

*This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada or Japan. This announcement is not an offer of securities for sale into the United States, Canada or Japan. The provisional allotments of Rights Shares (as defined below), the Rights Shares and the excess Rights Shares referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the Securities Act), except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States.*

**SEMBCORP MARINE LTD**

(Incorporated in the Republic of Singapore)

Company Registration No.: 196300098Z

**ANNOUNCEMENT**

**PROPOSED (A) RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE; AND  
(B) DISTRIBUTION *IN SPECIE* BY HOLDING COMPANY**

**1. INTRODUCTION**

**1.1** The directors (the "**Directors**") of Sembcorp Marine Ltd (the "**Company**") wish to announce that the Company proposes to undertake a renounceable underwritten rights issue (the "**Rights Issue**") of up to 10,463,723,020 new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S\$0.20 for each Rights Share (the "**Issue Price**") based on the Maximum Rights Issue Shares Scenario (as defined in paragraph 3.1 below), or up to 10,452,438,645 Rights Shares at the Issue Price based on the Minimum Rights Issue Shares Scenario (as defined in paragraph 3.1 below), on the basis of five (5) Rights Shares for every one (1) existing ordinary share in the capital of the Company ("**Company Shares**") held by Entitled Company Shareholders (as defined in paragraph 3.6 below) as at a time and date to be determined by the Directors at and on which the register of members and share transfer books of the Company will be closed to determine the provisional allotments of Rights Shares of Entitled Company Shareholders under the Rights Issue (the "**Record Date**"), fractional entitlements to be disregarded. The gross proceeds from the Rights Issue are expected to be approximately S\$2.1 billion.<sup>1</sup>

**1.2** The principal terms of the Rights Issue are summarised below:

**Issue Price** : S\$0.20 per Rights Share

**Discount (specifying benchmarks and periods)** : The Issue Price represents a discount of approximately:

(i) 31.0 per cent. to the theoretical ex-rights price of S\$0.290<sup>2</sup> per Company Share as calculated based on

<sup>1</sup> Where applicable, figures and percentages used in this announcement have been rounded to one decimal place for ease of reading.

<sup>2</sup> Such theoretical ex-rights price is the theoretical market price of each Company Share assuming the completion of the Rights Issue, and is calculated based on the volume weighted average price of the Company Shares over the five-day period up to and including the Last Trading Day of S\$0.740, and the number of Company Shares following the completion of the Rights Issue assuming the Minimum Rights Issue Shares Scenario.

the volume weighted average price of the Company Shares on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) over the five-day period up to and including 3 June 2020, being the last trading day on which trades were done on the Company Shares prior to this announcement (the “**Last Trading Day**”) of S\$0.740 (the “**5-Day VWAP**”) <sup>3</sup>;

- (ii) 35.1 per cent. to the theoretical ex-rights price of S\$0.308<sup>4</sup> per Company Share as calculated based on the last transacted price of the Company Shares on the Main Board of the SGX-ST of S\$0.850 on the Last Trading Day; and
- (iii) 76.5 per cent. to the last transacted price of the Company Shares on the Main Board of the SGX-ST of S\$0.850 on the Last Trading Day.

The Issue Price and discounts have been determined after taking into account precedent transactions, the transaction size and discussions with the Financial Adviser, Lead Manager and Underwriter (as defined in paragraph 1.4 below).

- Allotment Ratio** : Five (5) Rights Shares for every one (1) existing Company Share held by Entitled Company Shareholders as at the Record Date, fractional entitlements to be disregarded
- Use of Proceeds** : Please refer to paragraph 3.2 below
- Purpose of Issue** : Please refer to paragraph 3.2 below
- Size of Rights Issue** : Please refer to paragraph 3.1 below
- Gross Proceeds** : Approximately S\$2.1 billion
- Previous Equity Fund Raising** : The Company has not undertaken any equity fund raising in the past 12 months prior to the date of this announcement
- Underwriting** : The Rights Issue will be underwritten. Please refer to paragraphs 3.4 and 3.5 below.

**1.3** The Rights Issue is subject to, *inter alia*, the approval of shareholders of the Company (“**Company Shareholders**”) at an extraordinary general meeting (the “**Company EGM**”) to be convened by the Company and the receipt of applicable approvals from the SGX-ST.

