

HIAP SENG ENGINEERING LTD.
(JUDICIAL MANAGERS APPOINTED)
(Company Registration No. 197100300Z)
(Incorporated in the Republic of Singapore)

UPDATE ON PROPOSED SUBSCRIPTION, PROPOSED GRANT OF OPTIONS AND PROPOSED DEBT RESTRUCTURING

1. BACKGROUND

- 1.1. Hiap Seng Engineering Ltd (Judicial Managers Appointed) (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcements dated 7 January 2022, 25 March 2022, 15 August 2022, 31 May 2023 and 6 October 2023 in relation to the Proposed Subscription and the Proposed Grant of Options and the announcements dated 20 May 2022, 2 June 2022, 29 June 2022, 4 July 2022, 18 August 2022, 24 August 2022 and 29 August 2022 in relation to the Proposed Debt Restructuring (collectively, the “**Previous Announcements**”).
- 1.2. Capitalised terms used but not defined herein shall have the meanings as ascribed to them in the Previous Announcements.

2. UPDATE ON REGULATORY APPROVALS

- 2.1. The Judicial Managers of the Company would like to update its shareholders that the Company has obtained the relevant approvals from the regulatory authorities for the Proposed Subscription, Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing, including:
- (a) the SGX-ST’s approval-in-principle for, among others, the dealing in, listing and quotation for all of the Shares in the New Listco on the Mainboard of the SGX-ST (including the Subscription Shares, the Options Shares and the Settlement Shares) and no objection to the Company’s Resumption Proposal (the “**AIP**”). Please note that the AIP is not an indication of the merits of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring, the Proposed Transfer Listing, the Shares in the New Listco (including the Subscription Shares, the Options Shares and the Settlement Shares) and the New Listco, the Company and/or its subsidiaries;
 - (b) the grant of the Whitewash Waiver by the SIC; and
 - (c) a declaration from the MAS that sub-divisions (2) and (3) of Division 1 of Part XIII of the SFA (other than Section 257 of the SFA) shall not apply to an offer of the Shares in the New Listco to the Shareholders made pursuant to the Proposed Transfer Listing,

subject to various conditions set out in the respective approval letters¹. Further information on the approvals obtained will be set out in the circular to be issued and despatched or, as the case may be, disseminated, by the Company to its Shareholders in due course, as described in paragraph 8 (*Further Documents and Updates*) of this announcement.

- 2.2. In relation to the above, the Company would like to provide further information in relation to the Proposed Subscription, Proposed Grant of Options and the Proposed Debt Restructuring, including the issue size, use of proceeds, the financial effects and the shareholding changes resulting from the completion of these transactions.

¹ As at the date of this announcement, the Company is still following up with the relevant authorities to procure clarifications on certain conditions set out within the approval letters, further information on which will be set out in the circular to be issued and despatched or, as the case may be, disseminated, by the Company to its Shareholders in due course.

3. ISSUE SIZE OF THE PROPOSED SUBSCRIPTION, PROPOSED GRANT OF OPTIONS AND THE PROPOSED DEBT RESTRUCTURING

3.1. Proposed Subscription

Pursuant to the Subscription Agreement, the Subscribers will be allotted and issued a total of 1,473,296,500 Subscription Shares at the issue price of S\$0.00543 per Subscription Share, in the following proportions:

Subscriber	No. of Subscription Shares to be issued
Vibrant	1,104,972,375
Tian Yuan	368,324,125
Total	1,473,296,500

The 1,473,296,500 Subscription Shares represent approximately 485.0% of the Existing Share Capital², 47.1% of the Enlarged Share Capital³ and 32.0% of the Options Enlarged Share Capital⁴.

3.2. Proposed Grant of Options

The number of Option Shares to be allotted and issued pursuant to the full exercise of all Options is 1,473,296,500. The Option Shares represent approximately 485.0% of the Existing Share Capital, 47.1% of the Enlarged Share Capital and 32.0% of the Options Enlarged Share Capital.

3.3. Proposed Debt Restructuring

The number of Settlement Shares to be allotted and issued is up to 1,353,591,160. The Settlement Shares represent approximately 445.6% of the Existing Share Capital, 43.2% of the Enlarged Share Capital and 29.4% of the Options Enlarged Share Capital.

4. ISSUE PRICE OF THE SHARES TO BE ISSUED PURSUANT TO THE PROPOSED SUBSCRIPTION, PROPOSED GRANT OF OPTIONS AND THE PROPOSED DEBT RESTRUCTURING

4.1. Proposed Subscription

The issue price of S\$0.00543 per Subscription Share (the “**Subscription Price**”) represents a discount of approximately 72.9% to the volume weighted average price (“**VWAP**”) of S\$0.02 for each Share based on the trades done on 26 November 2019, being the last full market day when the Shares were traded prior to the Company’s trading suspension on 28 November 2019.

