolute discretion, deem fit for the sole benefit of the Company and no Foreign Shareholder will have any claim whatsoever against the Company, the Manager, the Issue Manager or CDP in connection therewith.

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

Notwithstanding the above, Shareholders and any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe all legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

The Rights Shares which are not otherwise taken up or allotted for any reason, or which represent fractional entitlements disregarded in accordance with the terms of the Rights Issue will be used to satisfy applications for excess Rights Shares (if any) or otherwise disposed of or dealt with in such manner as the directors of the Company, may, in their absolute discretion, deem fit. In the allotment of excess Rights Shares, preference will be given to Shareholders for rounding of odd lots, and the Manager, Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the issuer or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company will rank last in priority. The Company will not make any allotment and issue of Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting. The Company reserves the right to refuse any application for excess Rights Shares, in whole or in part, without assigning any reason whatsoever. Further, the Company may scale down a Shareholder’s application to subscribe for the Rights Issue to avoid placing the Shareholder in the position of incurring a mandatory bid obligation under the Code as a result of other Shareholders not taking up their rights entitlement fully. In addition and without prejudice to the generality of the foregoing, the Company will not make any allotment and issue of Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sale of the provisional allotments of Rights Shares and applications for excess Rights Shares, pursuant to the Rights Issue, including the different modes of acceptance or application and payment, are contained in Appendices 3, 4, 5 and 6 to this Offer Information Statement and in the PAL, the ARE and the ARS.

TRADING

1. LISTING AND QUOTATION OF RIGHTS SHARES

In-principle approval has been obtained from the SGX-ST for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, Rights Shares, the Company and/or its subsidiaries. Upon listing and quotation on the Main Board of the SGX-ST, the Rights Shares will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST or CDP will be made in accordance with CDP's "Terms and Conditions for Operation of Securities Account with The Central Depository (Pte) Limited" and the "Terms and Conditions for The Central Depository (Pte) Limited to act as Depository for the Rights Shares", as the same may be amended from time to time. Copies of the above are available from CDP.

2. ARRANGEMENTS FOR SCRIPLESS TRADING

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

Entitled Scripholders and their renounees who wish to accept the Rights Shares and/or apply for excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and National Registration Identity Card ("NRIC")/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL.

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

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

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

3. TRADING OF ODD LOTS

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotments trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Rights Shares, or any other board lot size which the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market during the provisional allotments trading period. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST.

Shareholders should note that most counters on the SGX-ST trade in board lot sizes of 1,000 shares. Following the Rights Issue, Entitled Shareholders who hold odd lots of Shares (i.e. less than 1,000 Shares) and who wish to trade in odd lots of Shares on the SGX-ST should note that they are able to trade odd lots of Shares in board lots of one (1) Share on the Unit Share Market of the SGX-ST.

In addition, the Company has applied for and obtained the approval of the SGX-ST for the establishment of a temporary counter to facilitate the trading of Shares in board lots of 200 Shares for a period of one (1) month commencing on the first Market Day on which the Rights Shares are listed for quotation on the Main Board of the SGX-ST. The temporary counter is provisional only. Investors who continue to hold odd lots of less than 1,000 Shares after one (1) month from the listing of the Rights Shares may face difficulty and/or have to bear disproportionate transactional costs in realising the fair market price of such Shares.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by the Company or its related corporations, directors, officers, executives or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words such as, without limitation, “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position and performance, operating results, business strategies, plans and prospects are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, cost measures, expected industry trends, prospects, future plans, planned strategy and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. Neither the Company nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those statements.

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

Further, the Company, its related corporations, directors, officers, executives and employees disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur and are material, or are required to be disclosed by law or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority.

This Offer Information Statement may include market and industry data and information that have been obtained from, inter alia, internal studies and publicly available information such as government statistical and industry reports, and industry publications. Please note that such information is supplied to you for your personal use only. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but the accuracy and completeness of that information is not guaranteed, and may contain other disclaimers in relation to reliance on their contents. There can therefore be no assurance as to the accuracy or completeness of such information. While reasonable steps have been taken to ensure that the information is extracted accurately, the Company, and its respective related corporations, directors, executives and employees have not independently verified any of the data from third party sources or ascertained the underlying bases or assumptions relied upon therein, nor have the consents of these sources been obtained for the inclusion of such data or information in this Offer Information Statement.

Important factors concerning an investment in the Rights Shares or that could cause actual results to differ materially from the expectations of the Company are discussed in the section entitled “Risk Factors” of this Offer Information Statement.

TAKE-OVER LIMITS

The Code regulates the acquisition of voting shares in, *inter alia*, corporations with a primary listing of their equity securities in Singapore, including the Company. In general terms, except with the consent of the Securities Industry Council of Singapore, where any person acquires shares in a company which, either on his own or taken together with parties acting in concert with him, carry 30% or more of the voting rights in the Company or if such person holds, either on his own or together with parties acting in concert with him, between 30% to 50% (both inclusive) of the voting rights in the Company, and acquires additional Shares representing more than 1% in the Company in any six-month period, such person must make an offer for the remaining Shares in the Company in accordance with the provisions of the Code.

Shareholders who are in doubt as to their position including obligations, if any, under the Code as a result of any acquisition of Rights Shares pursuant to the Rights Issue should consult the Securities Industry Council or their professional advisers immediately.

The Company may scale down any Shareholder's application to subscribe for any Rights Shares to avoid placing such Shareholder in the position of incurring an obligation to make a mandatory general offer for the Shares under the Code as a result of other Shareholders not taking up their entitlements of the Rights Shares.

RISK FACTORS

Prospective subscribers should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding whether to invest in the Rights Shares. As the Company is an investment fund company, prospective subscribers should be aware that an investment in the Rights Shares has risks associated with investing in equity, debt, transactions which are highly structured, operating lease assets, loan portfolio and securitisation assets, direct asset ownership, swaps, credit default swaps, debts, warrants, options, convertibles, preference shares, guarantees of assets and performance, securities lending, participating loan agreements and the specific business and assets sectors which the Company invests in (please refer to Section 9 of Part IV of this Offer Information Statement for further details on the nature of the Company's operations and principal activities).

This section details some of the more significant risks of which prospective subscribers and/or investors should be aware. The risks described below are not exhaustive. Any of these risks could result in a significant or material adverse effect on the Company's returns, financial condition, and/or a decline in the market price of the Rights Shares.

Prospective subscribers and/or investors should be aware that the price of the Shares, and the income from them, may fall or rise. Before deciding to subscribe for or invest in the Rights Shares, prospective subscribers and/or investors should seek professional advice from the relevant advisers about their particular circumstances.

(I) General Risks

The operating and financial performance of the Company and its investments is influenced by a variety of general economic and business conditions, including the level of inflation, unemployment, interest rates, exchange rates, credit spreads, asset prices and government fiscal, monetary and regulatory policies in the countries where the Company has investments or where its underlying assets and economic exposures are located. Deterioration in general economic conditions, including a decrease in consumer and business demand, may have a material adverse effect on the results of the Company. The Shares and/or Right Shares may trade on the SGX-ST at higher or lower prices than the Issue Price. The price at which its Shares and/or Right Shares trade on the SGX-ST may be affected by external factors over which the Company has no control. External factors include movements or changes in international share markets, local and international interest rates including short and long term bond yields, exchange rates, domestic and international economic conditions, the competitive environment of the markets and sectors in which the Company is investing, general operational and business conditions, regulations, taxation, and other government policies. No assurances can be given that the price of its Shares will not be adversely affected by changes in these external factors.

(a) Country-specific Risk

This is the risk associated with the political, social and economic uncertainty of the foreign country in which an investment is made. These risks can include major policy changes, overthrown governments, economic collapses and war. Social unrest, sudden occurrence of natural disasters, default on governments' debts and unexpected changes in rules or regulations unfavourable to foreign investors are some of the other country-specific risks to which the Company's investments may be exposed to. Generally, country-specific risks are greater in less developed markets than in the developed markets, which have more stable and conducive investment environments compared to the former. The higher the country specific risk, the greater the expected investment returns.

(b) Counterparties Risk

- (i) The Company is dependent on payments from counterparties for receipt of its income. If these counterparties do not make payments, its income and consequently the dividends that the Company is able to distribute may be adversely affected.
- (ii) Many of the obligations of the Company's counterparties are with limited recourse. If any of its counterparties become bankrupt or insolvent and distributions on the counterparty's assets are insufficient to enable it to meet its obligations, the Company may lose the principal which the Company has invested and its ability to pay dividends and its net asset value may be adversely affected.

(c) Risks Associated with Income for Distribution

- (i) The income that the Company expects to receive from its portfolio of assets and economic exposures may be adversely affected by counterparties' default, movements in interest rates, credit spreads, exchange rates, changes in tax and regulatory rules, the priority of more senior ranking indebtedness, and prepayments. If any of these or other factors result in a decrease in the Company's income, then its ability to pay dividends to its Shareholders and to meet its profit and dividend forecast and profit projection (if any) may be adversely affected.
- (ii) The Company may receive cash from its investments and must make a decision whether or not such cash represents economic income or a return of capital. The Company will rely upon the experience of its Manager, in making this assessment and will have regard to the then current information regarding the investment and the asset class from which it is derived. If the performance of its investment or the asset class from which it is derived differs from the expectations at the time of acquisition of the investment, this could affect the determination of whether a cash receipt is economic income to be distributed in accordance with its dividend policy or a return of capital. A change in performance could adversely affect the expected cash available for distribution which in turn could lower the Company's dividends and adversely affect its Share price.
- (iii) Due to the international nature of the Company's investments, movements in currency exchange rates may adversely affect the dividends paid to its Shareholders, the Singapore dollar value of its assets and economic exposures. Adverse movements in currency exchange rates have the potential to reduce the Company's investment returns. The Company's income is substantially denominated in currencies other than Singapore dollars. Movements in exchange rates between the relevant foreign currencies and the Singapore dollar may therefore have a material effect on the Company's financial results to the extent that they are not hedged, and its ability to pay dividends to its Shareholders may be adversely affected.
- (iv) The Company's stated dividend policy is to pay out the majority of the economic income received from its investments after payment or provision for its operating and financing expenses and, at the relevant time, to determine whether or not to distribute realised capital gains, having regard to then available reinvestment opportunities. The Company may not enter into capital hedges and the value of its assets translated into Singapore dollars will fluctuate with exchange rate variations. Consistent with the Company's dividend policy, when the Company realises a capital gain on one of its assets or economic exposures and the Company decides to distribute that gain, the Company will convert that gain to Singapore dollars and distribute it in line with its distribution policy. If the Singapore dollar has appreciated in value against the currency in which the investment was made then the Singapore dollar value of the capital which the Company retains for reinvestment could be less than the original Singapore dollar value of the investment.

(d) Liquidity Risks

The Company holds and may make future investments in illiquid assets that the Company may be unable to sell for a price equal to its valuation. The Company invests in assets and has economic exposures to assets that are not listed on a stock exchange and for which there are only a limited number of potential buyers. The Company's investments are relatively illiquid and such illiquidity may affect its ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic or other conditions. Illiquidity can also result in there being a lack of recent market data with which to make an informed decision on whether a particular price represents fair value. As a consequence, the realisable value of an asset may be less than the value based on its estimated future cash flows.

(e) Market Risks

- (i) Volatility of the market value of the Company's investments may affect the price at which the Company is able to dispose of its investments. Many of the Company's investments will be subordinated to the interests of other investors with rights to income and capital in priority to the Company. These investments represent highly leveraged investments in the underlying collateral. It can be expected that changes in the market value of these investments will be greater than the changes in the market value of the underlying collateral. This will affect the price at which the Company is able to dispose of its investments if the Company chooses not to hold them to maturity and a disposal of its investments at less than its acquisition price may have an adverse effect on its net asset value.
- (ii) The returns derived by the Company will, in the case of operating lease assets, be heavily dependent on the value of the underlying assets over time. Asset values may be volatile due to economic factors, changing asset preferences and configurations and factors such as terrorism, which may affect the industry in which the Company's operating lease assets operate and hence the demand for its operating lease assets. A material decline in the value of the physical assets' underlying securitisation assets (for example, residential property and aircraft, which may be affected by local market and industry conditions) may increase the default risk and loss in the event of default and, as a result, may adversely affect the return on the securitisation assets held by the Company. High levels of leverage to which these assets may be subjected to will also increase the impact of fluctuations in asset valuations of the Company.

(f) Interest Rate Risks

- (i) Assets or economic exposures with interest rate exposures and the use of debt finance for the acquisition of assets may result in increased volatility of returns to the Company's Shareholders. Some of the Company's assets or economic exposures may contain interest rate exposure, where the Company has a floating interest rate obligation but fixed income receipts, or vice-versa. In these circumstances, a change in interest rates could adversely affect the income of the Company available to be paid as a dividend as well as the value of its investments. This in turn may adversely affect the value of its Shares. The Company may not hedge the interest rate exposure inherent in its assets and economic exposures. The Company may however acquire assets or economic exposures to assets which have pre-existing hedges in place. The Company will monitor its interest rate exposures and the Company may elect to enter into hedging arrangements if appropriate as part of the management of the overall portfolio or individual assets.

The assets and economic exposures that the Company will invest in may be subjected to high levels of more senior ranking debt provided by third parties. Changes in interest rates may increase borrowing costs to the extent that they are floating rate facilities. Any such changes in the cost of borrowings may adversely affect the Company's financial performance and ability to pay dividends to its Shareholders. The volatility of its net asset value and its Share price may also increase. This may result in increased volatility of returns to the Company's Shareholders.

The Company may also use debt to finance the acquisition of its portfolio of assets. An increase in interest rates could decrease its income available to be paid as dividends.

- (ii) Interest rate fluctuations may adversely affect the Company's income and the value of its investments and its Share price. A rising interest rate market can often increase default rates by counterparties. It can also result in more of the income from collateral being used to service the interest payable on debt that ranks in priority to the Company's investments, thereby reducing the income available to service the interest payable on the investments held by the Company.

(g) Prepayment Risks

The Company may own assets and economic exposures that will mature or may be prepaid earlier than expected and the Company may not be able to identify and immediately acquire new assets that meet its investment objectives, policy and strategy. The Company's portfolio of assets and economic exposures is diversified by a number of factors, including without limitation, the tenor of such investments. The Company's assets and economic exposures may contain prepayment provisions and its investments are prepaid because underlying loans are prepaid earlier than expected.

(h) Financial Derivative Risks

The Company actively manages its investments. This may involve the use of some derivative transactions to hedge certain risks relating to its assets. A hedge position may not be effective in eliminating all risks, and there is no guarantee that appropriate hedges will be available at a cost acceptable to the Company at all times. The Company may also realise losses on hedge positions upon termination or maturity of the relevant derivative transactions.

On the other hand, the Company does not intend to hedge all risks relating to its assets as this may reduce the return on many of its investments and which may result in a reduced return that will have an adverse effect on its ability to pay dividends.

In the event that a risk relating to the Company's assets materialises which the Company has not hedged, or the counterparty for a derivative transaction defaults, or the Company realises a loss on termination of the relevant derivative transaction, the Company may suffer a reduced return that will reduce its income and consequently this will have an adverse effect on its ability to pay dividends, and may adversely affect its Share price.

(i) Risks Associated with Debt Financing

- (i) The assets and economic exposures in which the Company invests may be highly geared. Where debt financing needs to be extended or refinanced during the life of an underlying asset, there can be no guarantee that such financing can be obtained on equal or better terms than those existing at the time the Company makes its investment. The inability to obtain financing on equal or better terms may adversely affect the income to the Company from its assets and economic exposures and this may adversely affect the Company's cash flow and the amount of dividends the Company is able to pay to its Shareholders.
- (ii) The high level of gearing on assets in which the Company will invest will also magnify the effect of changes in asset valuation, interest rates, prepayments, defaults and other changes in underlying cash flows on subordinated debt and equity positions held by the Company.
- (iii) The Company's Bye-laws limit the Company from incurring total borrowings but this limit does not include limited recourse debt incurred at the investment or asset level. The Company's assets and economic exposures may be highly leveraged and any default in respect of those assets may lead to a loss of the Company's investment resulting in an adverse effect on its net asset value and its Share price.

(j) Regulatory Risks

Changes in law, regulations, accounting standards and policy in the jurisdictions that the Company invests or is resident in, and tax rules or their interpretation, may adversely affect the returns received on its assets and economic exposures, its cash flow, the Company's ability to pay dividends to its Shareholders and the value of its Shares.

The Company's portfolio of assets and economic exposures is located in a number of different jurisdictions and its assets are therefore subject to a variety of laws, regulations and policies. Changes in any law, regulation or policy affecting the activities of its existing assets (which may or may not have retrospective effect) may have a significant impact on its performance. Further, the tax rules or their interpretation in relation to the Company's current and future assets and economic exposures may change. In particular, both the level and basis of taxation applicable to the Company's assets and economic exposures may change. Changes that affect the Company's current and future assets and economic exposures may affect their returns to the Company and its business and its Share price could be adversely affected.

Currently, the Company is under the Enhanced-Tier Fund Tax Incentive Scheme ("Enhanced-Tier Fund"), which allows the Company to enjoy tax exemption on the income from its investment portfolio. There can be no assurance that the Company will be able to qualify for the tax incentive in future, nor can there be any assurance that there will not be subsequent changes to taxation laws or policies which may result in the removal, loss, suspension, or reduction of the tax incentive currently enjoyed by the Company. Any such removal, loss, suspension or reduction of the tax incentive may have an adverse impact on the Company's profitability. Laws and regulations affecting investments in listed securities such as the Company's Shares may be subjected to significant and unexpected changes. The tax rules or their interpretation in relation to an investment in the Company's Shares may change. Any such changes may affect the value of the Company's Shares or the tax treatment of amounts received by investors in its Shares. In addition, an investment in the Company may involve tax considerations, which may differ for each Shareholder. Each prospective Shareholder is encouraged to seek professional tax advice in connection with any investment in the Company.

(k) Concentration Risks

The Company's investments carry certain concentration and correlation risks which may lead to larger losses than expected. Concentration risk may arise when a significant percentage of the Company's profits, net asset value or cash economic incomes are derived from investment or exposure to a single asset or sector. High levels of concentration and correlation may lead to larger losses being incurred by the Company if any one asset, obligor exposure, industry or sector to which the Company is significantly exposed to is to suffer a downturn or unexpected losses.

(l) Key Personnel Risks

The loss of key personnel who administer the assets in which the Company invests or to which the Company has exposure, or the inability to retain or replace such personnel with suitably qualified persons, may have an adverse effect on its assets and economic exposures and the level of income from such assets and economic exposures.

A number of the assets in which the Company invests, or acquires economic exposure to, rely on existing management teams, either at the asset or within managers, originators and service providers who administer the asset. Returns from its investment will be dependent, in part, on the continued efforts of such management teams, who have extensive experience in the day-to-day management of these assets. The management of these assets requires personnel with specialist skills and the pool of qualified personnel is limited. Furthermore, the Company is likely to be dependent on the support of similar management teams for assets in which the Company may invest in the future.