---

<sup>3</sup> The Issue Price represents a discount of approximately 73.0 per cent. to the 5-Day VWAP.

<sup>4</sup> Such theoretical ex-rights price is the theoretical market price of each Company Share assuming the completion of the Rights Issue, and is calculated based on the last transacted price of the Company Shares on the Main Board of the SGX-ST of S\$0.850 on the Last Trading Day, and the number of Company Shares following the completion of the Rights Issue assuming the Minimum Rights Issue Shares Scenario.

- 1.4** The Company has appointed DBS Bank Ltd. as the sole financial adviser, lead manager and underwriter for the Rights Issue (the “**Financial Adviser, Lead Manager and Underwriter**”), pursuant to the terms of an underwriting and management agreement entered into between the Company and the Financial Adviser, Lead Manager and Underwriter on 8 June 2020 (the “**Underwriting and Management Agreement**”).
- 1.5** Sembcorp Industries Ltd (“**SCI**”), the holding company of the Company, is concurrently proposing a distribution in specie of all of its Company Shares (the “**Proposed Distribution**”) to shareholders of SCI (“**SCI Shareholders**”) on a *pro rata* basis to be undertaken after the completion of the Rights Issue. The Proposed Distribution will be subject to, *inter alia*, the approval of the Whitewash Resolution (as defined in paragraph 5.1(i)(a) below) by a majority of Company Shareholders by way of a poll at the Company EGM pursuant to the Singapore Code on Take-overs and Mergers (the “**Code**”). The Rights Issue and the Proposed Distribution (collectively, the “**Transaction**”) are inter-conditional upon each other and subject to, *inter alia*, the Rights Issue and the Whitewash Resolution being approved by the Company Shareholders and the Distribution Resolution (as defined in paragraph 3.9.3(iii) below) being approved by SCI Shareholders. Further information on the Proposed Distribution and the Whitewash Resolution is set out in paragraphs 4 and 5 below.

## **2. RATIONALE FOR THE TRANSACTION**

### **2.1 Industry Context and Background**

The Offshore and Marine industry has seen a prolonged and severe downturn since 2015 due to profound structural changes in the energy industry and intensifying international competition. In the three years prior to the downturn, the Company and its subsidiaries (the “**Group**”) earned healthy pre-tax profits of over S\$600 million per year, on the back of strong order books for drilling rigs and other major offshore projects. Since then, with reduced order books, the Group’s financial performance has suffered a steep slide, resulting in pre-tax losses of S\$16 million in 2017, S\$101 million in 2018 and S\$177 million in 2019. This puts significant pressure on the Group’s liquidity and working capital requirements.

In July 2019, SCI injected S\$1.5 billion in cash into the Group via a Subordinated Loan (as defined and further described in paragraph 3.2 below) to strengthen the Group’s financial position. The Subordinated Loan was used to retire around S\$1.5 billion of borrowings to improve the Group’s balance sheet.

In 2020, having positioned itself for recovery, the Group was unexpectedly hit by the COVID-19 pandemic and the sudden collapse in oil prices. This has led to massive capital expenditure cuts by oil and gas companies and deferrals of investment decisions. The Government’s COVID-19 directives to temporarily stand down yard activities have caused project execution delays. COVID-19 has also disrupted supply chains and added further serious uncertainties going forward. With new orders likely to remain depressed for a prolonged period, the Group now foresees that recovery will be pushed out further to 2021 and beyond.

These developments have hit the Group’s operating cash flows and financial situation. The Group has taken steps to right-size its resources in response to the business outlook, and deferred all non-essential capital expenditure. However, these measures will not be sufficient.

The Group's cash flow and financial flexibility continue to be impacted by the worsening market dynamics and outlook. The Group urgently needs to recapitalise, address liquidity requirements, and strengthen its balance sheet.