4.2. Proposed Grant of Options

The Option Price of S\$0.00543 per Option Share for Options exercised during the First Exercise Period represents a discount of approximately 72.9% to the VWAP of S\$0.02 for each Share based on the trades done on 26 November 2019, being the last full market day when the Shares were traded prior to the Company’s trading suspension on 28 November 2019.

The exercise price of S\$0.00597 per Option Share for Options exercised during the Second Exercise Period represents a discount of approximately 70.2% to the VWAP of S\$0.02 for each Share based on the trades done on 26 November 2019, being the last full market day when the Shares were traded prior to the Company’s trading suspension on 28 November 2019.

² Means the existing issued share capital (including nil treasury shares and subsidiary holdings) being 303,750,000 Shares.

³ Means the enlarged issued share capital (including nil treasury shares and subsidiary holdings) on a diluted basis assuming the completion of the Proposed Subscription (resulting in the allotment and issue of 1,473,296,500 Subscription Shares), the Proposed Grant of Options (resulting in the grant of 1,473,296,500 Options), the Proposed Debt Restructuring (resulting in the allotment and issue of 1,353,591,160 Settlement Shares) and the Proposed Transfer Listing, being 3,130,637,660 Shares.

⁴ Means the enlarged issued share capital (including nil treasury shares and subsidiary holdings) on a diluted basis assuming the completion of Proposed Subscription (resulting in the allotment and issue of 1,473,296,500 Subscription Shares), the Proposed Grant of Options (resulting in the grant of 1,473,296,500 Options), the Proposed Debt Restructuring (resulting in the allotment and issue of 1,353,591,160 Settlement Shares), the Proposed Transfer Listing and the full exercise of all the Options by the Subscribers (resulting in the allotment and issue of 1,473,296,500 Option Shares), being 4,603,934,160 Shares.

4.3. **Proposed Debt Restructuring**

The issue price of the Settlement Shares represents a discount of approximately 72.9% to the VWAP of S\$0.02 for each Share based on the trades done on 26 November 2019, being the last full market day when the Shares of the Company were traded prior to the trading suspension on 28 November 2019.

5. **USE OF PROCEEDS OF THE PROPOSED SUBSCRIPTION, PROPOSED GRANT OF OPTIONS AND THE PROPOSED DEBT RESTRUCTURING**

5.1. **Proposed Subscription**

All S\$8,000,000 of the proceeds from the Proposed Subscription will be utilised for the partial settlement in cash of the principal amounts and interests under loans owing to United Overseas Bank Limited, the Group's lender ("UOB").

5.2. **Proposed Grant of Options**

The amount of proceeds from the exercise of the Options issued pursuant to the Proposed Grant of Options is dependent on the number of Options validly exercised by the Subscribers and the relevant Exercise Period during which the Options were exercised.

Assuming that all the Options are validly exercised during the First Exercise Period, the aggregate gross proceeds from the allotment and issue of Option Shares will be S\$8,000,000. Assuming that all the Options are validly exercised during the Second Exercise Period, the aggregate gross proceeds from the allotment and issue of Option Shares will be S\$8,800,000.

No material expenses are expected to be incurred from the Proposed Grant of Options. The aggregate gross proceeds from the exercise of the Options shall be used fully for the general working capital of the Company.

Pending the deployment for the uses identified above, the gross proceeds may be deposited with banks and/or financial institutions or invested in money market instruments and/or securities, or used for any other purpose on a short-term basis, as the Directors may in their absolute discretion deem fit.

Periodic announcement(s) as to the use of the proceeds will be made as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use. A status report will be provided on the use of proceeds in the interim and full-year financial statements and annual report. Where the proceeds have been used for working capital purposes, a breakdown will be provided with specific details on how the proceeds have been applied in the announcements and status report. Where there is any material deviation from the stated use of the proceeds, an announcement will be made with the reasons for such deviation.

5.3. **Proposed Debt Restructuring**

There will not be any proceeds in cash from the allotment and issue of the Settlement Shares under the Proposed Debt Restructuring as the consideration for the Settlement Shares will be set-off against a portion of the eligible debt to be settled under the Scheme of Arrangement.