(m) Documentation Risks

The Company's exposures to assets are in a variety of manners, which may involve structural risks arising from complex documentation. The Company may have both a direct ownership of investments as well as structured exposures to assets which deliver to the Company the economic risk and reward of such assets. The structures, documentation and legal relationships may be complex and these complexities may create risks associated with enforcement and recovery of its investments. Such risks may include the possibility that an adjudicating court may interpret the agreements in a manner different from that intended by the parties thereto.

(n) Debt Exposures may be Unsecured and will Often be Subordinated, and Subject to Enforcement and Recovery Risk

Some of the Company's debt exposures may be unsecured, therefore providing no security rights to the Company or, for debt of an indirect counterparty, no security rights to the direct counterparty. Even if debt is secured, it will often be subordinated and the Company (or the direct counterparty) will rank behind senior lenders and, in addition, may not have a separate enforcement right from the senior secured lender. In such an event, the debt is secured as to recovery only, but must wait for the senior secured lender to act to enforce the security. Failure to act quickly may lead to penalty interest accruing to a senior secured lender which ranks ahead of repayments which will flow through to the Company. Further, if the amount realised on enforcement of the security over an asset is less than the amount required to repay the senior secured lender and the Company in full, the Company may not be able to recover some or all of the amounts due to it. If this occurs, its net asset value is likely to be adversely affected and this may have an adverse effect on its Share price. In addition, a loss of capital will mean that there will be less assets producing income for the Company and this could adversely affect its ability to pay dividends.

(II) Risks Relating to the Manager

(a) The Manager may terminate the Management Agreement if the Company materially breaches the Management Agreement or if the Company ceases to be listed.

Under the Management Agreement entered into between the Manager and the Company on 24 September 2009, the Manager may terminate the Management Agreement if the Company breaches the Management Agreement and that breach is not remedied in 60 days.

If the Company ceases to be admitted to the Official List of the SGX-ST or a resolution has been passed by the Company approving the delisting of the Shares from the SGX-ST, the Company and the Manager shall, during the 30 days after the day on which the Shares cease to be so listed, in good faith negotiate such amendments and modifications to the Management Agreement (including but not limited to the provision on the determination of the Manager's fees). The Manager may elect to terminate the Management Agreement immediately on written notice to the Company if the Company and the Manager fail to reach agreement on the amendments and modifications to be made to the Management Agreement (including but not limited to the provision on the determination of the Manager's fees) at the end of the 30 days period of negotiation referred to above.

In both cases where the Manager terminates the Management Agreement, the Company may not be able to find a new external manager or hire internal management with similar expertise to provide the same or equivalent services on acceptable terms, or at all. As such, the Company's operations are likely to experience a disruption, the Company's financial results may be adversely affected, and the market price of the Company's Shares may decline.

- (b) The loss of key personnel of the Manager who manages the assets in which the Company invests or to which the Company has exposure, or the inability to retain or replace such personnel with suitably qualified persons, may have an adverse effect on the Company's assets and economic exposures and the level of income from such assets and economic exposures.

(III) Risks Relating to Operating Lease Assets

(a) Leased Assets in Industries that are Volatile and Cyclical

In addition to the risks associated with investments in the assets which the Company is purchasing and aims to purchase generally, investments in operating leases and operating lessors are subject to additional risks, specific to the underlying assets and businesses of the operating lessors. The assets which the Company may target within the operating lease sector are used in industries that are volatile, cyclical and subject to seasonal fluctuations. An investment in such assets may have a material adverse effect on its financial condition and results.

The prospects of the airline and shipping industries are closely tied to the level of economic activity in the world while the prospects of the rolling stock industry is closely tied to the level of economic activity in the jurisdiction in which the assets are physically located as well as worldwide commodity demand. The aircraft, shipping and rail industries are highly competitive, and lease or charter hire rates and asset values are very sensitive to changes in demand for and supply of capacity, and are consequently volatile.

Demand is influenced by many factors, including global and regional economic activity, developments in international trade, weather patterns, armed conflicts, fuel prices, foreign exchange fluctuations, embargoes and strikes, geographic changes in population and wealth, production and consumption, environmental concerns and regulations, commodity demand, price levels and seasonal factors. Supply of capacity is determined by, amongst other matters, the size of the existing fleet and its operational efficiency, the rate of deliveries of new buildings and the number of assets out of use for varying reasons. Variations in the demand for and supply of assets and the level of lease or charter rates may have a material adverse effect on its financial condition and results of operations. In addition, the impact of these factors may not be uniform across different asset types.

(b) Highly Competitive

The Company may compete to acquire assets and then to lease and eventually to sell assets. Additionally, the Company competes for finance for those assets. Its competitors can both drive down the income that the Company will generate from its assets and the price at which the Company will sell its assets. The Company's competitors can increase the price the Company must pay for assets. Manufacturers of leased assets may lower prices, provide discounts or enter price wars which adversely impact the value of existing assets that the Company holds. Each and all of these factors can have a material adverse effect on its income and the value of its assets and may adversely affect its Share price.

(c) Regulated Industries

Certain industries are highly regulated, and the Company's investments may be affected by extensive and changing environmental protection laws and other regulations in the form of international conventions, international, national, state and local laws and regulations in force in the jurisdictions in which any assets the Company acquires and operates, as well as in the country or countries in which its vessels are registered.

Subject to the arrangements with any future lessees or charterers of any asset the Company acquires, compliance with such laws and regulations may:

- involve significant expenses, including the costs of modifications and changes in operating procedures;

- affect the lease or charter rates the Company receives and resale value or useful lives of its assets;
- require a reduction in carrying capacity;
- lead to decreased availability of insurance coverage for environmental matters; and
- result in the denial of access to certain airports (in the case of aircraft) or ports (in the case of vessels).

The Company may also incur substantial costs in order to comply with existing and future health and human safety requirements, including among others, obligations relating to air emissions, maintenance and inspection, development and implementation of emergency procedures and insurance coverage. The Company could incur material liabilities for penalties, fines, damages and remediation for non-compliance with any such laws and regulations and, as a result of such laws and regulations, may be liable for costs (including cleanup obligations) associated with hazardous substance spills (including petroleum) or other discharges into the environment as a result of the shipping operations that the Company may invest in. In addition, the Company could become subject to personal injury or property damage claims relating to the release of or exposure to hazardous materials associated with its operations. These costs and penalties could have a material adverse effect on its business, financial condition and results of operations.

Future accidents can be expected in the industries in which the Company operates, and such accidents or other events could be expected to result in the adoption of even stricter laws and regulations, which could limit its operations or its ability to do business and which could have a material adverse effect on its business and financial results.

(d) Potential Business and Reputation Risks

The ownership of aircraft, rolling stock or ocean-going vessels carries inherent risks. They include the possibility of accident or disaster; arrest or seizure; piracy or hijacking; explosions; environmental accidents; pollution; loss of life; cargo and property losses or damage; business interruptions caused by mechanical failure, human error, war, terrorism, political action in various countries and labour strikes or adverse weather conditions. Any of these circumstances or events could lower the Company's revenues. The involvement of its transportation assets in a serious accident could harm the operator's reputation and lead to a loss of business.

(e) Unable to Acquire Leased Assets at Prices or Delivery Times Acceptable to the Company

In the event that the Company wishes to acquire new assets, the Company may be required to expend substantial sums in the form of down payments and progress payments during the construction of such new buildings, but will not derive any revenue from these assets until after their delivery. In such circumstances, there can be no assurance that the new buildings the Company purchases will be completed on schedule or at all. While the Company would receive penalty payments from the builder, delays in the delivery of, or failure to deliver, any new buildings which the Company may purchase, from time to time, could have an adverse effect on its business, financial condition and results of operations.

Second-hand assets are typically sold by sellers with very limited or no warranties with respect to the condition of the asset. Whilst the Company will inspect any asset prior to its acquisition, certain faults or damage may remain undetected. The Company can generally avail itself of any remaining warranties (if any) from the seller of asset but the Company can give no assurance that the purchase of an asset will not result in higher than anticipated operating expenditures, including repair costs, thus having an adverse effect on revenue and expenses as well as potentially on the value of the asset the Company acquired. With regard to new buildings and second-hand assets, there can be no assurance that assets meeting its requirements will be available at prices or delivery times acceptable to the Company.

(f) Lack of Leases or Charters

The Company's ability to lease or charter out assets the Company acquires both at the time of acquisition and at the expiration of their initial leases or charters and its ability to dispose of assets profitably are subject to availability of leases or charters and market values at that time.

With respect to any assets the Company acquires and leases or charters out, it is not uncommon for the lessees or charterers to have sole discretion as to whether or not they wish to extend leases or charters after expiration of the initial term. In these circumstances, the Company would not be able to predict whether such lessees or charterers would exercise such an option. If the lessees or charterers decide not to extend, the Company may not be able to re-lease or re-charter the assets on similar terms. The Company's ability to lease or charter assets out and re-lease or re-charter its assets on the expiration or termination of the initial leases or charters, the lease or charter rates payable under any renewal or replacement leases or charters and its ability to dispose of assets profitably will depend upon, among other things, the then prevailing availability of leases or charters and economic conditions in the relevant market at that time. If the Company is unable to lease an asset, the Company may be required to meet substantial costs and expenses for insurance, storage, refurbishment, maintenance and compliance with government directives. If the Company receives lower lease or charter rates under replacement leases or charters, or is unable to lease or charter out its assets either at acquisition or on expiry of their initial leases or charters, the amounts that are available, if any, to pay distribution dividends to its Shareholders would be adversely affected.

The Company's operating lease business is dependent on the availability of substantial amounts of non-recourse debt on favourable terms. Failure to obtain or maintain adequate levels of non-recourse debt on the assets at favourable terms and conditions (including rate and amortisation requirements) could adversely impact the yields and returns on operating lease assets owned by the Company. This impact will be magnified where it coincides with a fall in lease rates and asset values.

(g) Insufficient Insurance Coverage

The Company expects to be insured against the inherent risks relevant to the operation of transportation assets, including collision, explosion and other catastrophic disasters as well as environmental pollution, leaks or spills, personal injury and loss of life. In addition, further liability may be incurred as a result of losses to, stranding of or damage to cargo, people and property; business interruption caused by war, terrorist activities, piracy, hijacking, mechanical failure, human error, political action, labour strikes, adverse weather conditions, fire and other circumstances or events. To the extent that any of the foregoing events involves one of its assets, the Company could experience direct losses and liabilities, loss of income, damage to its reputation and increased costs and as a result such events could have a material adverse effect on its business, financial condition and results of operations.

Where the lessee of the affected asset takes out insurance, there can be no assurance that such insurance will be adequate. Even if the Company has effected insurance for itself, insurance policies contain certain standard deductibles as well as limitations and exclusions as to the extent of cover. Such limitations and exclusions typically relate to certain losses arising from acts of war, terrorism, malicious acts, wilful misconduct, fraud or widespread communicable or infectious diseases and the Company may therefore be uninsured for such losses which could have a material adverse effect on its financial condition and results of operations. Further, its assets could be subject to attachment or other judicial processes in the event that claims are asserted against the Company or the lessee or charterer which may cause losses that are uninsured.

From time to time, environmental and other regulations may be introduced increasing the liability the Company's operations face, insurance against these new risks may not be available or may not be accessible at commercially viable rates. The Company's insurance may be insufficient to cover these additional claims and liabilities and as a result its assets could be subject to attachment, seizure or other judicial processes. Each of those could have a material adverse effect on its business, financial condition and results of operations.

(h) Political, Economic and Other Risks in the Markets where the Company Operates

The Company's leased assets may operate in various countries around the world, including emerging markets. As such, the Company will be subject to the political, economic and social conditions of those countries. For example, the Company will be exposed to risks of political unrest, war and economic and other forms of instability, such as natural disasters, epidemics, widespread transmission of communicable or infectious diseases, acts of God, terrorist attacks, hijacking, piracy and other events beyond the Company's control which may adversely affect local economies, infrastructures and livelihoods. These events can result in disruption to its or its customers' business and seizure of, or damage to, its or its customers' assets. Furthermore, these events could lead to reductions in, or in the growth rate of, world trade, which could reduce demand for its assets.

(i) Government Requisitions During Periods of Emergency or War

A government could requisition for title, hire or seize any one of the Company's assets. Requisition for title occurs when a government takes control of an asset and becomes the owner, whereas requisition for hire occurs when a government takes control of an asset, effectively at dictated lease or charter rates. Typically, requisitions would occur during a period of war or emergency. Requisition of any of the Company's assets could adversely affect its business, financial condition and results of operations.

(j) Various Factors may Affect the Value and Re-lease Rates of the Company's Leased Assets

The value of leased equipment and the rates at which it may be re-leased depend upon a number of factors including demand for goods transported by the equipment, fuel costs, general economic conditions, industry restructuring, production levels and technical innovation, retirement and obsolescence of transport equipment, infrastructure constraints, manufacturers exiting the industry or merging, the re-introduction of equipment previously in storage, the industry acceptance of an item of equipment or the end of production of that type of equipment. If any of these factors affects the value or re-lease rates of the Company's transportation assets, it could adversely affect its ability to pay dividends and the value of its Shares.

(k) Failure of Lessees to Perform Obligations

Under their lease agreements with the Company, lessees may be obliged to not only make lease payments but also to perform other obligations such as undertake and meet costs of maintenance, insurance and compliance with regulatory directives. The Company may be exposed to costs or losses where lessees do not meet these obligations. Such costs or losses may decrease its ability to pay dividends to its Shareholders and affect the value of its Shares.

(l) Damage or Significant Downtime in Asset or Equipment Resulting in Loss of Hire and Unexpected Maintenance Costs

Prolonged and significant downtime, as a result of extensive servicing or repair to any of the Company's assets may result in major disruptions to its operations. In the event that the Company is affected by such prolonged and significant downtime, its operations and financial performance may be adversely affected.

(m) The Company may Depend on an Asset Manager to Provide Commercial, Administrative, Technical and Operational Services in respect of its Assets

In certain circumstances, the Company may elect to appoint a third party asset manager to provide the Company with certain technical, administrative and strategic services in relation to the assets (including maintenance, crewing and construction supervision). In such circumstances, its operational success will depend significantly upon the asset manager's satisfactory performance of these services. The Company's business will be harmed if the asset manager fails to perform these services satisfactorily or if the Company is unable to immediately replace such services when required to do so, or even if replacement services are immediately available, the terms offered may be less favourable than the ones currently offered by the asset manager.

(IV) Risks Relating to Investments in Loan Portfolios and Securitisation Assets

(a) Complex Modelling

Valuations of certain investments involve complex modelling and management expertise in determining assumptions and the Company may not be able to sell its asset at its initial valuation. Many of the Company's investments are highly illiquid and there is no readily available market for which these assets may be sold. This means that it is difficult to verify market prices for such assets. Valuing subordinate positions, such as residual income positions in securitisation or loan portfolio assets, generally involves comparing actual asset performance against various assumptions, including expected levels of default, prepayment speed, interest rate moves and credit spread moves, amongst others. An individual asset may perform outside an expected range and/or historical experience, and therefore the value of the asset may be different from that originally assessed. In addition, if the Company sought to sell these assets, their lack of liquidity may lower the price that the Company receives for them. The purchase price that the Company may pay for such investments is in part dependent on the assessment of the fair value of the risk being assumed. Accordingly, there is risk that the Company could acquire an investment for a purchase price materially different from that paid by another investor in the same investment and the Company may not be able to recover its costs upon disposing of its investment.

(b) Cash Lock-ups may Occur which Adversely Affect the Company's Income

In many securitisations, such as CDO and CLO transactions, there are asset and counterparty performance requirements that must be met to ensure income is paid to all investors, rather than being retained in a lock-up or cash reserve as additional credit or liquidity support for senior investors. As the Company may be taking subordinated positions in such transactions, if a diversion were to occur, this could result in an elimination, deferral or reduction of the income the Company receives, and would adversely affect its ability to pay dividends and potentially the price of its Shares.

(c) Losses Within the Underlying Collateral and Inability of the Securitisation Manager to Adequately Manage the Collateral

The underlying collateral in a loan portfolio or securitisation asset is not necessarily individually assessed prior to purchase. The manager of the loan portfolio is responsible for managing the collateral, but may not be able to prevent losses. Losses may occur not only because of default, but an adverse change in interest rates, poor servicing by a portfolio manager, prepayment occurring outside historical averages, adverse credit spread moves, basis risk movements and lower than assumed collateral recovery rates, amongst others. Losses within the collateral may adversely impact the value of the loan portfolio or securitisation assets that the Company invests in.

(d) The Performance of the Servicer of the Assets may have a Significant Impact on the Company's Results

Each loan portfolio is administered by a servicer whose role may include underwriting the loan portfolio, arranging its securitisation, administering cash flows and arrears and overseeing the realisation of security where a loan has gone into default. The Company's investments and the return to the Company may suffer where (amongst other things) the servicer:

- fails to follow best practices in realising any security values; or
- fails to adequately administer loans that fall into arrears or default.

In the event that the servicer is unable to meet its administrative obligations, a substitute servicer will need to be appointed. There is a risk that a substitute servicer will not be available when required, that the substitute servicer will not be able to perform its duties with the requisite level of skill and competence or that the substitute servicer will require extra time to assume responsibility for the portfolio.

(e) Certain Jurisdictions have Laws that Protect the Consumer which may Allow Borrowers to Vary the Terms of Loans under Certain Circumstances

There is a risk that some of the loan portfolios will be or are governed by laws which seek to protect consumers. In a number of countries, such laws may allow borrowers to vary the terms of a loan where the terms are considered inequitable or where the borrower is disadvantaged. Alternatively, borrowers may seek reductions in interest rates or seek to have a loan declared void or unenforceable. In some jurisdictions, lenders may face civil or criminal proceedings and be liable for restitution and penalties. In such cases, the Company's ability to recover its investment may be prejudiced, and the Company may suffer losses as a result.

(f) The Company may be Subject to Laws Relating to Creditors' Rights in Jurisdictions which may be Less Favourable to Creditors

The loan portfolios purchased or to be purchased or guaranteed by the Company may be originated in jurisdictions which possess laws less favourable to creditors than Singapore. These insolvency regimes will differ depending upon the country in which an investment is made and may negatively impact the receipt of returns by the Company in a timely manner. The application of these laws may lead to, among other things, proceedings which prevent current cash payments to the Company, require the Company to participate in a scheme to rearrange the debtors' affairs or accept payment of its debt at less than its face value.

(g) Concentration of Similar Loans which could Result in Higher Losses Than a More Diversified Portfolio

The Company may from time to time see its investment portfolio with concentrations of exposure to various types of loan portfolio, jurisdiction, servicers, vintage of assets originated and maturity profiles. These concentrations may result in higher losses from an adverse condition affecting a particular asset category than would occur if the portfolio possessed greater diversification or if the portfolio comprised a concentration of exposures in too few a spread of asset classes. For instance, the Company's Loan Portfolios and Securitisation Assets will, in each case, primarily have loan obligations secured against a single type of asset (albeit with different obligors). A downturn in the value of the collateral underlying the loans could result in the Company failing to be repaid its investment in the event of borrower default and a failure to recover against the asset. For example, securitisations of real estate within one geographic area may suffer from a cyclical downturn in the values of real estate within that area.