## **2.2 S\$2.1 billion Recapitalisation: Strengthening Liquidity and Balance Sheet**

The Board of Directors of the Company has considered various financing options and believes that an equity rights issue at this point is critically needed to maintain sufficient liquidity to ride out the current industry downturn. The key aim of the S\$2.1 billion Rights Issue is to strengthen the Company's balance sheet and improve its liquidity position by converting the S\$1.5 billion Subordinated Loan (as defined in paragraph 3.2 below) into equity in the Company and to raise additional cash of approximately S\$0.6 billion to fund its ongoing operations.

To ensure deal certainty, the Rights Issue is "backstopped" (i.e. supported) by an undertaking from SCI to subscribe for up to S\$1.5 billion of the Rights Shares, with the remaining S\$0.6 billion fully backstopped by Temasek Holdings (Private) Limited ("**Temasek**") via the Sub-Underwriting Agreement (as defined in paragraph 3.5 below) entered into between its wholly-owned subsidiary, Startree Investments Pte. Ltd. ("**Startree**")<sup>5</sup> and the Financial Adviser, Lead Manager and Underwriter (as further described in paragraphs 3.3 to 3.5 below). Under the terms of the Sub-Underwriting Agreement, no sub-underwriting fees will be paid to Temasek or Startree.

Post the Rights Issue, the Group's net gearing as at 31 December 2019 will be reduced from 1.82x to 0.45x on a pro forma basis, and its cash position will be improved by approximately S\$0.6 billion. The settlement of the Subordinated Loan as consideration for SCI's undertaking (as further described in paragraph 3.3 below) will deleverage the Group and reduce its interest expense.

If approved, the Rights Issue will improve the Group's cash position, fund ongoing commitments, strengthen its balance sheet, help compete for new high-value projects and ensure long-term viability.

## **2.3 De-merger of the Group and SCI via Distribution *In Specie***

Following the Rights Issue and settlement of the Subordinated Loan, SCI proposes to effect a de-merger of its core businesses from its Marine interests through the Proposed Distribution of its shareholding in the Company. SCI Shareholders will hence own the Company Shares directly, in addition to their existing ordinary shares in the capital of SCI ("**SCI Shares**").

Because of changing industry dynamics and reduced synergies between SCI and the Group, a clean separation will create two separate, focused companies. Post separation, the Group will be in a stronger position to achieve further sustainable growth.

As a result of the Proposed Distribution, Temasek (which is currently the single largest shareholder of SCI), will become a direct shareholder of the Company with a stake of more

---

<sup>5</sup> The Rights Shares to be subscribed for under the Sub-Underwriting Agreement will be subscribed for by Startree or one or more Temasek Companies (as defined in paragraph 3.5 below). Please refer to paragraph 3.5 for further details of the Sub-Underwriting Agreement.

than 29 per cent. As Temasek may hold more than 30 per cent. of the Company as a result of the Proposed Distribution, the approval by Company Shareholders of the Whitewash Resolution is required to waive their rights to receive a mandatory take-over offer from Temasek. The Rights Issue and the Proposed Distribution are inter-conditional upon each other. The Financial Adviser, Lead Manager and Underwriter's underwriting, and consequently, Temasek's sub-underwriting<sup>5</sup> of S\$0.6 billion of the Rights Issue is also subject to and conditional upon, *inter alia*, the Rights Issue and Whitewash Resolution being approved by the Company Shareholders.

## **2.4 Summary of Benefits to the Company Shareholders**

In summary, the Company Shareholders will benefit from the Rights Issue in the following ways:

- (i) the Group will strengthen its liquidity position and balance sheet, enabling it to execute its existing projects and compete for high-value projects going forward;
- (ii) the demerger with SCI will enable the Group to pursue a focused strategy and build further its core engineering and execution capabilities;
- (iii) the Group will have a strong long-term future as a global leader in innovative engineering solutions for the Offshore and Marine and energy industries, with an increasing focus on clean energy; and
- (iv) following the Proposed Distribution, the Company will have Temasek as a direct and significant shareholder.

## **3. THE RIGHTS ISSUE**

### **3.1 Size of Rights Issue**

As at the date of this announcement, the issued share capital of the Company (excluding treasury shares) comprises 2,090,487,729 Company Shares (the "**Existing Share Capital**"). In addition:

- (i) pursuant to the Restricted Share Plan approved and adopted by the Company Shareholders on 20 April 2010 ("**Company RSP**"), there are awards in respect of 2,274,620 Company Shares outstanding (including awards achieved but not released), of which awards in respect of up to 1,323,508 Company Shares may be released on or prior to the Record Date; and
- (ii) up to 933,367 Company Shares may be allotted and issued for the payment of Directors' fees on or prior to the Record Date.