6. **FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION, THE PROPOSED GRANT OF OPTIONS, THE PROPOSED DEBT RESTRUCTURING AND THE PROPOSED TRANSFER LISTING**

6.1. **Bases and assumptions**

For illustrative purposes only, the financial effects of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing have been prepared based on the audited financial statements of the Group for the financial year ended 31 March 2023. The financial effects have been prepared on the following assumptions:

- (a) the inter-conditional completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing;

- (b) the Group raises gross proceeds of approximately S\$8.0 million from the exercise of all Options; and
- (c) there is no change in the net tangible losses (“**NTL**”) or net tangible assets (“**NTA**”), losses for Share (“**LPS**”) or earnings per Share (“**EPS**”) and share capital of the Company and the New Listco, pursuant to the Proposed Transfer Listing.

6.2. Share Capital

	Number of Shares
Prior to the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing ⁽¹⁾	303,750,000
Upon completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing ⁽²⁾	3,130,637,660
Upon completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing ⁽³⁾	4,603,934,160

Notes:

- (1) Based on the Existing Share Capital of 303,750,000 Shares, including nil treasury shares and subsidiary holdings.
- (2) 1,473,296,500 Subscription Shares and 1,353,591,160 Settlement Shares will be issued upon the completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing, which are inter-conditional, together with other transactions to be undertaken as announced by the Company.
- (3) An additional 1,473,296,500 Option Shares will be issued upon the full exercise of all Options by the Subscribers.

6.3. LPS / EPS

Assuming that the following transactions were completed on 31 March 2023, the pro forma financial effects on the Group’s LPS / EPS would be as follows:

	Profit Attributable to owners of the Company (S\$’000)	Number of Shares (‘000)	(LPS) / EPS (Singapore cents)
Prior to the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing ⁽¹⁾	(2,550)	303,750	(0.84)
Upon completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing ^{(2), (3)}	15,748	3,130,638	0.50

	Profit Attributable to owners of the Company (S\$'000)	Number of Shares ('000)	(LPS) / EPS (Singapore cents)
Upon completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring, the Proposed Transfer Listing and the full exercise of all the Options by the Subscribers ^{(3), (4)}	15,748	4,603,934	0.34

Notes:

- (1) Based on the Existing Share Capital of 303,750,000 Shares, including nil treasury shares and subsidiary holdings, as at the date of this announcement.
- (2) 1,473,296,500 Subscription Shares and 1,353,591,160 Settlement Shares will be issued upon the completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing, which are inter-conditional, together with other transactions to be undertaken as announced by the Company.
- (3) Profit includes S\$18.7 million from the extinguishment of remaining debt under the Scheme of Arrangement and balance of amounts owing to UOB.
- (4) An additional 1,473,296,500 Option Shares will be issued upon the full exercise of all Options by the Subscribers.

6.4. NTL / NTA

Assuming that the following transactions were completed on 31 March 2023, the pro forma financial effects on the Group's (NTL) / NTA per share would be as follows:

	(NTL) / NTA (S\$'000)	Number of Shares ('000)	(NTL) / NTA per Share (Singapore cents)
Prior to the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing ⁽¹⁾	(17,352)	303,750	(5.71)
Upon completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing ^{(2), (3)}	16,296	3,130,638	0.52
Upon completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring, the Proposed Transfer Listing and the full exercise of all the Options by the Subscribers ^{(3), (4)}	24,296	4,603,934	0.53

Notes:

- (1) Based on the Existing Share Capital of 303,750,000 Shares, including nil treasury shares and subsidiary holdings.
- (2) 1,473,296,500 Subscription Shares and 1,353,591,160 Settlement Shares will be issued upon the completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing, which are inter-conditional, together with other transactions to be undertaken as announced by the Company.
- (3) Profit includes S\$18.7 million from the extinguishment of remaining debt under the Scheme of Arrangement and balance of amounts owing to UOB.
- (4) An additional 1,473,296,500 Option Shares will be issued upon the full exercise of all Options by the Subscribers.

6.5. Gearing

Assuming that the following transactions were completed on 31 March 2023, the pro forma financial effects on the Group's gearing would be as follows:

	Total Borrowings (S\$'000)	Equity attributable to Shareholders (S\$'000)	Gearing (times)
Prior to the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing ⁽¹⁾	14,696	(17,352)	N.M ⁽⁵⁾
Upon completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing ^{(2), (3)}	0	16,296	N.M ⁽⁵⁾
Upon completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring, the Proposed Transfer Listing and the full exercise of all the Options by the Subscribers ^{(3), (4)}	5,600	24,296	0.23

Notes:

- (1) Based on the Existing Share Capital of 303,750,000 Shares, including nil treasury shares and subsidiary holdings.
- (2) 1,473,296,500 Subscription Shares and 1,353,591,160 Settlement Shares will be issued upon the completion of the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and the Proposed Transfer Listing, which are inter-conditional, together with other transactions to be undertaken as announced by the Company.
- (3) An additional 1,473,296,500 Option Shares will be issued upon the full exercise of all Options by the Subscribers.
- (4) Includes S\$5.6 million of newly obtained banking facilities for the purposes of fulfilling the remaining JTC Investment Criteria of S\$7.0 million.
- (5) N.M means not meaningful.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS, AND CHANGES TO SHAREHOLDING INTERESTS

Please refer to the Appendix to this announcement details on the effect on the shareholding structure pursuant to the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring and Proposed Transfer Listing.

8. FURTHER DOCUMENTS AND UPDATES

- 8.1. Further information in relation to the Proposed Transfer Listing and the Proposed Rights Issue will be announced by the Company in due course. The Company will also make further announcements as and when there are material updates in relation to the Proposed Subscription, the Proposed Grant of Options and the Proposed Debt Restructuring.
- 8.2. A circular and/or such other documentation is expected to be issued and despatched or, as the case may be, disseminated, by the Company to its Shareholders in due course, containing the necessary information to seek for the approvals required from its Shareholders for, *inter alia*, the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring, the Proposed Transfer Listing and the Proposed Rights Issue.

9. CAUTIONARY STATEMENT

- 9.1. Shareholders should note that the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring, the Proposed Transfer Listing and the Proposed Rights Issue remain subject to, amongst others, the fulfilment of the conditions precedent of each of the transactions (where applicable). **There is no certainty or assurance that the conditions precedent for the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring, the Proposed Transfer Listing and the Proposed Rights Issue can be fulfilled or that the Proposed Subscription, the Proposed Grant of Options, the Proposed Debt Restructuring, the Proposed Transfer Listing and the Proposed Rights Issue will be undertaken at all.**
- 9.2. Although the Shares are under suspension, Shareholders, stakeholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company and the Judicial Managers carefully. Shareholders are also advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders, stakeholders and potential investors of the Company should consult with their financial, tax or other advisers if they have any doubt about the actions they should take.

Oon Su Sun and Lin Yueh Hung
Joint and Several Judicial Managers
6 October 2023

The affairs, business and property of the Company are being managed by the Judicial Managers appointed by the High Court of Singapore. The Judicial Managers contract and only act as agents of the Company and disclaim all personal liability of any nature whatsoever for all matters arising out of, in connection with and in respect of the Judicial Management of the Company herein.

APPENDIX

	Prior to the Proposed Subscriber Transactions, the Proposed Debt Restructuring and the Proposed Transfer Listing ⁽¹⁾				Upon completion of the Proposed Subscriber Transactions, the Proposed Debt Restructuring the Proposed Transfer Listing ⁽²⁾				Upon completion of the Proposed Subscriber Transactions, the Proposed Debt Restructuring, the Proposed Transfer Listing and the full exercise of all the Options by the Subscribers ⁽³⁾			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
DIRECTORS												
Frankie Tan Ah Lam ⁽⁴⁾	3,319,500	1.1%	70,788,639	23.3%	3,319,500	0.1%	70,788,639	2.3%	3,319,500	0.1%	70,788,639	1.5%
Richard Tan Leau Kuee @ Tan Chow Kuee ⁽⁵⁾	-	-	70,788,639	23.3%	4,757,810	0.2%	70,788,639	2.3%	4,757,810	0.1%	70,788,639	1.5%
Tan Lian Chew	3,601,761	1.2%	-	-	3,601,761	0.1%	-	-	3,601,761	0.1%	-	-
John Chen Seow Phun	-	-	-	-	5,888,442	0.2%	-	-	5,888,442	0.1%	-	-
M. Rajaram	300,000	0.1%	-	-	4,820,552	0.2%	-	-	4,820,552	0.1%	-	-
Koh Kim Wah ⁽⁶⁾	-	-	278,000	0.1%	4,520,552	0.1%	278,000	0.0%	4,520,552	0.1%	278,000	0.0%
SUBSTANTIAL SHAREHOLDERS (OTHER THAN DIRECTORS)												
Tan Kuay Hoe Holdings Pte Ltd	70,788,639	23.3%	-	-	70,788,639	2.3%	-	-	70,788,639	1.5%	-	-
Cheng Bok Poh @ Chng Bok Poh ⁽⁷⁾	29,938,375	9.9%	7,086,440	2.3%	29,938,375	1.0%	7,086,440	0.2%	29,938,375	0.7%	7,086,440	0.2%
Goo Buik Bing @ Goh Guik Bing ⁽⁸⁾	7,086,440	2.3%	29,938,375	9.9%	7,086,440	0.2%	29,938,375	1.0%	7,086,440	0.2%	29,938,375	0.7%
OTHERS												
Subscribers – Vibrant	-	-	-	-	1,104,972,375	35.3%	-	-	2,209,944,750	48.0%	-	-
Subscribers – Tian Yuan	-	-	-	-	368,324,125	11.8%	-	-	736,648,250	16.0%	-	-
United Overseas Bank Limited	-	-	-	-	329,857,012	10.5%	-	-	329,857,012	7.2%	-	-