(h) Little or No Capacity to Influence the Transaction

The Company's assets and economic exposures comprising Loan Portfolio and Securitisation Assets are, for the most part, small investments and exposures in larger and complex capital structures. For example, the Company may own a S\$20 million investment in a S\$1 billion transaction. As a minority investor, its capacity to influence the factors which may affect its investment may be extremely limited.

In addition, the Company's right to influence the manager of the capital structure is limited by documentation and drag along rights may result in the Company being forced to take an action which its Directors and the Manager do not believe to be in its best interests.

(i) Investments in CDOs are Exposed to Certain Risks Inherent in the Manner in which CDOs are Established

Both potential and actual conflicts of interests involving the CDO manager may arise from the investment activities of the CDO manager. The CDO manager and its affiliates may acquire confidential information from their other activities which preclude the CDO manager from managing the CDO collateral in some circumstances. This legal restriction on the activities of the CDO manager may adversely affect the return the Company receives from investments in CDOs.

Some CDOs involve the CDO manager purchasing various collaterals over a period, referred to as a "ramp up" or "re-investment" period. As a result of the time lag, the prices for or yield from the collateral may differ from the prices assumed in the CDO model. In addition, the timing of collateral cash flows may differ from that of the model portfolio. This may decrease the expected rate of return from the CDO investment.

(V) Risks Associated With Equity

Equity is the ownership interest in a corporation in the form of common stock. It could be listed or unlisted.

(a) Listed Equity

(i) Market Factors Affecting the Value of Stock

The stock that is listed in a particular country's stock market will be subject to volatility due to risk inherent in dealing on that market. This market volatility could be caused by the economic performance of that country, exchange rate fluctuations, interest rate movements, changes in the inflation level and other political and economic developments. The risk is greater for investments in emerging markets which typically have economic and political systems that are less developed, and may be less stable, than those of more developed countries.

(ii) Industry / Sector Risk

Industry risk relates to uncertainty caused by particular features of the industry sector in which a corporation operates. These risks can vary dramatically. New technologies, for example, are always going to expose investors to higher uncertainty of future returns than the market average - because of the inherent uncertainty of their new products and new markets - and they will certainly be more uncertain than food retailers.

(iii) Company-level Performance Risk

Each company - each stock - will deal with its sector risks and background economic risk in its own way. The way each company turns threats into opportunities and efficiently exploits those opportunities will be decisive in generating shareholder returns.

(iv) Response to Economic Cycles

The economy goes through cycles - fluctuates between periods of relatively rapid economic growth (an expansion or boom) and period of relative stagnation or decline (a contraction or recession). Different industries are affected by different degrees of changes in the economy. Technology, industrial and transportation stock, for example, will tend to rally more than others in early economic expansion. An accountancy firm with a large insolvency or receivership practice might do well during recession.

(v) Small Capitalisation Companies Risks

Investments in small capitalisation companies generally carry greater risk than is customarily associated with larger capitalisation companies. A summary of these risks may include, but are not limited to, less public information, limited financial resources, greater volatility, higher risk of failure than larger companies and less liquidity. Small capitalisation companies are often newer or less established than larger companies. Investments in these companies carry additional risks because earnings of these companies tend to be less predictable as they often have limited product lines, markets, distribution channels or financial resources. Further, the management of such companies may be dependent upon one or a few key people. The market movements of equity securities of small capitalisation companies may be more abrupt or erratic than the market movements of equity securities of larger, more established companies or the stock market in general. Historically, small capitalisation companies have sometimes gone through extended periods when they did not perform as well as larger companies. In addition, equity securities of these companies generally are less liquid than those of larger companies. This means that the Company could face greater difficulty selling such securities at the time and price that the Company would like. The result may be greater volatility in the share prices of such companies and thus volatility to the Company's net asset value.

(vi) Liquidity Risks

The Company may invest in equities listed and traded in the emerging markets which often involve a greater degree of risk as such markets may not be fully developed. There may be a greater degree of volatility in such markets because of significant retail participation, a bigger extent of speculative element and the lack of liquidity. The Company may not be able to sell an illiquid security at a favourable time or price, and in such event, the Company's overall liquidity would decrease. Further, the lack of an established secondary market may make it more difficult to value illiquid securities, which may negatively impact the price the Company would receive upon realisation.

(vii) Regulatory Risks

Changes in laws and regulation will materially impact a stock, business, sector or market. A change in laws or regulations made by the government or a regulatory body can increase the cost of operating a business, reduce the attractiveness of investment and/or change the competitive landscape. While scams and market manipulation will continue to happen as long as there is human greed, how regulators and the entire legal system respond to them is important. If the quality of regulation is poorer, then the response to scams may also not be adequate. For example, in the emerging markets, a lack of regulatory infrastructure resulting in less secure banks or securities depositories than those in developed markets could potentially have a negative impact upon the equities invested by the Company in such markets.

(viii) Systemic Risks

Systemic risk is the risk of collapse of an entire financial system or entire market. It could be due to risk imposed by inter-linkages and inter-dependencies in a system or market, where the failure of a single entity or cluster of entities can cause a cascading failure, which could potentially bankrupt or bring down the entire system or market. The financial crisis in the United States of America that began in 2007 was such an example.

(b) Private Equity or Unlisted Equity

Private equity and investments in initial public offering placement issues and publicly listed companies that are raising funds through private placements involve substantial risks and correspondingly high potential investment returns. While private equity investments and other investments by the Company offer opportunity for significant capital gains, such investments involve a high degree of business and financial risk which can result in substantial losses, notwithstanding the amount and extent of due diligence which may be or have been carried out by the Manager before an investment is made. Portfolio companies could have substantial variations in operating results from period to period, face intense competition, and experience failures or substantial declines in value at any stage. These companies may need substantial additional capital to support growth or to achieve or maintain a competitive position. Such capital may not be available on attractive terms. The Company's capital is limited and may not be adequate to protect the Company from dilution in multiple rounds of portfolio companies financing.

(i) Investments in Less Established Companies; Risk of Fraud in Portfolio Companies

The Company may invest a portion of its assets in the securities of less established companies. Investments in such portfolio companies may involve greater risks than are generally associated with investments in more established companies. For example, such companies may have shorter operating histories on which to judge future performance and, if operating, may have negative cash flow. Such companies may also have lower capitalisation and fewer resources (including cash) and be more vulnerable to failure, resulting in the loss of the Company's entire investment. In addition, less established companies could be more susceptible to irregular accounting or other fraudulent practices. In the event of fraud by any company in which the Company invests, the Company may suffer a partial or total loss of capital invested in that company.

(ii) Leverage

The Company's portfolio investments are expected to include companies whose capital structures may have significant leverage. The leveraged capital structure of such portfolio investments may significantly increase the exposure of the portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the portfolio companies or their respective industries. If a portfolio company cannot generate adequate cash flow to meet debt obligations, the Company may suffer a partial or total loss of capital invested in the portfolio company.

(iii) Bridge Finance

From time to time, the Company may lend to portfolio companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities. Such bridge loans will typically be convertible into a more permanent, long-term security; however, for reasons not always within the Company's control, such long-term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Company. Further, portfolio companies may be short of finances to repay the bridge loans resulting in a partial or total loss of capital invested in the portfolio company.

(iv) Additional Financing and Its Implications

Certain companies in the Company's portfolio may be expected to require additional financing to satisfy their working capital requirements. The amount of the additional financing needed would depend upon the maturity and objectives of the particular portfolio company. Each such round of financing (whether from the Company or other investors) is typically intended to provide a portfolio company with enough

capital to reach the next major corporate milestone. If the funds provided are not sufficient, a company may have to raise additional capital at a price unfavourable to the existing investors, including the Company. In addition, the Company may make additional debt and equity investments or exercise warrants, options or convertible securities that were acquired in the initial investment in such company in order to preserve the Company's proportionate ownership when a subsequent financing is planned, or to protect the Company's investment when such portfolio company's performance does not meet expectations. The availability of capital is generally a function of capital market conditions that are beyond the control of the Company or any portfolio company. There can be no assurance that the portfolio companies will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.

(v) Non-controlling Investments and Limited Rights as Shareholder

The Company will generally hold non-controlling interests in portfolio companies and, therefore, may have a limited ability to protect its interests in such companies and to influence such companies' management. In addition, the Company may co-invest with third parties through joint ventures or other entities, which may have larger or controlling ownership interests in such portfolio companies. In such cases, the Company will rely significantly on the existing management and board of directors of such companies, which may include representatives of other financial investors with whom the Company is not affiliated and whose interests may at times conflict with the interests of the Company. Such portfolio investments may involve risks in connection with such third-party involvement, including the possibility that a third-party may be in a position to take (or block) action in a manner contrary to the Company's investment objectives or may have financial difficulties resulting in a negative impact on such investment. However, the Company will endeavour to obtain appropriate minority shareholder rights to protect the Company's interests to the extent possible. There can be no assurance that such minority shareholder rights will be available or that such rights will provide sufficient protection of the Company's interests.

(vi) Lack of Liquidity of Investments

Many or all of the Company's investments in portfolio companies will be highly illiquid, and there is no assurance that the Company will be able to liquidate a particular investment upon attractive terms. The Company's portfolio investments may be difficult to value and to sell or otherwise liquidate, and the risk of investing in such companies is generally much greater than the risk of investing in publicly traded companies. While targeted returns should reflect the perceived level of risk, there can be no assurance of return of capital or any rate of return or profit. The timing of profit realisation is uncertain. Losses generally occur early, while successful gains often take longer to realise. In addition, the public market for high technology and other emerging growth companies is extremely volatile and there can be no assurance that non publicly-listed portfolio companies in which the Company invests eventually will list their securities on securities exchanges. Furthermore, there can be no assurance that private purchasers for the Company's investments will be found. In addition, in certain circumstances governmental approvals will be required for the Company to dispose of an investment. While such approvals may often be granted, there can be no assurance that they will be obtained.

(vii) Investment in Restructurings

The Company may make investments in restructurings which involve portfolio companies that are experiencing or are expected to experience financial difficulties which may never be overcome. Such investments could, in certain circumstances, subject the Company to certain additional potential liabilities, which may exceed the value of the Company's original investment therein.

(viii) Emerging Market Risks

The risk is greater for investments in emerging markets which typically have economic and political systems that are less developed, and may be less stable, than those of more developed countries. Emerging market countries may also have policies that restrict investment by foreigners, controls on investment and currency transfers, different or lower standards in accounting, auditing and financial reporting. The repatriation of cash or the realisation of the Company's investments in general may be restricted in less developed markets and economies, due to lower liquidity and increased price volatility and, in some countries, greater risks of expropriation, confiscatory taxation and national policies. Investments in issuers in emerging markets may also decrease the Company's ability to borrow against its assets. The Company may invest a significant amount in such private equities; as such, investors must be able to tolerate sudden, sometimes substantial, fluctuations in the value of their investments.

(ix) Insolvency Risk

The Company is exposed to the insolvency risk of the issuers of the securities and other assets in which the Company invests. If this materialises, the securities of the insolvent company may become entirely worthless. The risk of loss associated with the bankruptcy of a company is considerably lower for investors in investment funds than for direct investors in shares or bonds since a fund invests not in the securities of one issuer only but in the securities of a large number of different issuers for the purpose of risk reduction.

(VI) Risks Associated With Debts

A debt is an obligation of one party to pay another, usually as repayment for money borrowed. Debt is characterised by the type of debt instrument, such as a bond, a loan or a commercial paper. These different forms all imply intent to pay back an amount owed by a specific date, which is set forth in the repayment terms.

(a) Default Risks

Investments in debt securities are subject to credit risk or default risk where a counterparty or an issuer of debt securities may be unable to meet its contractual obligations, such as payment of principal and/or interest on an instrument. If the borrower gets into financial trouble, the debt can go into default and the Company could lose both the initial investment and monthly payments.

(b) Interest Rate Risks

The Company may be exposed to the risk that the price of the debt instrument will fall as interest rates rise. For example, by buying a bond, the bondholder has committed to receiving a fixed rate of return for a fixed period. Should market interest rate rise from the date of the bond's purchase, the bond price will fall accordingly. The bond will then be trading at a discount to reflect the lower return that an investor will make on the bond. Prices of debts may fluctuate due to changes in economic conditions, interest rates and the market's perception of debts which may cause the Company's asset value to rise or fall in tandem.

(c) Maturity or Duration Risks

The longer the date to the debt's maturity, the greater the chance of an occurrence of an event related to market conditions or to the debt's issuer that may reduce the value of the bond. The price of the debt instrument is more volatile than that of the shorter-dated debt. The Company may be subject to such duration risk, compounded by liquidity risk in periods of uncertainty, which could affect the asset value of the Company.

(d) Downgrade Risks

An issuer may suffer adverse changes in its financial condition that could lower the credit quality of a debt, leading to greater volatility in the price of the debt. A change in the quality rating of the debt can also affect the debt's liquidity and make it more difficult to sell. If the credit rating agencies such as Standard & Poor's Rating Services and Moody's Investors Service, Inc. lower their ratings on a bond or the corporation that borrows, the price of those debt instruments will fall.

(e) Liquidity Risks

The Company may invest in debt securities in some emerging markets which often involve a potentially higher degree of risk as such markets may not be fully developed. Debt investments in such markets may be less liquid in comparison to investments in the more developed markets. This may restrict the ease with which such securities may be bought or sold.

(f) Inflation Risks

There is a risk that the rate of inflation increases in the economy deteriorates the returns associated with the debt. This has the greatest effect on fixed bonds which have a set interest rate from inception. For example, if an investor purchases a 5% fixed bond and inflation then rises to 10% a year, the bondholder will lose money on the investment because the purchasing power of the proceeds has been greatly diminished. The interest rate of floating-rate bonds (floaters) are adjusted periodically to match inflation rates, limiting investors' exposure to inflation risk.

(g) Call Risks

There is risk that a bond will be called by its issuer. Callable bonds have call provisions, which allow the bond issuer to purchase the bond back from the bondholders and retire the issue. This is usually done when the interest rate has fallen substantially since the issue date. Call provisions allow the issuer to retire the old high-rate bonds and sell low-rate bonds in a bid to lower debt costs. This may result in the Company having to reinvest the proceeds at lower interest rates, resulting in a decline in the Company's income. This is less common in a period of stable or rising interest rate.

(h) Risks of Loan Assets

Loans may become non-performing for a variety of reasons. Non-performing loans may require substantial workout negotiations or restructuring that may entail, among other things, a substantial reduction in the interest rate and/or a substantial write-down of the principal of the loan. In addition, because of the unique and customised nature of a loan and the private syndication of a loan, certain loans may not be purchased or sold as easily as publicly traded securities, and historically the trading volume in the loan market has been small relative to the market for high yield bonds. Trading in loans is subject to delays due to their unique and customised nature, and transfers may require extensive documentation, the payment of significant fees and the consent of an agent bank or the underlying borrower. In addition, the Company may incur additional expenses to the extent it is required to seek recovery upon a default or to participate in the restructuring of a loan. Although the Company may have voting rights with respect to an individual loan, there can be no certainty that the Company will be able to exercise votes in respect of a sufficient percentage of voting rights with respect to such loan to determine the outcome of such vote.

Loans are generally subject to market value volatility that may not be apparent from historical volatility studies and that could be significant at times. An economic downturn could severely disrupt the market for loans and adversely affect the value of outstanding loans and the ability of the borrowers thereof to repay principal and interest. The default history for loans is limited, actual defaults may be greater than indicated by historical data and the timing of defaults may vary significantly from historical observations. The Company may invest in loans with terms that, upon certain conditions, allow the spread to a floating rate index to change, including upon a change in credit quality. Such loans may cause significant changes in interest collections from the borrowers.

(i) Risks of Mezzanine Obligations

The Company may invest in a mezzanine obligation which is a privately negotiated, high yield, unsecured subordinated debt obligation of an issuer. Mezzanine obligations have greater credit and liquidity risk than obligations of investment grade issuers. Issuers of mezzanine obligations may be highly leveraged and may not have available to them more traditional methods of financing. The risk associated with acquiring the securities of such issuers generally is greater than is the case with highly-rated securities. The prices of mezzanine obligations are likely to be more sensitive to adverse economic changes or individual corporate developments than higher rated securities.

As a result of the limited liquidity of mezzanine obligations, their prices have at times experienced significant and rapid decline when a substantial number of holders decided to sell. In addition, the Company may have difficulty disposing of certain mezzanine obligations because there may be a thin trading market for such securities. Under adverse market or economic conditions, the secondary market for mezzanine obligations could contract further, independent of any specific adverse changes in the condition of a particular issuer. Reduced secondary market liquidity may have an adverse effect on market price and the Company's ability to dispose of particular issues when necessary to meet the Company's liquidity needs or in response to a specific economic event such as a deterioration in the creditworthiness of the issuer of such securities.

(j) Risks of Unsecured Loans or Debts

The Company may invest in unsecured loans or debts which typically do not have the benefit of a collateral security interest in any assets of the obligor thereunder. The unsecured nature of the claim will, in circumstances of the insolvency and liquidation of the relevant obligor, mean that the entitlement of the Company to have its claim satisfied out of the assets and revenues of the obligor will be subordinated to the claims of any secured creditor to the extent of the security over the assets and revenues of the obligor. The risk of loss due to default by an obligor of an unsecured loan is significantly greater for the Company because such loan obligations are unsecured and may be subordinated to other secured creditors of the obligor. In addition, the Company may incur additional expenses to the extent it is required to seek recovery upon a default on an unsecured loan obligation or participate in the restructuring of such obligation.

(k) Risks of Payment-in-Kind ("PIK") Obligations

The Company may invest in debts of PIK obligations which may not pay current interest in cash such that all or a part of a PIK obligation's interest may be deferred or capitalised and added to principal or paid by the issuance of a further obligation. To the extent that the Company acquires PIK obligations, the Company will be exposed to the risk of deferred interest collections.

(VII) Risks Associated With Convertibles

A convertible security ("**Convertible**") is a type of security that the holder can convert into shares of common stock in the issuing company or cash of equal value, at an agreed price. By investing in Convertibles, the Company seeks the opportunity, through the conversion feature, to participate in the capital appreciation of the common stock into which the securities are convertible, while investing at a better price than may be available on the common stock or obtaining a higher fixed rate of return than is available on common stocks.

(a) The Convertibles may be Redeemed Prior to Maturity

The Convertibles could be redeemable at the issuer's option in certain circumstances and accordingly the issuer may choose to redeem the outstanding Convertibles at times when prevailing interest rates may be relatively low. In such circumstances, the Company may not be able to reinvest the redemption proceeds in a comparable security bearing an effective interest rate as high as that of the Convertibles. There can be no assurance that the value of the Company's investments in Convertibles will not decline to a level below the Company's original cost of such investments.

(b) There could be a Limited Period for the Exercise of Conversion Rights

The Convertible could be structured for conversion by the security holders into ordinary shares and this is usually within a defined period. If the conversion rights are not exercised by the holders during this period, the Convertible will typically be redeemed at its principal amount at maturity. The value of the Convertible could drop when the conversion period is shortened or ending.