Based on the Existing Share Capital and assuming that, on or prior to the Record Date: (a) awards in respect of 1,323,508 Company Shares are released under the Company RSP; and (b) 933,367 Company Shares are allotted and issued for the payment of Directors' fees, the issued share capital of the Company (excluding treasury shares) will increase to 2,092,744,604 Company Shares and the Company will allot and issue up to 10,463,723,020 Rights Shares under the Rights Issue (the "**Maximum Rights Issue Shares Scenario**").

Based on the Existing Share Capital and assuming that, on or prior to the Record Date, no awards under the Company RSP are released and no Company Shares are allotted and issued for the payment of Directors' fees, the Company will allot and issue up to 10,452,438,645 Rights Shares under the Rights Issue (the "**Minimum Rights Issue Shares Scenario**").

### **3.2 Use of Proceeds**

Under both the Maximum Rights Issue Shares Scenario and the Minimum Rights Issue Shares Scenario, the estimated amount of the gross proceeds from the Rights Issue is approximately S\$2.1 billion.

The Company intends to utilise the proceeds from the Rights Issue for the following purposes:

<b>Purpose</b>	<b>Amount</b>	<b>Percentage of Proceeds</b>
To repay (including by way of set off in the manner described in paragraph 3.3 below) the outstanding principal of S\$1.5 billion on the subordinated credit facility granted to Sembcorp Marine Financial Services Pte. Ltd. (a subsidiary of the Company) (" <b>SMFS</b> ") by Sembcorp Financial Services Pte. Ltd. (a subsidiary of SCI) (" <b>SFS</b> ") in June 2019 (as supplemented and amended from time to time) (the " <b>Subordinated Credit Facility</b> ")	S\$1.5 billion	Approximately 72%
Working capital and general corporate purposes, including debt servicing	S\$0.6 billion	Approximately 28%
<b>Total</b>	<b>S\$2.1 billion</b>	<b>100%</b>

In this regard, in June 2019, SFS entered into the Subordinated Credit Facility with SMFS as borrower and the Company as guarantor, pursuant to which SFS provided SMFS with a five-year subordinated loan of S\$2 billion, of which S\$1.5 billion has been drawn down by SMFS as at the date of this announcement (the "**Subordinated Loan**"). On 4 June 2020, SFS and SMFS agreed to, *inter alia*, extend the availability period for the balance principal amount of S\$0.5 billion which remains undrawn. To facilitate the set off arrangements in respect of SCI's subscription and payment in full for the Undertaking Rights Shares (as defined in paragraph 3.3 below) pursuant to the terms of the Undertaking Agreement (as defined and further described in paragraph 3.3 below) and the separation of the Company from SCI and its subsidiaries following the Proposed Distribution, SCI, SFS, the Company and SMFS have entered into a deed of amendment (the "**Subordinated Credit Facility Deed of Amendment**"), pursuant to which SCI, SFS, the Company and SMFS have agreed, *inter alia*, that subject to and conditional upon the terms of the Subordinated Credit Facility Deed of Amendment:

- (i) SFS will novate all of its rights, title, interests, duties and obligations under or in connection with the Subordinated Credit Facility to SCI and SMFS will novate all of its rights, title, interests, duties and obligations under or in connection with the Subordinated Credit Facility to the Company (the “**Novation**”);
- (ii) the terms of the Subordinated Credit Facility will be amended to cancel the availability of the balance commitment of S\$0.5 billion available to be drawn down under the Subordinated Credit Facility (the “**Cancellation**”); and
- (iii) the Company shall, on a date falling on or prior to the fifth business day after the date on which the Company receives the cash proceeds from the Rights Issue and the Rights Shares are issued (or such other date as may be agreed between the parties to the Subordinated Credit Facility Deed of Amendment) (the “**Loan Repayment Date**”), utilise either the cash proceeds from the Rights Issue or its available cash balances to repay all and any outstanding principal amounts under the Subordinated Credit Facility and all interest on the principal amount of the Subordinated Loan accrued and unpaid up to the Loan Repayment Date, as well as all other amounts acknowledged and agreed to be repaid by the Company to SCI as set out in the Subordinated Credit Facility Deed of Amendment, which have not been settled or otherwise repaid on or prior to the Loan Repayment Date.