	Prior to the Proposed Subscriber Transactions, the Proposed Debt Restructuring and the Proposed Transfer Listing ⁽¹⁾				Upon completion of the Proposed Subscriber Transactions, the Proposed Debt Restructuring the Proposed Transfer Listing ⁽²⁾				Upon completion of the Proposed Subscriber Transactions, the Proposed Debt Restructuring, the Proposed Transfer Listing and the full exercise of all the Options by the Subscribers ⁽³⁾			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Asia Process Industries Pte Ltd ⁽⁹⁾	-	-	-	-	228,951,992	7.3%	-	-	228,951,992	5.0%	-	-
Other non-public	278,000	0.1%										
INCOMING DIRECTORS												
Khua Kian Hua ⁽¹⁰⁾	-	-	-	-	-	-	1,104,972,375	35.3%	-	-	2,209,944,750	48.0%
Tan Phuay Hung, Max	-	-	-	-	-	-	-	-	-	-	-	-
Piti Pramotedham	-	-	-	-	-	-	-	-	-	-	-	-
Tan Cher Liang	-	-	-	-	-	-	-	-	-	-	-	-
Ong Kim Huat	-	-	-	-	-	-	-	-	-	-	-	-
Non-public	115,312,715	38.0%			2,036,863,314	65.1%			3,510,159,814	76.2%		
Public	188,437,285	62.0%			1,093,774,346	34.9%			1,093,774,346	23.8%		
TOTAL	303,750,000	100.0%			3,130,637,660	100.0%			4,603,934,160	100.0%		

Notes:

(1) Based on the Existing Share Capital of 303,750,000 Shares, including nil treasury shares and subsidiary holdings.

(2) Based on the Enlarged Share Capital of 3,130,637,660 Shares, including nil treasury shares and subsidiary holdings, taking into consideration the allotment and issue of the

(a) Subscription Shares and (b) Settlement Shares.

- (3) Based on the Options Enlarged Share Capital of 4,603,934,160 Shares, including nil treasury shares and subsidiary holdings, taking into consideration the allotment and issue of the (a) Subscription Shares, (b) Settlement Shares and (c) Option Shares (based on the full exercise of all the Options by the Subscribers).
- (4) Mr. Frankie Tan Ah Lam is deemed to have an interest in the shares held by Tan Kuay Hoe Holdings Pte Ltd by virtue of Section 7 of the Companies Act.
- (5) Mr. Tan Leau Kuee @ Tan Chow Kuee is deemed to have an interest in the shares held by Tan Kuay Hoe Holdings Pte Ltd by virtue of Section 7 of the Companies Act.
- (6) Mr. Koh Kim Wah is deemed to have an interest in the shares held by his spouse, Mdm. Lee Hoon Hua.
- (7) Mr. Cheng Buck Poh @ Chng Bok Poh is deemed to have an interest in the shares held by his spouse, Mdm. Goo Guik Bing @ Goh Guik Bing.
- (8) Mdm. Goo Guik Bing @ Goh Guik Bing is deemed to have an interest in the shares held by her spouse, Mr. Cheng Buck Poh @ Chng Bok Poh.
- (9) Asia Process Industries Pte Ltd was placed under voluntary liquidation on 5 September 2020 and is one of the Scheme Creditors under the Scheme of Arrangement and will be allotted and issued 228,951,992 Settlement Shares under the Scheme of Arrangement. As Asia Process Industries Pte Ltd is currently in liquidation, the Company does not consider it a subsidiary as and therefore will not treat its shareholdings as subsidiary holdings.
- (10) It is the Subscribers' intention to refresh the entire board of directors of the Company with effect from completion of the Proposed Subscription and the Proposed Debt Restructuring, with one of the incoming directors being Mr. Khua Kian Hua, who is a 30.0% shareholder of Vibrant. Mr. Khua Kian Hua is deemed to have an interest in the shares held by Vibrant by virtue of Section 7 of the Companies Act.