(c) The Company may have Limited Anti-dilution Protection

The conversion price at which the Convertible may be converted into ordinary shares can be adjusted during certain events. Any such adjustment of the conversion price aims to neutralise or limit the financial dilution triggered by the relevant event and is therefore aimed to protect such security holders. Events in respect of which no adjustment is made may adversely affect the value of the ordinary shares and, therefore, adversely affect the value of the Convertible.

(d) The Convertibles could be Structurally Subordinated to the Secured Obligations of the Issuer

The Convertibles constitute direct, general, unconditional and unsecured obligations of the issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the issuer. Upon a winding-up of the issuer or if insolvency proceedings are brought in relation to the issuer, the Convertibles will be effectively subordinated to all of the issuer's other secured indebtedness.

(e) The Market Price of the Convertible will Depend on Numerous Factors, Including in particular the Risk of Fluctuation in the Price of the Ordinary Shares and the Level of Interest Rates

The market price of the Convertible is expected to be affected by fluctuations in the market price of the ordinary shares and it is impossible to predict whether the price of such ordinary shares will rise or fall. The market price of the Convertible also tends to vary inversely with the level of interest rates. The value of the Convertible declines as interest rates increase and increases as interest rates decline. Although under normal market conditions longer-term convertible debt securities have greater yields than shorter-term convertible debt securities of similar quality, they are subject to greater price fluctuations. Thus, the market value of the Convertible may be adversely affected by numerous factors, including but not limited to the following: (i) the future issue of ordinary shares by the issuer or the disposal of ordinary shares by any substantial shareholders of the issuer or the perception that such issues or sales may occur; (ii) the volatility of the ordinary shares; (iii) an increase of the applicable interest rate; (iv) any real or perceived changes in the credit risk; or (v) an increase in dividend payments.

(f) The Company Typically has No Shareholder Rights Prior to Conversion

The Company investing in the Convertible will typically not be a holder of ordinary shares. Usually the Company will not have any right to participate in the shareholders' meeting, or any voting rights, rights to receive dividends or other distributions or any other rights with respect to the ordinary shares until such time, if any, when the Company converts its Convertible into ordinary shares and becomes a shareholder. The Convertible could be convertible into shares at the option of the Company, but only pursuant to the terms of the Convertible.

(VIII) Risks Associated With Preference Shares

A preference share (“**Preference Share**”) is a special equity security that has properties of both an equity and a debt instrument. It is senior to common stock but subordinate to bonds. A Preference Share offers a stated dividend rate payable from a company’s earnings. Such preferred share dividends may be cumulative or non-cumulative, participating, or auction rate.

(a) Payments of Dividends on the Preference Shares may not be Made under Certain Circumstances

Some circumstances include: the issuer is prevented by applicable Singapore banking regulations or other requirements of the MAS from making payment in full of dividends or other distributions; payment would cause a breach of the MAS’ published consolidated or unconsolidated capital adequacy requirements; and the issuer has insufficient distributable reserves. This would result in a drop in the Company’s income.

(b) Payment of Dividends on the Preference Shares by the Issuer is Subject to the Discretion of the Issuer

If the issuer’s board does not declare a dividend, the right of an investor to receive a dividend in respect of the dividend period shall extinguish and the issuer shall have no obligation to pay the dividend accrued or to pay any interest thereon.

(c) Price of Preference Shares may Decline if Interest Rates Rise

If interest rates rise, the fixed dividend on Preference Shares may be less attractive, causing the price of such Preference Shares to decline. Preference Shares may have mandatory sinking fund provisions, as well as call/redemption provisions prior to maturity, a negative feature when interest rates decline.

(d) If the Preference Shares are Non-cumulative, the Company will not be Entitled to Recover Missed Dividends on the Preference Shares

If the Preference Shares are non-cumulative and if the issuer does not declare dividend for payment on the Preference Shares, the Company will not receive that dividend even if the issuer subsequently pays dividends under the Preference Shares.

(e) The Preference Shares Could be subject to Optional Redemption by the Issuer. The Company may not be able to Reinvest the Redemption Proceeds in a Comparable Security at a Similar Return on Investment

The issuer may, at its option, redeem the Preference Shares in whole or in part. If the issuer redeems the Preference Shares at their redemption price under certain conditions, there is no assurance that the Company will be able to reinvest the redemption proceeds to obtain a similar return on investment.

(f) The Company as Holder of Preference Shares could have Limited Voting Rights

The Company as holder of Preference Shares could have limited voting rights and generally will not be entitled to vote on any resolution to appoint, change or increase or decrease the number of directors.

(g) If the Issuer is Wound-up or Liquidated, Any Distribution on the Preference Shares is Typically Subordinated to the Claims of its Creditors

The Company as preference shareholder will usually not be entitled to receive any amount paid-up on the Preference Shares until after the claims of all of the issuer’s creditors have been satisfied. If the issuer does not have sufficient assets at the time of liquidation to satisfy those claims, the Company will usually not receive any amount paid-up on the Preference Shares.

(h) No Limitation Typically on Issuing Senior Debt Securities or *Pari Passu* Shares

There is typically no restriction on the amount of debt which the issuer may incur which ranks senior to or *pari passu* with the Preference Shares. The issue of any such debt or securities may reduce the amount recoverable by the Company as holder of the Preference Shares on a winding-up or other return of capital of the issuer or may increase the likelihood of a suspension of distributions in respect of the Preference Shares.

(IX) Risks Associated With Warrants

A warrant is the right but not the obligation to buy or sell a certain quantity of an underlying instrument at an agreed price. The right to buy the underlying instrument is referred to as a call warrant; the right to sell it is known as a put warrant.

(a) Factors Affecting Warrant Value

The value of a warrant is expected to be dependent upon such factors as the price at which the shares that make up the underlying security are trading, the strike level of the warrants, the required number of warrants for a particular series, the time remaining to expiry, interest rates and risks applicable to stock markets generally. Investment in the warrants could be speculative. The warrants may be significantly less valuable on the relevant expiry date or may expire worthless. This means that the Company may either lose money or sustain a total loss on its investment.

(b) Leverage or Gearing Effect

Gearing refers to the extent to which a warrant moves in line with the underlying asset. A higher gearing level implies a higher potential profit for the Company when the market moves in line with the investor's objectives. Higher gearing also implies that the Company is subject to greater risk should the market move against the Company. Although a warrant may cost a fraction of the price of the underlying asset, it may change in value more or less rapidly than the underlying asset. In the worst case, the value of the warrant may fall to zero and the Company may lose its entire investment amount.

(c) Limited Life of Warrants

Unlike shares, warrants have an expiry date and therefore a limited life. A call warrant will only have value at expiry and be deemed 'in-the-money', if the underlying share price is above the exercise price of the warrant. Conversely for a put warrant, the share price must be below the exercise price to be deemed 'in-the-money'. Unless the share price is above the exercise price for call warrants (or below the exercise price for put warrants upon expiry), the warrant will expire worthless.

(d) Performance by the Issuer and Guarantor of Obligations

The value of the warrants depends on the ability of the issuer to fulfil its obligations under the terms of exercise, early termination or expiry, and the ability of the guarantor to fulfil its obligations under the deed of guarantee. Hence, the Company may experience liquidity risk despite a commitment from the warrant issuer to make a market.

The Company must make its own assessment of the ability of the issuer to meet its obligations in respect of the warrants and the ability of the guarantor to meet its obligations under the deed of the guarantee.

(e) Extraordinary Events

An extraordinary event is an event which is beyond reasonable control of the issuer and which in the reasonable opinion of the issuer has or will have a material adverse effect on its ability to perform its obligations or hedge its exposure with respect to the warrants. A warrant issuer may declare lapse of the warrant or bring forward the expiry date. This arises out of certain circumstances such as the delisting of the underlying asset.

(f) Credit Risks

Since a warrant is a contract between the issuer and the warrant holder, the Company is exposed to the risk that the issuer will not perform its contractual obligations under the warrant. Credit risk is the risk that the warrant issuer will not be able to fulfil its obligations during the exercise of the warrants. To help evaluate the ability of the issuer to meet its obligations, the warrant's disclosure document contains information on the financial situation of the issuer.

(X) Risks Associated With Options

An option is the right to either buy or sell the specified amount or value of a particular underlying interest at a fixed exercise price by exercising the option before the expiration date. An option which gives a right to buy is a call option, and an option which gives the right to sell is a put option.

(a) Limited Life of Options

The Company runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. If the Company neither sells its option in the secondary market nor exercises it prior to its expiration, it will lose its entire investment in the option. The more an option is 'out-of-the-money' and the shorter the remaining time to expiration, the greater the risk that the Company will lose all or part of its investment in the option.

(b) European-style Options which do not have Secondary Markets on which to Sell the Options Prior to Expiration can only Realise its Value Upon Expiration

Prior to the period when a European-style option or a capped option is exercisable, the only means through which the Company could realise value from the option (unless the capped option is automatically exercised) is to sell it at its then market price in an available secondary market. If a secondary market for such an option is not available at the time, the Company will not be able to sell the option and realise any value prior to expiration.

(c) Specific Exercise Provisions of an Option may Create Risks

For options with an automatic exercise feature, such as one that will cause the option to be automatically exercised at the expiration if it is 'in-the-money' by a specified amount, the option may be exercised at a price at which the holder would not voluntarily choose to exercise in view of the transaction costs of exercise or other factors. The transaction costs associated with the exercise could even exceed the cash settlement amount of the option, resulting in the Company realising a net loss from the exercise. For capped options, the automatic exercise feature imposes a maximum value that a holder of these options can receive. Even if the Company expects the value of the underlying interest to continue moving in a favourable direction prior to expiration, the automatic exercise feature will prevent the Company from realising any gain from the option in excess of the cap interval times the multiplier of the option.

(d) Exercise Restrictions Imposed by Regulatory Agencies or the Options Market

While an American-style option can normally be exercised at any time prior to its expiration, the courts, the U.S. Securities and Exchange Commission, The Options Clearing Corporation which is the world's largest equity derivatives clearing organisation or the options markets have authority to restrict the exercise of options at certain times in specified conditions. The options markets often exercise such authority with respect to an option in which trading has been halted. If a restriction on exercise is imposed at a time when trading in the option has also been halted, the Company holding the option will be locked into its position until either the restriction on exercise or trading halt has been lifted.

(e) Insolvency of a Brokerage Firm could Present Risks for the Company Trading Through it

If a brokerage firm that carries the Company's accounts were to become insolvent, the Company could have some or all of its options positions closed out without its consent. Options positions that are not closed out under these circumstances might experience delays or other difficulties in attempting to close out or exercise affected options positions. Similarly, the insolvency of an associate clearing house could present risks for the Company if the brokerage firm is carrying the Company's accounts through that associate clearing house.

(XI) Risks Associated With Securities Lending

The Company may from time to time lend portfolio securities or assets to banks, broker-dealers or other institutions. In the event that a securities borrowing counterparty defaults on its obligation to return loaned assets, because of insolvency or otherwise, the Company could experience delays and costs in gaining access to the loaned assets and could be unable to sell such loaned assets when it otherwise would. The Company could suffer losses to the extent that the Company is unable to recover the assets lent to the securities borrowing counterparty and to the extent that the realised value of the cash and securities securing the loaned assets is less than the amount required to purchase such loaned assets (less expenses) in the open market. Such shortfall could be due to, among other things, discrepancies between the mark-to-market and actual transaction prices for the loaned assets arising from, among other things, limited liquidity or availability of the loaned assets and, in extreme circumstances, such loaned assets being unavailable at any price.

(XII) Risks Associated With Participating Loan

The Company may acquire interests in loans indirectly by way of participation or sub-participation. Participations by the Company in a selling institution's portion of the loan typically results in a contractual relationship only with such selling institution and not with the borrower under such loan. The Company would, in such case, have the right to receive payments of principal and interest to which it is entitled only upon receipt by the selling institution of such payments from the borrower. In purchasing participating loans, the Company generally will have no right to enforce compliance by the borrower with the terms of the applicable loan agreement, nor any rights of set-off against the borrower and the Company may not directly benefit from the collateral supporting the loan in respect of which it has purchased a participation. As a result, the Company will assume the credit risk of both the borrower and the selling institution selling the participation. In the event of the insolvency of the selling institution selling a participation, the Company may be treated as a general creditor of the selling institution and may not benefit from any set-off between the selling institution and the borrower and the Company may suffer a loss to the extent that the borrower may set-off claims against the selling institution. The Company may purchase a participation from a selling institution that does not itself retain any portion of the loan, and therefore, may have limited interest in monitoring the terms of the loan agreement and the continuing creditworthiness of the borrower. When the Company holds a participation in a loan, it generally will not have the right to vote to waive enforcement of any covenants breached by a borrower. However, most participation agreements provide that the selling institution may not vote in favour of any amendment, modification or waiver that forgives principal or interest, reduces principal or interest that is payable, postpones any payment of principal (other than a mandatory pre-payment) or interest or release substantially all of the collateral without the consent of the participant at least to the extent the participant would be affected by any such amendment, modification or waiver. A selling institution voting in connection with a potential waiver of a restrictive covenant may have interests which are different from those of the Company and such selling institutions are not required to consider the interest of the Company in connection with the exercise of its votes. Additional risks are therefore associated with the purchase of participating loans by the Company as opposed to direct loans.

(XIII) Risks Associated With Synthetic Securities (or Credit Default Swap)

A synthetic security (“**Synthetic Security**”) is a financial security used to speculate or manage the risk that an obligation will not be paid. It is a derivative, meaning its value is derived from events related to a defined set of reference securities (“**Reference Obligation**”) that may or may not be owned by the parties involved. The issuer of the Reference Obligation is the “Reference Entity”.

(a) Credit Risk of the Applicable Synthetic Counterparty

In addition to the credit risks associated with the reference securities, the Company will also be subject to the credit risk of the applicable synthetic counterparty, although the obligations of such synthetic counterparty may, in certain cases, be collateralised.

(b) No Legal or Beneficial Interest in Obligations of Reference Entities or Reference Obligations

The Company will have a contractual relationship only with the synthetic counterparty and not with the obligor under the Reference Obligation. The Company generally will have no right directly to enforce compliance by the obligor under the Reference Obligation with the terms of the Reference Obligation and will not have any rights of set-off against such obligor, or any voting rights with respect to the Reference Obligation. The Company will not directly benefit from any underlying assets or enhancements supporting a Reference Obligation and will not have the benefit of any remedies that would normally be available to a holder of a Reference Obligation.

(c) The Company may not have any Specific Claim in respect of the Reference Obligation

In the event of the insolvency of any synthetic counterparty, the Company may be treated as a general unsecured creditor of such synthetic counterparty and may not have any specific claim in respect of the Reference Obligation of the applicable Synthetic Security. The Synthetic Security does not constitute a purchase or other acquisition or assignment of any interest in any obligation of any Reference Entity. Accordingly, the Company will not have any recourse against the obligor and/or guarantor of any Reference Obligation.

(d) The Company may be Exposed to Increased Concentration Risk

The concentrations of Synthetic Securities in any one synthetic counterparty may subject the Company to an additional degree of risk with respect to defaults by such synthetic counterparty, in addition to the credit risk of the related Reference Entity under any applicable Synthetic Security.

(e) The Synthetic Security may have Different Expected Returns from the Reference Obligation

The Company expects that the returns on a Synthetic Security will generally reflect those of the related Reference Obligation. However, as a result of the terms of the Synthetic Security and the assumption of the credit risk of the applicable synthetic counterparty, a Synthetic Security may have a different expected return, a different (and potentially greater) probability of default, a different (and potentially greater) expected loss characteristic following a default and a different (and potentially lower) expected recovery following default.

(f) The Issuer may be Exposed to Exchange Rate Risk from a Defaulted Obligation

A Synthetic Security which is a defaulted obligation will generally be settled either by a cash settlement or a physical settlement. The Company may be required upon a credit event to take delivery of obligation that is not in the base currency, exposing the Company to exchange rate risk.

(g) Illiquid Market for Synthetic Securities

The market for Synthetic Securities on certain Reference Obligation of certain Reference Entities may be illiquid as compared to the market for credit default swaps on investment grade corporate reference entities. The Company may face the risk, in times of high market uncertainty, of not being able to liquidate or unwind the synthetic transaction at a favourable time or price before such transaction expires.

(XIV) Risks Relating to the Rights Issue, the Rights Shares and Ownership of the Shares

(a) Future Issues or Sale of Shares could Adversely Affect the Share Price

Any future issue or sale of Shares can have a downward pressure on the Share price. The sale of a significant amount of Shares on the SGX-ST after the Rights Issue, or the perception that such sales may occur, could materially affect the market price of the Shares. To the extent further new Shares are issued, there may be dilution to existing Shareholders. These factors may also affect the Company's ability to undertake future equity fund-raising.

(b) The Trading Price of the Shares may be Volatile

The trading price of the Shares may be subjected to fluctuations. The price of the Shares, including the Rights Shares, may increase or decrease in response to a number of events and factors, including:

- quarterly variations in operating results;
- changes in financial estimates and recommendations by securities analysts;
- the operating and stock price performance of the investments;
- changes in government regulations;
- changes in general economic conditions;
- fluctuations in stock market prices and volume;
- changes in accounting policies; and
- other events or factors described in this Offer Information Statement.

This volatility may adversely affect the price of the Shares regardless of the Group's operating performance. The Issue Price is fixed at S\$0.143 for each Rights Share. A fall in the price of the Shares could have a material adverse impact on the value of the "nil-paid" rights and the Rights Shares because the trading price of the "nil-paid" rights and the Rights Shares depends on the trading price of the Shares. There is no assurance that the market price of the Rights Shares, upon or subsequent to the listing and quotation thereof on the SGX-ST, will remain at or above the Issue Price, or that the Rights Shares can be disposed of at or above the Issue Price. Accordingly, holders of the Shares who are existing Shareholders or those who have acquired "nil-paid" rights in the secondary market and/or subscribed to the Rights Shares, whether existing Shareholders or not, may suffer a loss.

(c) The Rights Issue may Cause the Price of the Shares to Immediately Decrease, and this Decrease may Continue

The Issue Price represents (a) a discount of approximately 15.9% and 11.7% respectively to the closing price of S\$0.170 per Share on the SGX-ST and the theoretical ex-rights trading price¹ of S\$0.162 per Share as at 3 May 2013, being the last Market Day preceding the date of the Announcement; (b) a discount of approximately 39.7% to the latest net asset value per share of S\$0.237; and (c) a discount of approximately 12.8% to the last transacted price of S\$0.164 per Share on the SGX-ST on the Latest Practicable Date. This discount, along with the number of Rights Shares, may result in an immediate decrease in the price of the Shares. This decrease may continue after the completion of the Rights Issue.

¹ The theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the closing price of S\$0.170 per Share on the SGX-ST on 3 May 2013, being the last trading day of the Shares on the SGX-ST prior to the date of the Announcement and the total number of issued Shares following the completion of the Rights Issue.

(d) There is No Assurance that an Active Trading Market for the Shares will Develop after the Rights Issue

Although in-principle approval has been obtained from the SGX-ST to list the Rights Shares on the SGX-ST, there is no assurance that an active trading market for the Company's Shares will develop, or if it develops, will be sustained after the Rights Issue. There is also no assurance that the market price for the Rights Shares will not decline below the Issue Price after the Rights Issue. Volatility in the trading price of the Shares may be caused by factors outside the Company's control and may be unrelated to its operating results. Shareholders should note that the Shares trade in board lots of 1,000 Shares. Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares and who wish to trade in odd lots on the SGX-ST should note that there is no assurance that they will be able to acquire such number of Rights Shares to make up one board lot of 1,000 Rights Shares or to dispose of their odd lots (whether in part or whole) on the SGX-ST. Further, Entitled Shareholders who hold odd lots of less than 1,000 Rights Shares may experience difficulty and/or have to bear disproportionate transaction costs in disposing of odd lots of their Rights Shares. Please refer to the paragraph "Trading of Odd Lots" in the Section entitled "Trading" of this Offer Information Statement.

(e) An Active Trading Market may not Develop for the "Nil-paid" Rights and, if a Market does Develop, the "Nil-paid" Rights may be Subject to Greater Price Volatility than the Shares

A trading period has been set for the "nil-paid" rights from 21 June 2013 to 1 July 2013 (the "**Rights Trading Period**"). The Company cannot assure Shareholders that an active trading market for the "nil-paid" rights on the SGX-ST will develop during the Rights Trading Period or that any over-the-counter trading market in the "nil-paid" rights will develop. Even if an active market develops, the trading price of the "nil-paid" rights, which depends on the trading price of the Shares, may be volatile. In addition, Shareholders in certain jurisdictions are not allowed to participate in the Rights Issue. The "nil-paid" rights relating to the Shares held by such ineligible Shareholders may be sold by the Company, which could make the trading price of the "nil-paid" rights fall.

(f) Shareholders who do not or are not able to Accept their Provisional Allotment of Rights Shares will Experience a Dilution in their Ownership of the Company

If Shareholders do not or are not able to accept their provisional allotment of Rights Shares, their proportionate ownership of the Company will be reduced. They may also experience a dilution in the value of their Shares. Even if a Shareholder sells his "nil-paid" rights, or such "nil-paid" rights are sold on his behalf, the consideration received may not be sufficient to compensate fully for the dilution of ownership of the Company as a result of the Rights Issue.

(g) Shareholders may Experience Potential Dilution in the Value of their Shares

The Group's working capital requirements, financing plans and capital expenditure needs may vary from those presently expected. If the Group does not meet its goals with respect to revenues, or if costs are higher than anticipated or if there are changes to its current financing plans, substantial additional funds may be required. To the extent that funds generated from operations have been exhausted, the Group may have to raise additional funds to meet new financing requirements. These additional funds may be raised by way of a placement or by a further rights offering (which would be subject to Shareholders' approval if necessary) or through the issuance of new Shares. In all such events, if any Shareholder is unable or unwilling to participate in such round of fund raising or if additional funds are raised through the issuance by the Company of new Shares other than on a pro rata basis to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and such Shareholder may experience dilution in the value of his Shares.

(h) There is no Assurance that the Company will be able to Declare and Pay Dividends

The Company's dividend policy is set by the Board of Directors and, notwithstanding statements of the Company's present intentions, may be subjected to modification (including the reduction or non-declaration of any dividends) in the sole and absolute discretion of the Board of Directors. The declaration of any future dividend will be subjected to the decision of the Board of Directors. The form, frequency and amount of future dividends (if any) on the Shares will depend on the Company's financial position, results of operations, contractual restrictions, provisions of applicable law and other factors, which the Directors may deem relevant.

No inference should or can be made from the Company's past declarations and payments of dividends, as to the Company's actual future profitability or ability to pay dividends.

(XV) Other Risks

Rights and Protection Accorded to Shareholders may be Different from those Applicable to Shareholders of a Singapore Incorporated Company

The Company is incorporated in Bermuda as an exempted company under the Bermuda Companies Act. The Act may provide shareholders of Singapore incorporated companies rights and protection of which there may be no corresponding or similar provisions under the Bermuda Companies Act. As such, if you invest in the Company's Shares, you may or may not be accorded the same level of shareholder rights and protection that a shareholder of a Singapore incorporated company may be accorded under the Act. Any person wishing to have advice on the differences between the Bermuda Companies Act and the Act and/or the laws of any jurisdiction with which he is not familiar is recommended to seek independent legal advice.

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

PART II – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

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

Names of Directors	Address
Mr. Boon Swan Foo	: 1 Harvey Close, Singapore 489435
Ms. Tan Mui Hong	: 48 Dedap Road, Singapore 809452
Mr. Chan Pengee Adrian	: 87 Farrer Drive #01-06, Singapore 259287
Mr. Ronald Seah Lim Siang	: 19 Kovan Road, #04-12 Kovan Melody, Singapore 548191
Mr. Tan Kok Wee	: 17 Matlock Rise, Singapore 358553

Advisers

2. Provide the names and addresses of —

(a) the issue manager to the offer, if any;

Hong Leong Finance Limited
16 Raffles Quay #01-05
Hong Leong Building
Singapore 048581
Republic of Singapore

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

Not applicable – the Rights Issue is not underwritten.

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

Lee & Lee
Advocates & Solicitors
50 Raffles Place
#06-00 Singapore Land Tower
Singapore 048623
Republic of Singapore

Registrars and Agents**3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.**

Share Transfer Agent : Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623
Republic of Singapore

Receiving Banker : Standard Chartered Bank Singapore
Marina Bay Financial Centre (Tower 1)
8 Marina Boulevard
Level 23
Singapore 018981
Republic of Singapore

PART III – OFFER STATISTICS AND TIMETABLE

Offer Statistics

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

Method of offer	:	Renounceable non-underwritten Rights Issue
Basis of Allotment	:	Two (2) Rights Shares for every five (5) existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements, if any, to be disregarded
Number of Rights Shares	:	Up to 340,566,462 Rights Shares

Method and Timetable

- 2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to —**
- (a) the offer procedure; and**
 - (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.**
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Please see paragraphs 3 to 7 of this Part III.

- 3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.**
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Please refer to the Section entitled “Expected Timetable of Key Events” of this Offer Information Statement.

At the Latest Practicable Date, the Company does not expect the timetable to be modified. However, the Company may, upon consultation with the Issue Manager and with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In the event of such modification, the Company will publicly announce the same through an SGXNET announcement to be posted at the SGX-ST’s website at: <http://www.sgx.com>.

The detailed procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of Rights Shares and for the applications for excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices 3, 4, 5 and 6 to this Offer Information Statement and in the PAL, the ARE and the ARS.

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

The Rights Shares are payable in full upon acceptance or application.

The last date and time for acceptances, excess application for and payment for the Rights Shares and/or excess Rights Shares is 5 July 2013 at 5.00 p.m. or, in the case of acceptance and/or excess application and payment through an ATM of a Participating Bank, on 5 July 2013 at 9.30 p.m.

The detailed procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of Rights Shares and for the applications for excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices 3, 4, 5 and 6 to this Offer Information Statement and in the PAL, the ARE and the ARS.

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

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

The Rights Shares will be provisionally allotted to Entitled Shareholders on or before 20 June 2013 by crediting the provisional allotments to Entitled Depositors or through the despatch of the PAL to Entitled Scripholders.

In the case of Entitled Scripholders and their renounees with valid acceptances and successful applications of excess Rights Shares and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form comprised in the PAL, share certificates representing such number of Rights Shares will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Transfer Agent within 10 Market Days after the Closing Date.

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

The Company will announce the date on which (a) the share certificates for the Rights Shares are despatched, and (b) the Rights Shares are credited into the relevant Securities Accounts (as the case may be) through an SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

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

Not applicable. No pre-emptive rights have been offered.

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

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

Manner of refund

When any acceptance for Rights Shares or excess application is invalid or unsuccessful, in full or in part, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date by any one or a combination of the following:

- (a) where the acceptance and (if applicable) application had been made through CDP or the Share Transfer Agent, by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses as recorded with CDP or the Share Transfer Agent or in such other manner as they have agreed with CDP for the payment of any cash distributions; and
- (b) where the acceptance and (if applicable) application had been made through Electronic Applications, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any.

Please refer to **Appendices 3, 4 and 5** to this Offer Information Statement for details of refunding excess amounts paid by applicants.

PART IV – KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

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

See below.

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

Assuming that the Rights Issue is fully subscribed, it will raise approximately S\$48.7 million and the net proceeds of the Rights Issue, after deducting estimated expenses of approximately S\$238,000, will amount to approximately S\$48.5 million (“**Net Proceeds**”).

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

The Net Proceeds from the Rights Issue will equip the Company with readily available cash resources to take advantage of opportunities that may arise due to market disruption and volatility. With a larger fund size, the Company will have greater flexibility in constructing appropriate asset allocation as well as maintaining a diversified portfolio of assets, taking into consideration market development. In addition, with the available cash reserve, the Company would be able to participate in an opportunity which requires larger outlay.

With the expansion of the Company’s investment policy approved by the Shareholders in December 2011, the Company has the flexibility of looking for a good mix of investments with recurring income as well as capital growth potential. The Company sees opportunities in the following areas:

- (i) High yield bonds, hybrid investments and public equity investments;
- (ii) Loans, receivables or asset-backed securities that banks are looking to divest as they continue deleveraging to improve their capital base; and
- (iii) Equity or debt in companies with exposure to operating leases.

Pending the deployment of the Net Proceeds for the purposes mentioned above, such proceeds may be deposited with banks or financial institutions, invested in short-term money markets or marketable securities or used for any other purpose on a short-term basis as the Directors may deem fit.

In the reasonable opinion of the Directors, there is no minimum amount that needs to be raised from the Rights Issue.

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4. **For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**
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Assuming that the Rights Issue is fully subscribed, the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred, for each dollar of the Net Proceeds is as follows:

Intended Uses	Approximate amount (S\$ million)	Per S\$1.00 of gross proceeds
Funding of potential investments	48.46	0.995
Expenses incurred in connection with the Rights Issue	0.24	0.005
Total	48.70	1.000

5. **If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**
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As at the Latest Practicable Date, there are no such assets. Nevertheless, as the Company is an investment fund company, and as stated in Section 3 above, should investment opportunities arise, the Company may decide to deploy all or part of the Net Proceeds for the purposes of acquiring or refinancing acquisitions of suitable assets, in the ordinary course of business of the Company or otherwise.

6. **If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**
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As at the Latest Practicable Date, there are no such businesses. Nevertheless, as the Company is an investment fund company, and as stated in Section 3 above, should investment opportunities arise, the Company may decide to deploy all or part of the Net Proceeds for the purposes of financing or refinancing acquisitions of suitable businesses.

7. **If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**
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No material part of the Net Proceeds will be used to discharge, reduce or retire the indebtedness of the Group.

8. **In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**
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The Rights Issue is not underwritten and no placement or selling agents have been appointed in relation to the Rights Issue.

Information on the Relevant Entity

9. Provide the following information:-

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

Registered Office	:	Penboss Building, 2 nd floor 50 Parliament Street Hamilton HM12, Bermuda
Principal place of business of the Manager	:	ST Asset Management Ltd. 60B Orchard Road #06-18, Tower 2 The Atrium@Orchard Singapore 238891
Telephone number	:	(+65) 6828 8133
Facsimile number	:	(+65) 6720 2990

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- (b) **the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;**
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The Company is a mutual fund company incorporated in Bermuda and classified as an investment fund under the Listing Manual.

The investment policy of the Company is to make investments in a portfolio of assets in different sectors through different means which include but are not limited to direct asset ownership, swaps, credit default swaps, debts, warrants, options, convertibles, preference shares, equity, guarantees of assets and performance, securities lending and participating in loan agreements provided that the Company will not make any direct investments in real estate and commodities.

The Company is managed by STAM, an Asia investment house headquartered in Singapore. STAM was incorporated in April 2002 and holds a capital markets services licence for fund management issued by the MAS.

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- (c) **the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since —**

(i) **the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**

(ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**

Developments in FY2010

In January 2010, STAM negotiated and the Company entered into an amicable settlement with Bank of Ireland (“BOI”), by the payment of US\$900,000 as full and final settlement of all claims. The US\$3 million withheld as security by BOI was duly released to the Company.

In March 2010, the Company was approved under the Enhanced-Tier Fund by the Authority. Under this scheme, the Company will enjoy tax exemption on its investment portfolio even if it is deemed to be a tax resident of Singapore.

At the AGM convened in April 2010, Shareholders approved, *inter alia*, amendments to the Bye-laws to remove previous constraints requiring the Company to remain a tax resident of Bermuda at all times. Ms. Tara Leonard Railton, Mr. Joel Peter Schaefer, Mr. Nicholas James Campbell and Mr. Sanjiv Masra resigned as directors of the Company and Mr. Tan Kok Wee, Mr. Ronald Seah Lim Siang and Ms. Tan Mui Hong were appointed as new directors of the Company.

In August 2010, the Company announced the restructuring of its investments in Ascendos. This was done by transferring the 10% shareholding of Babcock & Brown Investment Holdings Pty Ltd (“**BBIH**”) in Ascendos to the three remaining shareholders at a nominal payment of €1 by each shareholder. The Manager negotiated to raise the Company’s allocation of BBIH’s shareholdings from 3.89% (on a pro-rata basis) to 5.56%, and increased the Company’s stake from 35% to 40.56%.

In October 2010, the Company incorporated a new subsidiary, GIL (Labuan) Company Limited.

In December 2010, the Company announced a two for five rights issue at an issue price of S\$0.138 for each rights share.

Developments in FY2011

On 10 February 2011, the Group sold the investment in Series Residuals of Newgate Funding 2006-3 Plc for £1.25 million. As the asset had been fully impaired, the entire proceeds were recorded as profit in FY2011.

In March 2011, the 2011 Rights Issue was completed. The total rights subscribed were 152% and new shares were listed on 25 March 2011. The net proceeds received from the rights issue were S\$21.49 million.

During the period from May 2011 to August 2011, the Group invested US\$17.77 million (approximately S\$21.82 million based on then prevailing exchange rates) in CLOs and CLNs with total current face amount of US\$18.87 million, out of the proceeds from the 2011 Rights Issue.

On 3 August 2011, the Group sold its investment in American Home Mortgage Investment Trust 2005-4 RMBS for US\$1.24 million. The investment was acquired at a cost of US\$1.67 million in June 2010, and the Company received capital repayment and interest income totalling US\$1.43 million during the investment period prior to the sale. The net profit recorded on this disposal was US\$0.89 million.

On 5 December 2011, a Special General Meeting was held. The Shareholders approved the expansion of the Company’s investment policy so that its investments are not limited to the original three sectors. The Company’s investment exposure in the future will depend on the available investment opportunities that could meet the Company’s objectives and strategies. Shareholders also approved the proposed alteration to Bye-law 34 and the proposed insertion of a new Bye-law 34A in relation to the purchase by the Company of its shares and the proposed adoption of the share purchase mandate.

On 9 December 2011, the Group entered into two forward sale agreements (the “**Forward Sale Agreements**”) with FedEx in relation to the sale of the Group’s two Boeing 757-200 aircraft (the “**Forward Sales**”). The Forward Sales were originally expected to be completed on or about 30 April 2013, which was anticipated to result in a net accounting gain of US\$2.65 million for the financial year ending 31 December 2013. The actual gain would be subject to the actual condition of both aircraft on their respective completion dates.

On 15 December 2011, the Group received principal and interests in full for its investment in Pepper 6.

On 20 December 2011, Mr. Boon Swan Foo stepped down as a Manager Nominated Director after his retirement as Chairman of STAM and was re-appointed as a Non-Executive Director and Chairman of the Board. Further, Ms. Tan Mui Hong resigned from the Audit & Risk Management Committee on 20 December 2011. The Audit & Risk Management Committee comprises the three (3) independent directors of the Company.

Developments in FY2012

On 27 March 2012, the Company announced, *inter alia*, that it had applied for and had been granted a waiver by the SGX-ST from having to strictly comply with paragraph 1(1)(d) of Appendix 2.2 of the Listing Manual, which states that a company is required to provide in its articles of association or other constituent documents that, among others, preference shareholders must have the right to vote at general meetings of the company when the dividend on the preference shares is in arrear for more than six months. Hence, the provisions of the Bye-laws that relate to the rights of preference shareholders were amended to provide that such preference shareholders would have the right to vote when the dividend on the preference shares was in arrear for more than twelve months (as opposed to six months).

In April 2012, the 2012 Rights Issue was completed. The total rights subscribed were 129.8% of the total number of rights shares available under the 2012 Rights Issue and the new shares were listed on 13 April 2012. The net proceeds received from the 2012 Rights Issue were S\$35.01 million. By 23 October 2012, the Company had invested the full amount of the net proceeds of S\$35.01 million from the 2012 Rights Issue in listed equities.

On 19 April 2012, the Company held its 6th Annual General Meeting. The Shareholders approved, *inter alia*, the following proposals (i) the sub-division, re-classification and re-designation of the authorized share capital of the Company to include preference shares, (ii) amendments to the Bye-laws of the Company to, among others, provide for the allotment and issuance of preference shares; and (iii) the adoption of a preference share issue mandate to authorise the Directors to issue preference shares.

On 16 July 2012, the Company announced that it had approved the delegation of part of the administrative services to be performed by the Manager under the Management Agreement to Allgrace Investment Management Private Limited (“**Allgrace**”), such delegation to take effect on 16 July 2012. Allgrace is wholly owned by the Undertaking Shareholder, who is also the Chairman of the Company and a consultant of the Manager.

On 14 August 2012, the Company announced that it had made certain amendments to the Scrip Dividend Scheme contained in Appendix V of the prospectus dated 12 December 2006, as well as the Scrip Dividend Scheme Statement. It was noted that part of the amendments were made following the recommendations of CDP.

During the period from October 2012 to December 2012, the Company invested in a portfolio of corporate bonds denominated in SGD and USD with a carrying value of S\$13.50 million as at 31 December 2012.

In October 2012, the Company invested A\$5.0 million in Australian RMBS by acquiring the mezzanine notes of Class D and E Notes of Resimac Bastille Trust Series 2012-1NC.

In November 2012, the Company invested US\$10.1 million in START VIII CLO Limited, a newly issued synthetic credit-linked note.

In November 2012, the Company sold its investment of US\$10.30 million in the US RMBS portfolio comprising four securities for US\$8.77 million. Prior to the sale, the cashflow received from the four securities was US\$3.86 million. Therefore, the total cash flow received in excess of the Company’s initial investment was US\$2.33 million.

In November 2012, the Company established a Remuneration Committee, which comprises entirely of independent non-executive directors. The responsibilities of the Remuneration Committee include overseeing a framework for remuneration, recommending policies and guidelines for the remuneration of Directors, and reviewing the fees payable to the Manager.

Developments from 1 January 2013 till the Latest Practicable Date

On 7 February 2013, the Company announced that the Scrip Dividend Scheme will be applied to the final dividend of 0.75 Singapore cents per share for the financial year ended 31 December 2012 (“**Final Dividend**”). Upon closing on 12 April 2013, the Company allotted and issued 26,103,375 new ordinary shares at an issue price of S\$0.1522 for each new Share. The proportion of the total Final Dividend amount issued as new shares pursuant to the Scrip Dividend Scheme is approximately 64.18%. Following the issue of the new shares, the total issued and paid-up capital of the Company now comprises of 851,416,155 shares and the new shares were listed on 15 April 2013.

On 29 April 2013, the Company announced that the completion of the Forward Sales in relation to the two aircraft had been rescheduled and was expected to take place before the end of July 2013 or on such earlier date to be agreed between the parties.

On 6 May 2013, the Company released its 1Q2013 financial results and provided dividend guidance of 0.75 Singapore cents per share in respect of 1H2013. The dividend is expected to be declared in February 2014 and will apply to the enlarged share capital of the Company following the completion of the Rights Issue. The Company also announced that it would be changing its dividend distribution from a semi-annual to an annual basis.

On 15 May 2013, the Company announced that the Forward Sales had been completed. The net accounting gain after taking into account the net proceeds arising from the redelivery by the lessee and the sale of the two aircraft was approximately US\$5.45 million which is higher than the previous estimate of US\$2.65 million (as stated in the announcement dated 12 December 2011). In light of the net accounting gain arising from the Forward Sales, the Company has provided dividend guidance of 1.5 Singapore cents per share in respect of FY2013. This dividend will include the dividend of 0.75 Singapore cents per share in respect of 1H2013 as provided in the dividend guidance announced on 6 May 2013. The dividend of 1.5 Singapore cents per share is expected to be declared in February 2014 and will apply to the enlarged share capital of the Company following the completion of the Rights Issue.

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- (d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing —**
- (i) in the case of the equity capital, the issued capital; or**
- (ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;**
-

As at the Latest Practicable Date

Issued Share Capital	:	S\$454,336,388 comprising 851,416,155 Shares
Loan capital	:	Nil

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

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

Substantial Shareholder	No. of Shares	%
Mr. Boon Swan Foo	75,798,087	8.9

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

Save as provided below, the Directors are not aware of any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the Group.

As the Company is an investment fund company, in the ordinary course of business and for the purposes of managing the Company's assets and liabilities, the Company may from time to time initiate various claims, actions or proceedings with its counterparties which may or may not amount to, lead to or result in the commencement of, or (if commenced) the continuation of, formal legal or arbitration proceedings. Such claims, actions or proceedings may include, among others, negotiations or agreements for settlements and legal correspondences.

-
- (g) where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date —**
- (i) if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**
 - (ii) if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests; and**
-

On 12 April 2012, the Company allotted and issued 275,104,260 new ordinary Shares ("2012 Rights Shares") at an issue price of S\$0.128 for each 2012 Rights Share pursuant to the completion of the 2012 Rights Issue.

Pursuant to the Scrip Dividend Scheme announced on 7 February 2013, on 12 April 2013, the Company issued and allotted 26,103,375 new ordinary shares in the capital of the Company to eligible shareholders who had elected to participate in the Scrip Dividend Scheme. The issue price of each new ordinary share was S\$0.1522.

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

Neither the Company nor any of its subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business) within the past two (2) years preceding the Latest Practicable Date.

PART V – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

1. Provide selected data from —

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

Please refer to Appendix 1 to this Offer Information Statement.

2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:

- (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
 - (b) earnings or loss per share; and
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.
-

Please refer to Appendix 1 to this Offer Information Statement.

3. In respect of —

- (a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and
 - (b) any subsequent period for which interim financial statements have been published, provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.
-

A summary of the operations and financial performance of the Group for FY2010, FY2011 and FY2012 is set out below:

FY2011 VS FY2010

Statement of Comprehensive Income

Profit after Tax

For the full year 2011, the Group recorded a net profit after tax of S\$12.2 million which was 84.8% higher than the profit of S\$6.6 million in 2010 and the highest since 2007. Earnings per share rose by 51.9% to 2.34 cents for the year ended 31 December 2011 from 1.54 cents (restated) for the year ended 31 December 2010. The increase in earnings per share was achieved in spite of the increase in weighted average share capital arising from the issue of 157,202,434 rights shares on 24 March 2011.

Revenue

Revenue for the full year was S\$20.5 million compared to S\$24.6 million in 2010. The decrease in revenue was due mainly to the absence of foreign exchange gains of S\$6.8 million recorded in 2010 being partially offset by the gains of S\$2.5 million and S\$1.1 million from the sale of Newgate Funding 2006-3 Series Residuals and AHM 2005-4 RMBS in 2011, respectively.

Expenses

Total expenses fell by 55.0% to S\$7.6 million in 2011 from S\$16.9 million in 2010. The decrease was mainly due to lower impairment charges and all-round reduction in other operating expenses.

Total Comprehensive Income

Total comprehensive income for the year ended 31 December 2011 was S\$10.3 million, 63.5% higher than the S\$6.3 million recorded for the year ended 31 December 2010.

FY2012 VS FY2011

The Group's net profit attributable to shareholders for FY2012 surged 56.1% to S\$19.1 million from S\$12.2 million recorded in prior year. The increase was driven largely by the reversal of impairment of its investment in Ascendos totalling S\$4.9 million registered during the year as well as the absence of impairment expenses of S\$1.8 million recorded in 2011. Earnings per share has increased by 10.5% to 2.53 Singapore cents (after adjusting for the enlarged share capital resulting from the Rights Issue in April 2012) for FY2012 from 2.29 (restated) Singapore cents recorded for the year 2011.

The Group posted a total comprehensive income of S\$15.9 million for the year, which was S\$5.6 million (53.9%) higher than the S\$10.3 million recorded in the previous year.

Revenue

The Group reported lower total revenue of S\$18.4 million in 2012 compared to S\$20.5 million in 2011, mainly due to lower interest income of S\$1.1 million and distribution income received from Ascendos of S\$1.8 million which was no longer reflected as revenue; instead it was taken against the carrying value of the investment as a result of equity accounting its investment in 2012. The Group's dividend income of S\$1.4 million for the full year of 2012 was S\$0.4 million (36.1%) higher than the previous year due to dividend distribution from the listed equities. Rental income for the year remained stable at S\$4.7 million, but the interest income dropped by S\$1.1 million (11.1%) to S\$8.8 million, reflecting an overall decline in interest rates globally. Gain on sale of investment of S\$3.3 million achieved for the year, resulting from the divestment of FLY Leasing shares, US RMBS and Asia listed equities, was S\$0.3 million (8.3%) lower from the previous year.

Expenses

Total expenses for the year reduced to S\$5.4 million from S\$7.6 million in 2011 due largely to the absence of impairment expenses, the lower finance cost and other operating expenses.

Share of Profit of Associated Company

The Group recorded its share of profit in an associate of S\$1.6 million for the year due to equity accounting its investment in Ascendos Group in 2012.

Other Comprehensive Income

The fair value gains arising from the available-for-sale financial assets was S\$4.3 million and S\$2.1 million was reclassified to the profit or loss on disposal of certain financial assets. Due to the strengthening of SGD against USD, the Group recorded a translation loss of S\$5.4 million, resulting in a net loss of S\$3.2 million in other comprehensive income.

1Q2013 VS 1Q2012

The Group recorded a profit after tax of S\$9.8 million, a growth of 22.8% when compared to S\$8.0 million in the same quarter in 2012, mainly due to gain on sale of investments and higher interest income.

Total comprehensive income attributable to shareholders increased significantly to S\$11.8 million in 1Q 2013 from S\$4.3 million in 1Q 2012, mainly due to higher profit after tax and higher other comprehensive income.

Revenue

Revenue surged 142.1% to S\$10.5 million in 1Q 2013 from S\$4.4 million recorded in 1Q 2012. The Group registered a gain of S\$5.7 million from sale of FLY Leasing shares and Asia listed equities in this quarter. Higher interest income of S\$0.9 million to S\$2.8 million for this quarter was mainly derived from the new investments acquired in 4Q 2012 and Avoca VI subordinated note. During the quarter, the Group registered net unrealised foreign exchange gains of S\$0.5 million compared to S\$0.9 million gains in 1Q 2012.

Expenses

The Group's total expenses for this quarter increased marginally by 5.9% to S\$1.4 million from S\$1.3 million in the same quarter last year. Management fees in 1Q 2013 increased to S\$0.3 million from S\$0.2 million mainly due to the increase in market capitalisation of GIL.

Share of Profit of Associated Company

For this quarter, the Group recorded S\$0.7 million as its share of profit in an associated company, Ascendos. For the same quarter last year, the Group registered a one-time reversal of impairment for its investment in Ascendos of S\$5.1 million following the turnaround in performance of Ascendos.

Other Comprehensive Income

Other comprehensive income for the Group was S\$2.1 million for the quarter ended 31 March 2013 compared to a loss of S\$3.7 million for the quarter ended 31 March 2012. The fair value gain arising from the AFS Financial Assets in this quarter was S\$5.5 million compared to a loss of S\$0.3 million in 1Q 2012, mainly due to higher valuation of FLY Leasing shares and Asia listed equities. As a result of partial sale of FLY Leasing shares and Asia listed equities during the quarter, S\$5.4 million of AFS revaluation reserve was reclassified to the profit and loss compared to S\$0.1 million in 1Q 2012. The unrealised foreign currency translation gains of S\$1.9 million in 1Q 2013 was due to the strengthening of US Dollar against Singapore Dollar compared to a S\$3.3 million loss in the same quarter last year.

Financial Position

4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of —
- (a) the most recent completed financial year for which audited financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period.
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Please refer to Appendix 2 to this Offer Information Statement.

5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities;
 - (b) net assets or liabilities per share; and
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.
-

Please refer to Appendix 2 to this Offer Information Statement.

Liquidity and Capital Resources

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

	Unaudited 1Q2013 S\$'000	Audited FY2012 S\$'000
Cash flows from operating activities		
Operating costs paid	(1,345)	(3,071)
Interest income received	2,718	7,845
Distribution income received	—	2,094
Dividend income received	204	1,381
Rental income received	1,191	4,745
Other income received	191	—
Income tax paid	(111)	(492)
Net cash inflow from operating activities	2,848	12,502

	Unaudited 1Q2013 S\$'000	Audited FY2012 S\$'000
Cash flows from investing activities		
Purchase of financial assets	(39,421)	(76,041)
Loan repayments received	291	3,241
Proceeds from disposal of financial assets	29,150	20,945
Net cash used in investing activities	(9,980)	(51,855)
Cash flows from financing activities		
Net repayments of borrowings	(514)	(1,973)
Proceeds from rights issue	–	35,213
Payment of rights issue expenses	–	(198)
Borrowing costs paid	(265)	(1,155)
Dividends paid	–	(10,317)
Net cash (outflow)/inflow from financing activities	(779)	21,570
Net decrease in cash and cash equivalents	(7,911)	(17,783)
Cash and cash equivalents at beginning of period/year	24,508	42,166
Effects of exchange rate changes on cash and cash equivalents	77	125
Cash and cash equivalents at end of period/year	16,674	24,508

1Q2013 VS FY2012

The lower cash and cash equivalents of S\$16.7 million as at 31 March 2013 as compared to S\$24.5 million at end 2012 was due to the deployment of funds to invest in a USD-denominated bond and in Asia listed equities.

7. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**

Taking into account the Group's internal resources and operating cash flows, the Directors are of the opinion that the Group has sufficient working capital to meet its present requirements.

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

To the best of the Directors' knowledge, the Group is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Company.

Trend Information and Profit Forecast or Profit Estimate

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

Save as disclosed below regarding the Manager's view of the macroeconomic environment in this Offer Information Statement, the financial statements for FY2012 and 1Q2013 and the announcements made by the Company through SGXNET, the Directors are not aware of any trends, uncertainties, demands, commitments or events for the current financial period that are reasonably likely to have a material effect on the net sales or revenues, profitability, liquidity or capital resource, or that would cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition of the current financial period.

The Company's portfolio of assets is spread globally with exposures in the U.S., Europe, Australia, Japan, Hong Kong/China and Singapore. Developments in the world's financial markets as well as prospects of the global economy will have a bearing on the performance of the Company's assets.

After the slowdown in 2012, economic expectations have improved in recent months with a fading off of financial risks as policymakers defused two of the biggest threats to global recovery – the threat of a Eurozone breakup and a sharp fiscal contraction in the U.S. caused by the fiscal cliff. Activity has begun to recover in advanced economies, with the U.S. taking the lead. Nonetheless, a broad mix of policies is needed to set the global economy on a sustained and balanced growth path.

Although sequestration in the U.S. has abated concerns about debt sustainability, fiscal tightening could drag growth in the short term. The U.S. Federal Reserve has begun to map out a strategy for winding down its asset purchase program, and although the resulting normalisation of policy rates could end the low interest-rate environment, its timing is still uncertain. Noting that a disorderly exit from quantitative easing will carry significant risks for global financial markets, the U.S. Federal Reserve will exercise restraint in the pace of increasing long-term yields.

In Europe, strong actions by European policymakers have bolstered confidence and enhanced financial conditions, but the easing in financial conditions has not reached all countries and has yet to lead to an improvement in the real economy. In the short-term, risks mainly relate to vulnerabilities in the periphery, including uncertainty about the fallout from events in Cyprus and politics in Italy. However, as long as continued progress is made on the path of structural reforms and policies to strengthen the framework of the European Economic and Monetary Union, neither a resurgence of the debt crisis nor a Eurozone breakup is likely to occur.

In Japan, large-scale fiscal and monetary stimuli are projected to boost growth in the short-term and lift the economy out of deflation. However, given the high level of public debt, embarking on fiscal stimulus in the absence of a medium-term fiscal consolidation plan is risky and can result in debt unsustainability. Loose monetary policy in Japan has also prompted a deep depreciation of the yen, triggering concerns about competitive exchange rate depreciations. Although these concerns appear to be overblown at this juncture as there does not seem to be large deviations of the major currencies from medium-term fundamentals, there is still a lingering, albeit small, possibility of an outbreak of a currency war.

Growth in other parts of the Asia-Pacific is expected to remain resilient in spite of the slowdown in 2012, but the growth trajectory may be stalled if conditions in major developed countries further deteriorate. In China, economic growth is expected to slow down in the near-term as the country is transiting from an infrastructure-led economy to one driven by private consumption. To achieve that, China will require continued progress with market-oriented structural reforms and rebalancing of the economy to ensure sustained rapid growth.

Amid increasing global liquidity created by major central banks, equity and credit markets generally have registered strong performance in recent years albeit sustained recovery of major economies is less certain. While mindful of the risks in the current market environment, the Manager believes that the near term volatility in the financial markets creates opportunities to invest in certain assets at favourable valuations. With the capital raised from this Rights Issue, the Company will have the resources to take advantage of such opportunities.

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- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenue and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**
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No profit forecast is disclosed in this Offer Information Statement.

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- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**
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No profit forecast or profit estimate is disclosed in this Offer Information Statement.

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- 12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**
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No profit forecast is disclosed in this Offer Information Statement.

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- 13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —**

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or**
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**
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No profit forecast is disclosed in this Offer Information Statement.

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14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.
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No profit forecast is disclosed in this Offer Information Statement.

Significant Changes

15. Disclose any event that has occurred from the end of —
- (a) the most recent completed financial year for which financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period,
- to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.
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Save as disclosed in this Offer Information Statement and in all public announcements made by the Company, the Directors are not aware of any event that has occurred from 31 March 2013 to the Latest Practicable Date which may have had a material effect on the Group's results and financial condition.

Meaning of “published”

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

PART VI – THE OFFER AND LISTING

Offer and Listing Details

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

The Issue Price represents (a) a discount of approximately 15.9% and 11.7% respectively to the closing price of S\$0.170 per Share on the SGX-ST and the theoretical ex-rights trading price⁽¹⁾ of S\$0.162 per Share as at 3 May 2013, being the last Market Day preceding the date of the Announcement; (b) a discount of approximately 39.7% to the latest net asset value per share of S\$0.237; and (c) a discount of approximately 12.8% to the last transacted price of S\$0.164 per Share on the SGX-ST on the Latest Practicable Date.

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

An administrative fee will be incurred for each successful application made through the ATMs of the respective Participating Banks. In addition, an administrative fee will also be incurred for each unsuccessful application made through the ATMs of OCBC.

Note:

- ⁽¹⁾ The theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the closing price of S\$0.170 per Share on the SGX-ST on 3 May 2013, being the last trading day of the Shares on the SGX-ST prior to the date of the Announcement and the total number of issued Shares following the completion of the Rights Issue.

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2. **If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**
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Not applicable. The Shares are, and the Rights Shares will be traded on the SGX-ST.

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3. **If –**

- (a) **any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and**
- (b) **the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

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

- (a) Not applicable. None of the Shareholders has pre-emptive rights to subscribe for the Rights Shares.
- (b) As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the Section entitled "Eligibility of Shareholders to Participate in the Rights Issue" of this Offer Information Statement for further information.

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

- (a) The highest and lowest traded prices and the volume of the Shares traded on the SGX-ST during each of the last 12 calendar months immediately preceding the calendar month in which the Latest Practicable Date falls and for the period from 1 June 2013 to the Latest Practicable Date are as follows:

Month	Price Range		Volume of Shares Traded
	High (\$)	Low (\$)	
June 2012	0.137	0.131	7,579,000
July 2012	0.140	0.137	18,010,000
August 2012	0.143	0.134	19,159,000
September 2012	0.141	0.134	11,046,000
October 2012	0.144	0.138	6,110,000
November 2012	0.149	0.141	3,444,000
December 2012	0.164	0.147	18,668,000
January 2013	0.176	0.163	35,439,000
February 2013	0.180	0.162	33,234,000
March 2013	0.170	0.162	17,510,000
April 2013	0.173	0.162	14,527,000
May 2013	0.171	0.159	33,452,000
1 June 2013 to 5 June 2013	0.164	0.162	3,548,000

Source: Bloomberg L.P.⁽¹⁾

Note:

- ⁽¹⁾ Bloomberg L.P. has not consented to the inclusion of the information referred to above and is therefore not liable for such information under Sections 253 and 254 of the Securities and Futures Act. The Company and the Issue Manager have included the above information in their proper form and context in this Offer Information Statement and have not verified the accuracy of the information referred to above.

- (b) Not applicable as the Shares have been listed on the SGX-ST for more than 12 months immediately preceding the Latest Practicable Date.

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

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

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

Not applicable. The Shares were regularly traded on the SGX-ST.

Please refer to Section 4(a) of this Part VI - The Offer and Listing of this Offer Information Statement above for the volume of Shares traded during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 June 2013 to the Latest Practicable Date.

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

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

-
- (a) The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares.

- (b) The Rights Shares will be issued pursuant to the share issue mandate approved by Shareholders at the annual general meeting of the Company held on 29 April 2013.

Plan of Distribution

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

Basis of Provisional Allotment

The Rights Issue is offered on a renounceable basis to Entitled Shareholders on the basis of two (2) Rights Shares for every five (5) existing ordinary Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, at the Issue Price for each Rights Share. Entitled Shareholders will be eligible to apply for additional Rights Shares in excess of their provisional allotments of Rights Shares under the Rights Issue. The Rights Issue is not underwritten.

The Rights Shares are payable in full upon acceptance or application and will, upon allotment and issue, rank *pari passu* in all respects with the then issued Shares except that they will not be entitled to participate in any allotment, dividends, rights or other distributions, the Record Date for which is before the date of issue of the Rights Shares.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the entitlements of the Entitled Shareholders and will, together with the provisional allotments not taken up or allotted for any reason, be aggregated and allotted to satisfy applications for excess Rights Shares or disposed of or dealt with in such manner as the directors of the Company in their absolute discretion deem fit in the interest of the Company.

In the allotment of excess Rights Shares, preference will be given to Shareholders for rounding of odd lots, and the Manager, Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the issuer or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company will rank last in priority. Further, the Company may scale down a Shareholder's application to subscribe for the Rights Issue to avoid placing the Shareholder in the position of incurring a mandatory bid obligation under the Code as a result of other Shareholders not taking up their rights entitlement fully. In addition and without prejudice to the generality of the foregoing, the Company will not make any allotment and issue of Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

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

Foreign Shareholders

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

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

Not Applicable. The Rights Issue is not underwritten.

PART VII – ADDITIONAL INFORMATION

Statements by Experts

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

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

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

- (a) **state the date on which the statement was made;**
- (b) **state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
- (c) **include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**

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

3. **The information referred to in paragraph 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.**

Paragraphs 1 and 2 of this Part VII – Additional Information are not applicable.

Consents from Issue Managers and Underwriters

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

Hong Leong Finance Limited, the Issue Manager, has given, and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to the issue of this Offer Information Statement with the inclusion of its name and all references thereto, in the form and context in which they appear in this Offer Information Statement.

There is no underwriter to the Rights Issue.

Other Matters

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

Save as disclosed in this Offer Information Statement and other publicly available documents, the Directors are not aware of any other matter which could materially affect, directly or indirectly, the Group's business operations, financial position, or results or investments by holders of securities in the Company.

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

Not applicable.

PART IX – ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

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

1. Provide —

(a) the particulars of the rights issue;

Please refer to the section entitled “Principal Terms of the Rights Issue” of this Offer Information Statement.

(b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;

26 June 2013 at 5.00 p.m.

(c) the last day and time for acceptance of and payment for the securities to be issued pursuant to the rights issue;

5 July 2013 at 5.00 p.m. and 9.30 p.m. for Electronic Applications.

(d) the last day and time for renunciation of and payment by the renounee for the securities to be issued pursuant to the rights issue;

5 July 2013 at 5.00 p.m.

(e) the terms and conditions of the offer of securities to be issued pursuant to the rights issue;

The allotment and issue of the Rights Shares pursuant to the Rights Issue are governed by the terms and conditions as set out in this Offer Information Statement, in particular Appendices 3, 4 and 5 to this Offer Information Statement and in the PAL, the ARE and the ARS.

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

As at the date hereof, the Undertaking Shareholder has an interest in 75,798,087 Shares representing approximately 8.9% of the existing share capital of the Company.

To demonstrate his commitment to the Company, the Undertaking Shareholder had on 6 May 2013 unconditionally and irrevocably undertaken to, *inter alia*, subscribe and pay for and/or procure subscriptions and payments in full for his pro-rata entitlement to the Rights Shares under the Rights Issue.

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

The Rights Issue will not be underwritten. In view of (a) the Irrevocable Undertaking, (b) the savings in costs by the Company as a result of not having to pay any underwriting fees, and (c) there not being any minimum amount required to be raised from the Rights Issue, the Company decided to proceed with the Rights Issue without having the Rights Issue being underwritten by any financial institution.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES OR BOUGHT DEALS PURSUANT TO APPENDIX 8.2 OF THE LISTING MANUAL OF THE SGX-ST

1. REVIEW OF WORKING CAPITAL

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

The working capital of the Group as at 31 December 2010, 31 December 2011 and 31 December 2012 were as follows:-

	Audited 31 December 2010 S\$'000	Audited 31 December 2011 S\$'000	Audited 31 December 2012 S\$'000
Current Assets ⁽¹⁾	46,078	63,898	121,002
Current Liabilities ⁽²⁾	4,874	3,023	15,398
Working Capital	41,204	60,875	105,604

Notes:

⁽¹⁾ Comprised mainly cash and cash equivalents and AFS financial assets. For the current assets as at 31 December 2012, the net book value of the two aircraft have been reclassified from non-current assets to current assets as it was originally contemplated that the completion of the Forward Sales would take place on or about 30 April 2013. On 15 May 2013, the Company announced that the Forward Sales have been completed.

⁽²⁾ Comprised interest bearing liabilities repayable within one (1) year, and other liabilities.

FY2011 VS FY2010

The improvement in working capital was due to the proceeds received from the redemption of Pepper 6 on 15 December 2011 and the sale of Newgate Funding 2006-3 Series Residuals and AHM 2005-4 RMBS.

FY2012 VS FY2011

The higher working capital was due to the proceeds from the 2012 Rights Issue which have been utilized for the acquisition of Asia listed equities which were classified under current assets. The net book value of the two aircraft have been reclassified from non-current assets to current assets as it was originally contemplated that the completion of the Forward Sales would take place on or about 30 April 2013.

2. CONVERTIBLE SECURITIES

- (i) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832.
- (ii) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price-fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.

Not applicable. The Rights Issue does not involve any issue of convertible securities.

3. ISSUE MANAGER'S RESPONSIBILITY STATEMENT

The Issue Manager confirms that, to the best of its knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Issue Manager is not aware of any facts the omission of which would make any statement in the document misleading.

APPENDIX 1

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 1Q2013 S\$'000	Unaudited 1Q2012 S\$'000	Audited FY2012 S\$'000	Audited FY2011 S\$'000	Audited FY2010 S\$'000
REVENUE					
Distribution income	–	–	–	1,162	884
Dividend income	270	263	1,435	1,054	1,143
Interest income	2,765	1,858	8,772	9,866	10,317
Rental income	1,176	1,188	4,724	4,765	5,162
Net foreign exchange gains	480	879	100	–	6,746
Gain on sale of investments	5,694	163	3,307	3,608	–
Other operating income	149	–	–	–	223
Gain on financial assets designated as fair value through profit or loss	–	–	27	–	–
Profit on redemption of loan	–	–	–	–	100
Total Revenue	10,534	4,351	18,365	20,455	24,575
EXPENSES					
Management fees	(339)	(180)	(1,065)	(760)	(826)
Depreciation and amortisation	(320)	(323)	(1,286)	(1,297)	(1,405)
Finance costs	(264)	(309)	(1,165)	(1,325)	(1,580)
Net foreign exchange losses	–	–	–	(382)	–
Impairment expense	–	–	–	(1,772)	(10,352)
Other operating expenses	(470)	(503)	(1,887)	(2,017)	(2,780)
Total Expenses	(1,393)	(1,315)	(5,403)	(7,553)	(16,943)
Reversal of impairment in associate	–	5,045	4,936	–	–
Share of profit of associate (net of tax)	734	–	1,654	–	–
Profit before tax	9,875	8,081	19,552	12,902	7,632
Income tax expense	(111)	(129)	(495)	(690)	(1,054)
Profit after tax	9,764	7,952	19,057	12,212	6,578
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Available-for-sale financial assets					
- Fair value gains/(losses)	5,518	(270)	4,329	(4,082)	10,663
- Reclassification to profit or loss	(5,373)	(144)	(2,105)	–	–
Currency translation differences arising from Consolidation					
- Gains/(losses)	1,927	(3,255)	(5,400)	2,186	(10,956)
Other comprehensive income/(loss) for the period/year after tax	2,072	(3,669)	(3,176)	(1,896)	(293)
Total comprehensive income for the period/year attributable to shareholders	11,836	4,283	15,881	10,316	6,285
Earnings per share					
- Basic & diluted earnings per share (cents)	1.18	1.45	2.53	2.34 ⁽²⁾	1.67 ⁽¹⁾
Adjusted earnings per share					
- Basic & diluted earnings per share (cents)	0.82 ⁽⁵⁾⁽⁶⁾	0.67 ⁽⁴⁾⁽⁵⁾⁽⁶⁾	1.70 ⁽⁵⁾⁽⁶⁾	1.05 ⁽⁴⁾⁽⁵⁾⁽⁶⁾	0.55 ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾
Dividends per share (cents)	N.A.	N.A.	1.5	1.5	1.0

Note:

- ⁽¹⁾ The restated earnings per share after adjusting for the bonus element of the 2011 Rights Issue was 1.54.
- ⁽²⁾ The restated earnings per share after adjusting for the bonus element of the 2012 Rights Issue was 2.29.
- ⁽³⁾ Earnings per share as adjusted for the effects of the 2011 Rights Issue based on the enlarged share base with the addition of the rights shares issued from the 2011 Rights Issue to the weighted average number of Shares for the financial year 2010, assuming the 2011 Rights Issue was completed at the beginning of the financial year and without taking into account the effects of the use of the net proceeds from the 2011 Rights Issue on the earnings of the Group.
- ⁽⁴⁾ Earnings per share as adjusted for the effects of the 2012 Rights Issue based on the enlarged share base with the addition of the rights shares issued from the 2012 Rights Issue to the weighted average number of Shares for each of the respective financial year/period, assuming the 2012 Rights Issue was completed at the beginning of each of the respective financial year/period and without taking into account the effects of the use of the net proceeds from the 2012 Rights Issue on the earnings of the Group.
- ⁽⁵⁾ Earnings per share as adjusted for the effects of the 2013 Scrip Dividend with the addition of new ordinary shares to the weighted average number of Shares for each of the respective financial year/period, assuming the shares issued for the 2013 Scrip Dividend was at the beginning of each of the respective financial year/period.
- ⁽⁶⁾ Earnings per share as adjusted for the effects of the Rights Issue based on the enlarged share base with the addition of the Rights Shares (assuming fully subscribed) to the weighted average number of Shares for each of the respective financial year/period, assuming the Rights Issue was completed at the beginning of each of the respective financial year/period and without taking into account the effects of the use of the net proceeds from the Rights Issue on the earnings of the Group.

APPENDIX 2

STATEMENT OF FINANCIAL POSITION OF THE GROUP

	Unaudited 1Q2013 S\$'000	Audited FY2012 (as at 31 Dec 2012) S\$'000
Non current assets		
Investment in associate	5,214	4,555
Loans and receivables	80,907	79,925
	86,121	84,480
Current assets		
Cash and cash equivalents	16,674	24,508
Aircraft	28,847	28,707
Financial assets at fair value through profit or loss	11,859	8,777
Available-for-sale financial assets	72,974	58,753
Other assets	1,306	257
	131,660	121,002
Total Assets	217,781	205,482
Liabilities		
Interest bearing liabilities	13,748	14,037
Other liabilities	8,303	1,361
Total liabilities	22,051	15,398
Net Assets attributable to Shareholders	195,730	190,084
Equity		
Share capital	450,433	450,433
Capital reserve	(65,846)	(65,846)
Available-for-sale financial assets revaluation reserve	19,446	19,301
Translation reserve	(619)	(2,546)
Accumulated losses	(207,684)	(211,258)
Total Equity	195,730	190,084
Net assets value per share (S\$ per share)	0.237	0.230

	As at 31 Mar 2013		As at 31 Dec 2012	
	Net Assets (S\$'000)	Number of Shares ('000)	Net Assets (S\$'000)	Number of Shares ('000)
Net assets/Number of Shares	195,730	825,313	190,084	825,313
Add:	52,366 ⁽¹⁾	366,670	52,366 ⁽¹⁾	366,670
Net proceeds/Shares issued for 2013 Scrip Dividend and 2013 Rights Shares issued (assuming that the Rights Issue is fully subscribed)				
Adjusted Net Assets/Adjusted number of Shares	248,096	1,191,983	242,450	1,191,983
Adjusted net assets value per Share (S\$)	0.208	–	0.203	–

⁽¹⁾ Net proceeds from the Rights Issue, assuming that the Rights Issue is fully subscribed and the increase in share capital arising from 2013 Scrip Dividend.

APPENDIX 3

PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

- 1.1 Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SSH Service.
- 1.2 The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement (if applicable), the Bye-laws of the Company and the enclosed ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements to a Rights Share (if any) having been disregarded). The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and payment for excess Rights Shares are set out in this Offer Information Statement as well as the ARE.

Entitled Shareholders who had purchased Shares using their SRS accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their Rights Shares and (if applicable) application for excess Rights Shares. Such Entitled Shareholders who wish to accept their Rights Shares and (if applicable) apply for excess Rights Shares using SRS monies, must instruct the relevant approved banks in which they hold their SRS accounts to accept their Rights Shares and (if applicable) apply for excess Rights Shares on their behalf in accordance with this Offer Information Statement. Such Entitled Shareholders who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective approved banks before instructing their respective approved banks to accept their Rights Shares and (if applicable) apply for excess Rights Shares. SRS investors are advised to provide their respective approved banks in which they hold their SRS accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date.

SRS monies may not be used for the purchase of the provisional allotments of the Rights Shares directly from the market. Any acceptance of the Rights Shares provisionally allotted pursuant to these Shares and (if applicable) application for excess Rights Shares made directly through CDP, the Share Transfer Agent, the Company or by way of Electronic Application at the ATM of a Participating Bank, will be rejected.

- 1.3 If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for excess Rights Shares in addition to the Rights Shares which have been provisionally allotted to him, he may do so by completing and signing the relevant sections of the ARE or by way of an Electronic Application. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotment of Rights Shares and (if applicable) application for excess Rights Shares may be rejected.

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

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

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.

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

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

- 1.4 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B, of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. MODE OF ACCEPTANCE AND APPLICATION

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

Instructions for Electronic Applications through ATMs to accept the Rights Shares provisionally allotted or (if applicable) to apply for excess Rights Shares will appear on the ATM screens of the respective Participating Banks, Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited. ATM acceptances and applications made through banks other than the Participating Banks will not be accepted. Please refer to Appendix 4 of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

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

2.2 Acceptance/Application through CDP

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

- (a) complete and sign the ARE. In particular, he must state in Part (A) of Section (II) of the ARE the number of Rights Shares provisionally allotted to him which he wishes to accept, in Part (B) of Section (II) of the ARE the number of excess Rights Shares applied for and in Section (II) of the ARE the respective and total amounts to be made payable to “**CDP — GLOBAL INVESTMT RIGHTS ISSUE ACCOUNT**”; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for:
 - (i) by hand to **GLOBAL INVESTMENTS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 4 SHENTON WAY, #02-01, SGX CENTRE 2, SINGAPORE 068807**; or
 - (ii) by post, **AT THE SENDER’S OWN RISK**, in the self-addressed envelope provided, to **GLOBAL INVESTMENTS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 p.m. on 5 JULY 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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

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

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

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

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Depositor and (if applicable) the excess Rights Shares applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix 3 which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares to apply towards the payment for his acceptance of Rights Shares and/or application for excess Rights Shares.

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

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

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

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

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 1,000 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

Upon the issuance and listing and quotation of the Rights Shares on the Main Board of the SGX-ST, Entitled Depositors who hold odd lots of Shares (i.e., lots other than board lots of 1,000 Shares) and who wish to trade in odd lots on the SGX-ST should note that they are able to trade odd lots of Shares on the Unit Share Market of the SGX-ST.

In addition, the Company has applied for and obtained the approval of the SGX-ST for the establishment of a temporary counter to facilitate the trading of Shares in board lots of 200 Shares for a period of one (1) month commencing on the first Market Day on which the Rights Shares are listed for quotation on the Main Board of the SGX-ST. The temporary counter is provisional only. Investors who continue to hold odd lots of less than 1,000 Shares after one (1) month from the listing of the Rights Shares may face difficulty and/or have to bear disproportionate transactional costs in realising the fair market price of such Shares.

2.6 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares ("**Purchasers**") as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of

Rights Shares may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Transfer Agent, for the period up to **5.00 P.M. on 5 JULY 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

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

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

2.7 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 P.M. on 5 JULY 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.8 Return of Surplus Application Monies

In the case of applications for excess Rights Shares, if no excess Rights Shares are allotted to an Entitled Depositor or if the number of excess Rights Shares allotted to an Entitled Depositor is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be returned or refunded to him without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date by any one or a combination of the following:- (i) by crediting his bank account with the relevant Participating Bank **AT HIS OWN RISK** (if he accepted and (if applicable) applied for excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder; or (ii) by means of a crossed cheque drawn on a bank in Singapore and sent **BY ORDINARY POST AT HIS OWN RISK** to his mailing address as recorded with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions (if he accepted and (if applicable) applied for excess Rights Shares through CDP).

3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of the Rights Shares by way of the ARE and/or the ARS and/or has applied for excess Rights Shares by way of the ARE and also by way of an Electronic Application, the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be

regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for excess Rights Shares (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY FIVE (5) EXISTING ORDINARY SHARES AT AN ISSUE PRICE OF S\$0.143)

As an illustration, if an Entitled Depositor has 10,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 4,000 Rights Shares as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

Procedures to be taken

(a) Accept his entire provisional allotment of 4,000 Rights Shares and (if applicable) apply for excess Rights Shares.

(1) Accept his entire provisional allotment of 4,000 Rights Shares and (if applicable) apply for excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 5 July 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 4,000 Rights Shares and (if applicable) the number of excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S\$572.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP — GLOBAL INVESTMT RIGHTS ISSUE ACCOUNT**" for the Rights Shares and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by hand to **GLOBAL INVESTMENTS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 4 SHENTON WAY, #02-01, SGX CENTRE 2, SINGAPORE 068807** or by post, at his own risk, in the self-addressed envelope provided to **GLOBAL INVESTMENTS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 5 July 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

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

Alternatives

(b) Accept a portion of his provisional allotment of Rights Shares, for example his entitlement to 1,000 provisionally allotted Rights Shares, not apply for excess Rights Shares and trade the balance on the SGX-ST.

Procedures to be taken

- (1) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30p.m. on 5 July 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$143.00, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 5 July 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 3,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. During the provisional allotment trading period, Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 1,000 Rights Shares or any other board lot size which the SGX-ST may require.

(c) Accept a portion of his provisional allotment of Rights Shares, for example his entitlement to 1,000 provisionally allotted Rights Shares, and reject the balance.

- (1) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 5 July 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 1,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$143.00, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 p.m. on 5 July 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 3,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 5 July 2013** or if an acceptance is not made through CDP by **5.00 p.m. on 5 July 2013**.

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

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

- (A) 9.30 P.M. ON 5 JULY 2013 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK.**
- (B) 5.00 P.M. ON 5 JULY 2013 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR THE SGX-SSH SERVICE; AND**

If acceptance and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 5 July 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 5 July 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All monies received in connection therewith will be returned or refunded by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ENTITLED DEPOSITOR'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP or in such other manner as the Entitled Depositors or the Purchasers, as the case may be, have agreed with CDP for the payment of any cash distributions (where acceptance is through CDP) or by crediting their accounts with the relevant Participating Banks (where acceptance is through Electronic Application at the ATMs) and at the Entitled Depositors' or the Purchasers' own risk.

IF ANY ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

5.2 Appropriation

Without prejudice to paragraph 1.3 of this Appendix 3, an Entitled Depositor should note that:

- (a) by accepting his provisional allotment of Rights Shares and/or applying for excess Rights Shares, he acknowledges that, in the case where:
 - (i) the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, or
 - (ii) the amounts as stated in Parts (A) and (B) of Section II in the ARE, Section II in the ARS and/or in any other application form for Rights Shares and/or excess Rights Shares in relation to the Rights Issue differs from the amount received by CDP, or otherwise payable by him in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for the excess Rights Shares,

the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares and excess Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for excess Rights Shares. The determination and appropriation by the Company and CDP shall be conclusive and binding;

- (b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Rights Shares provisionally allotted to him and (if applicable) his application for excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares and excess Rights Shares in relation to the Rights Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for excess Rights Shares by way of the ARE and also by way of an Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed to have irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for excess Rights Shares (including an Electronic Application(s)) which he has authorised or is deemed to have authorised to apply towards the payment for acceptance of the Rights Shares and/or application for excess Rights Shares in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3 Availability of Excess Rights Shares

The excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Bye-laws of the Company. Applications for excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares, any unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more excess Rights Shares than are available, the excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and the Manager, Substantial Shareholders and Directors who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company will rank last in priority. The Company reserves the right to refuse any application for excess Rights Shares, in whole or in part, without assigning any reason whatsoever. Further, the Company may scale down a Shareholder's application to subscribe for the Rights Issue to avoid placing the Shareholder in the position of incurring a mandatory bid obligation under the Code as a result of other Shareholders not taking up their rights entitlement fully. In addition and without prejudice to the generality of the foregoing, the Company will not make any allotment and issue of Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting. In the event that the number of excess Rights Shares allotted to an Entitled Depositor is less than the number of excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of excess Rights Shares actually allotted to him.

If no excess Rights Shares are allotted or if the number of excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be returned or refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company and CDP for their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent to them **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for excess Rights Shares through CDP).

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares is effected by **9.30 P.M. on 5 JULY 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — GLOBAL INVESTMT RIGHTS ISSUE ACCOUNT**" for the Rights Shares and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and/or application and with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft is submitted by hand to **GLOBAL INVESTMENTS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 4 SHENTON WAY, #02-01, SGX CENTRE 2, SINGAPORE 068807** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **GLOBAL INVESTMENTS LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 5 JULY 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent/(s) for the Rights Shares is effected by **5.00 P.M. on 5 JULY 2013** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned and refunded to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ENTITLED DEPOSITORS' OR THE PURCHASERS' OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (where acceptance is through CDP), or by crediting their accounts with the relevant Participating Banks (where acceptance is through Electronic Application), and at the Entitled Depositors' or the Purchasers' (as the case may be) own risk within 14 days after the Closing Date.

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

5.5 Certificates

The certificates for the Rights Shares and excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and excess Rights Shares, CDP will send to the Entitled Depositors or Purchasers, **BY ORDINARY POST AND AT THEIR OWN RISK**, a notification letter showing the number of Rights Shares and excess Rights Shares credited to their Securities Account.

5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted to the Entitled Depositor's or Purchaser's Securities Account. An Entitled Depositor or Purchaser can verify the number of Rights Shares provisionally allotted and credited to his Securities Account online if he has registered for CDP Internet Access or through CDP Automated Phone Services Hotline number (65) 6535-7511 using his telephone pin (T-Pin). Alternatively, he may proceed personally to CDP with his identity card or passport to verify the number of Rights Shares provisionally allotted to his Securities Account.

It is the Entitled Depositor's or Purchaser's responsibility to ensure that the ARE and/or ARS is properly completed in all respects and signed. The Company and/or CDP will be entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or the ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES AND (IF APPLICABLE) THE APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post or deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. An Entitled Depositor or Purchaser can check the status of his acceptance of the provisional allotment of Rights Shares and (if applicable) his application for excess Rights Shares through the CDP Automated Phone Services Hotline number (65) 6535-7511 using his T-Pin.

CDP Phone User Guide

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

All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to the Entitled Depositor's or Purchaser's mailing address as maintained in the records of CDP, and **AT HIS OWN RISK**.

APPENDIX 4

ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

The procedures for Electronic Applications through ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks (“**Steps**”). Please read carefully the terms and conditions of this Offer Information Statement, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept and (if applicable) apply for Rights Shares at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Depositor or his renouncee or the purchaser of the provisional allotment who accepts or (as the case may be) who applies for the Rights Shares through an ATM of a Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Banks before he can make an Electronic Application through an ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (“**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is for retention by the Applicant and should not be submitted with any ARE or ARS.

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

The Electronic Application shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

1. In connection with his Electronic Application for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance and (as the case may be) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and
 - (b) that he consents to the disclosure of his name, NRIC/passport number, address, nationality, CDP Securities Account number and application details (“**Relevant Particulars**”) from his account with that Participating Bank to the Share Transfer Agent, CDP, the SGX-ST and the Company (the “**Relevant Parties**”).

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the “Enter” or “OK” or “Confirm” or “Yes” key (as the case may be). By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key (as the case may be), shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

2. An Applicant may make an Electronic Application through an ATM of any Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his bank account with such Participating Bank.
3. The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Shares provisionally allotted and excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of excess Rights Shares or not to allot any number of excess Rights Shares to the Applicant, the Applicant agrees to accept the decision as final.
4. **If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key (as the case may be) on the ATM) of the number of the provisionally allotted Rights Shares accepted and excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of provisionally allotted Rights Shares accepted and/or excess Rights Shares applied for that may be allotted to him.**
5. In the event that the Applicant accepts the provisionally allotted Rights Shares both by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as CDP may, in its absolute discretion, deem fit. In determining the number of provisionally allotted Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of provisionally allotted Rights Shares which are standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date and the aggregate number of provisionally allotted Rights Shares which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of provisionally allotted Rights Shares which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the provisionally allotted Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE or the ARS, or by way of acceptance through an ATM of a Participating Bank which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his acceptance.
6. If applicable, in the event that the Applicant applies for excess Rights Shares both by way of the ARE and by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as the Company and/or CDP may, in its absolute discretion, deem fit. In determining the number of excess Rights Shares which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Rights Shares not exceeding the aggregate number of excess Rights Shares for which he has applied by way of the ARE and by way of application through Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of excess Rights Shares which the Applicant has given valid instructions for the application, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of the excess Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE, or by way of application through an ATM of a Participating Bank, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his application.

7. The Applicant irrevocably requests and authorises the Company to:
 - (a) register or to procure the registration of the Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance and application monies, should his Electronic Application in respect of the provisional allotment Rights Shares not be accepted and/or excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date; and
 - (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for excess Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within 14 days after the Closing Date.
8. **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING OR APPLYING FOR THE RIGHTS SHARES AS A NOMINEE OF ANY OTHER PERSON.**
9. The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Company, the Receiving Bank or the Share Transfer Agent) and any events whatsoever beyond the control of CDP, the Participating Banks, the Company, the Receiving Bank or the Share Transfer Agent, and if, in any such event, CDP, the Participating Banks, the Company, the Receiving Bank or the Share Transfer Agent do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 5 July 2013** or such other time or date as may be announced by or on behalf of the Company, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Company and the Share Transfer Agent for any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damage in connection therewith or in relation thereto.
10. **Electronic Applications may only be made through ATMs of the Participating Banks from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m., excluding public holidays.**
11. Electronic Applications shall close at **9.30 p.m. on 5 July 2013** or such other time or date as may be announced from time to time by or on behalf of the Company.
12. All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
13. The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made through ATMs of the Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
14. Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be returned and refunded in Singapore dollars (without interest or any share of revenue or other benefit arising there from) to the Applicant by being automatically credited to the Applicant's bank account with the relevant Participating Bank within 14 days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be returned and refunded on the same terms.

15. In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 5 July 2013** or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document referred to in Section 241 of the Securities and Futures Act is lodged with the Authority);
 - (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, CDP, the Participating Banks, the Receiving Bank nor the Share Transfer Agent shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;
 - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Rights Shares and (if applicable) acceptance of his application for excess Rights Shares;
 - (e) in respect of the Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application with respect to enforcement against the Applicant, a person who is not a party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties 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.
16. The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
17. The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
18. In the event that the Applicant accepts or subscribes for the provisionally allotted Rights Shares or (if applicable) applies for excess Rights Shares, as the case may be, by way of the ARE and/or the ARS and by way of Electronic Application through any ATM of the Participating Banks, the provisionally allotted Rights Shares and/or excess Rights Shares will be allotted in such manner as the Company or CDP may, in their absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned and refunded, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date by any one or a combination of the following:

- (a) by means of a crossed cheque sent and drawn on a bank in Singapore BY ORDINARY POST at his own risk to his mailing address as recorded with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions, if he accepts and (if applicable) applies through CDP; and
 - (b) crediting the Applicant's bank account with the relevant Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder.
19. The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of Rights Shares which he can validly accept, the Company and CDP are entitled, and the Applicant hereby authorises the Company and CDP, to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of Rights Shares which the Applicant has validly accepted, whether under the ARE or the ARS or any other form of acceptance (including Electronic Application through an ATM) for the Rights Shares;
 - (b) the total number of Rights Shares represented by the provisional allotment of Rights Shares standing to the credit of the "Free Balance" of the Applicant's Securities Account with CDP which is available for acceptance; and
 - (c) the total number of Rights Shares represented by the provisional allotment of Rights Shares which has been disposed of by the Applicant.

The Applicant hereby acknowledges that the Company's and CDP's determination shall be conclusive and binding on him.

20. The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Rights Shares accepted by the Applicant and (if applicable) the excess Rights Shares which the Applicant has applied for.
21. With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Bye-laws of the Company or any other application form for the Right Shares in relation to the Rights Issue or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, or where the "Free Balance" of the Applicant's Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares accepted as at the Closing Date, the Company and/or CDP may, at its absolute discretion, reject or treat as invalid any such acceptance, application or payment and/or other processes of remittances at any time after receipt in such manner as it may deem fit.
22. The Company and/or the CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, application of excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Rights Shares.

APPENDIX 5

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

1. INTRODUCTION

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

PAL incorporating:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Excess Rights Shares Application Form	Form E

- 1.2 The provisional allotment of the Rights Shares and application for excess Rights Shares are governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Memorandum of Association and Bye-laws of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlements, if any, to be disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Rights Shares in excess of their entitlements under the Rights Issue.
- 1.3 Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split all or part of their provisional allotments are set out in the PAL.
- 1.4 The full amount payable for the relevant number of Rights Shares accepted/applied for will be rounded up to the nearest whole cent, if applicable.
- 1.5 With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under the Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Bye-laws of the Company and/or any other application form for the Rights Shares and/or excess Rights Shares in relation to the Rights Issue or with the terms and conditions of this Offer Information Statement, or in the case of an application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or excess Rights Shares in relation to the Rights Issue is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company may, at its absolute discretion, reject or treat as invalid any such acceptance, application or payment and/or other processes of remittances at any time after receipt in such manner as it may deem fit.
- 1.6 The Company and the Share Transfer Agent shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, application of excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder or a renounee, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder or a renounee. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of the provisional allotment of Rights Shares and (if applicable) application for excess Rights Shares.
- 1.7 Entitled Scripholders should note that all dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.

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

2. FORM OF ACCEPTANCE (FORM A)

2.1 An Entitled Scripholder who wishes to accept his entire provisional allotment of Rights Shares or to accept any part of it and decline the balance should:

- (a) complete the Form of Acceptance (Form A) for the number of Rights Shares which he wishes to accept; and
- (b) forward the PAL, at his own risk, in its entirety, duly completed and signed, together with the remittance for the full payment in the prescribed manner to **GLOBAL INVESTMENTS LIMITED C/O THE SINGAPORE SHARE TRANSFER AGENT, BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD (FORMERLY KNOWN AS LIM ASSOCIATES (PTE) LTD) 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 P.M. on 5 JULY 2013** or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company.

2.2 Insufficient Payment

If:

- (a) no remittance is attached for the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder; or
- (b) the remittance submitted together with the PAL, is less than the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder; in each case, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of this Appendix C entitled "Appropriation" which sets out the circumstances and manner in which the Company and the Share Transfer Agent shall be entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

2.3 Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares, he acknowledges that, the Company and the Share Transfer Agent, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the provisional allotment of Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore to be applied towards the payment of his acceptance of the provisional allotment of the Rights Shares.

3. REQUEST FOR SPLITTING (FORM B) AND RENUNCIATION (FORM C)

3.1 Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs ("**Split Letters**") according to their requirements. The duly completed Form B together with the PAL in its entirety should then be returned to **GLOBAL INVESTMENTS LIMITED C/O THE SINGAPORE SHARE TRANSFER AGENT, BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD (FORMERLY KNOWN AS LIM ASSOCIATES (PTE) LTD) 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER,**

SINGAPORE 048623 not later than **5.00 p.m. on 26 June 2013** or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company. Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B is received after **5.00 p.m. on 26 June 2013** or such other time or date as may be announced by or on behalf of the Company.

- 3.2 The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce may be renounced by completing the Form for Renunciation (Form C) before delivery to the renounee. Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any. The said Split Letter(s) together with the remittance for the payment (if required) in the prescribed manner should be forwarded to the Share Transfer Agent so as to arrive not later than **5.00 p.m. on 5 July 2013** or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company.
- 3.3 Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete Form C for the number of provisional allotments of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renounees.

4. FORM OF NOMINATION (FORM D)

- 4.1 Each entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing Form A (Form of Acceptance) and the Consolidated Listing Form in Form D of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D (Form of Nomination) of only one PAL or Split Letter (the "**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D (AS THE CASE MAY BE).**

5. PAYMENT

- 5.1 Payment in relation to the PALs must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**GLOBAL INVESTMENTS LIMITED RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the remittance. The completed PAL and remittance should be addressed and forwarded, at the sender's own risk, to **GLOBAL INVESTMENTS LIMITED C/O THE SINGAPORE SHARE TRANSFER AGENT, BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD (FORMERLY KNOWN AS LIM ASSOCIATES (PTE) LTD) 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 5 July 2013** or such other time or date as may be announced by or on behalf of the Company. **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

- 5.2 If acceptance and payment in the prescribed manner as set out in this Offer Information Statement and/or the PAL is not received by **5.00 p.m. on 5 July 2013** or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company, the provisional allotments of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void. Such provisional allotments of Rights Shares not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the directors of the Company may, in their absolute discretion, deem fit in the interests of the Company. The Company will return all unsuccessful application monies received in connection therewith by ORDINARY POST and at the risk of the Entitled Scripholders or their renounee(s), as the case may be, without interest or any share of revenue or benefit arising therefrom, within 14 days after the Closing Date.

6. APPLICATION FOR EXCESS RIGHTS SHARES

- 6.1 Entitled Scripholders who wish to apply for excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the Excess Rights Shares Application Form (Form E) and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the excess Rights Shares applied for in the form and manner set out in paragraph 4 above, at their own risk, to **GLOBAL INVESTMENTS LIMITED C/O THE SINGAPORE SHARE TRANSFER AGENT, BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD (FORMERLY KNOWN AS LIM ASSOCIATES (PTE) LTD) 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 5 July 2013** or such other time or date as may be announced by or on behalf of the Company. **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

The excess Rights Shares available for application are subject to the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Bye-laws of the Company. Applications for excess Rights Shares will, at the absolute discretion of the directors of the Company, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, together with the aggregated fractional entitlements to the Rights Shares, the unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the PAL, Form E, this Offer Information Statement and (if applicable) the Memorandum of Association and Bye-laws of the Company. In the event that applications are received by the Company for more excess Rights Shares than are available, the excess Rights Shares available will be allotted in such manner as the directors of the Company may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and the Manager, Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the issuer or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares. The Company reserves the right to refuse, in whole or in part, any application for excess Rights Shares without assigning any reason whatsoever. Further, the Company may scale down a Shareholder's application to subscribe for the Rights Issue to avoid placing the Shareholder in the position of incurring a mandatory bid obligation under the Code as a result of other Shareholders not taking up their rights entitlement fully. In addition and without prejudice to the generality of the foregoing, the Company will not make any allotment and issue of Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

- 6.2 If no excess Rights Shares are allotted to Entitled Scripholders or if the number of excess Rights Shares allotted to them is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within 14 days of the Closing Date, BY ORDINARY POST to their mailing addresses as maintained with the Share Transfer Agent at their own risk.

7. GENERAL

- 7.1 No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications.
- 7.2 **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**
- 7.3 Upon listing and quotation on the Official List of the SGX-ST, the Rights Shares, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", as the same may be amended from time to time. Copies of the above are available from CDP.
- 7.4 **Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and, if applicable, the excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and National Registration Identity Card ("NRIC")/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the excess Rights Shares allotted to them. Such physical share certificate, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.**
- 7.5 If the Entitled Scripholders' addresses stated in PAL are different from their addresses registered with CDP, they must inform CDP of their updated addresses promptly, failing which the notification letter, on successful allotments will be sent to their addresses last registered with CDP.
- 7.6 A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly executed instrument(s) of transfer in favour of CDP, and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.
- 7.7 **THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IS 5.00 P.M. ON 5 JULY 2013** or such other time(s) and/or date(s) as may be announced by or on behalf of the Company.

APPENDIX 6

LIST OF PARTICIPATING BANKS

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM:

1. Oversea-Chinese Banking Corporation Limited
2. United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited

Entitled Depositors and purchasers of provisional allotments with existing bank accounts with banks which are not Participating Banks may make payment for acceptances of provisional allotments and applications for Rights Shares or excess Rights Shares by Cashier's Order or Banker's Draft drawn on their respective bank in Singapore. Such Entitled Depositors and purchasers are advised to seek advice from their respective banks on the procedures for obtaining Cashier's Orders or Banker's Drafts. ATM acceptances and applications made through banks other than the Participating Banks will not be accepted.

Please refer to Appendix 3 to this Offer Information Statement for full details on the mode of acceptance and application.

OFFER INFORMATION STATEMENT DATED 12 JUNE 2013

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Information Statement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and the opinions expressed in this Offer Information Statement are fair and accurate in all material respects as at the date of this Offer Information Statement and that there are no material facts the omission of which would make any statement in this Offer Information Statement misleading. Where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure through reasonable enquires that such information is accurately and correctly extracted from those sources and/or reproduced in this Offer Information Statement in its proper form and context.

For and on behalf of **GLOBAL INVESTMENTS LIMITED**

Mr. Boon Swan Foo
(Chairman)

Mr. Chan Pengee Adrian
(Independent Director)

Ms. Tan Mui Hong
(Deputy Chairman)

Mr. Ronald Seah Lim Siang
(Independent Director)

Mr. Tan Kok Wee
(Independent Director)