The terms of the Subordinated Credit Facility Deed of Amendment (including the Novation and the Cancellation) shall be subject to and conditional upon, and shall only become effective, upon the satisfaction or waiver (as the case may be) of, *inter alia*, the Rights Issue Conditions (as defined in paragraph 3.9.3 below) and the Closing Date (as defined in paragraph 3.3 below) having occurred.

Pending the deployment of the proceeds from the Rights Issue, the proceeds may be deposited with banks and/or financial institutions as the Directors may deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the proceeds from the Rights Issue, as the funds from the Rights Issue are materially disbursed and provide a status report on the use of the proceeds from the Rights Issue in the Company's annual report, in accordance with the rules of the Listing Manual of the SGX-ST (the “**SGX-ST Listing Manual**”).

### **3.3 Irrevocable Undertaking**

As at the date of this announcement, SCI has a direct interest in an aggregate of 1,274,270,764 Company Shares, representing approximately 61.0 per cent. of the Existing Share Capital (the “**Relevant Company Shares**”).

SCI has entered into an undertaking agreement with the Company on 8 June 2020 (the “**Undertaking Agreement**”) pursuant to which it has irrevocably undertaken to, *inter alia*:

- (i) subscribe and pay in full for its *pro rata* entitlement under the Rights Issue in relation to the Relevant Company Shares (the “**Pro Rata Rights Shares**”); and

- (ii) subscribe and pay in full for, or procure the subscription and payment in full of Excess Rights Shares<sup>6</sup>, provided that the value for such Excess Rights Shares shall not, based on the Issue Price, exceed an amount equivalent to the difference between (A) the Pro Rata Rights Shares multiplied by the Issue Price; and (B) S\$1.5 billion.

SCI will satisfy its obligations set out in paragraphs 3.3(i) and 3.3(ii) above by submitting an application, on or prior to the last day for acceptance of and/or excess application and payment for the Rights Shares in accordance with the terms and conditions of the Rights Issue (the “**Closing Date**”), to subscribe for (a) the Pro Rata Rights Shares and (b) such number of Excess Rights Shares equivalent to the difference between (1) S\$1.5 billion divided by the Issue Price and (2) the Pro Rata Rights Shares.

Applications for the Excess Rights Shares by SCI shall rank in priority after allocations of excess Rights Shares to other Company Shareholders.

Pursuant to the terms of the Undertaking Agreement, SCI and the Company have also agreed that:

- (a) the aggregate Issue Price payable by SCI for the Pro Rata Rights Shares and any Excess Rights Shares (collectively, the “**Undertaking Rights Shares**”) shall not at any time exceed S\$1.5 billion (representing up to 7,500,000,000 Rights Shares);
- (b) the Company shall, on or prior to the Loan Repayment Date, utilise either the cash proceeds from the Rights Issue or its available cash balances to repay all and any outstanding principal amounts under the Subordinated Credit Facility and all interest on the principal amount of the Subordinated Loan accrued and unpaid up to the Loan Repayment Date, as well as all other amounts acknowledged and agreed to be repaid by the Company to SCI as set out in the Subordinated Credit Facility Deed of Amendment, which have not been settled or otherwise repaid on or prior to the Loan Repayment Date;
- (c) consistent with the use of proceeds from the Rights Issue, SCI’s obligation to pay the aggregate Issue Price for the Undertaking Rights Shares shall be set off against an equivalent amount of the principal amount outstanding and due and owing to SCI by the Company under the Subordinated Credit Facility following the Novation;
- (d) no commission or fee will be payable by the Company to SCI in connection with SCI’s undertakings under the Undertaking Agreement; and
- (e) to the extent not prohibited under applicable laws and regulations (including the SGX-ST Listing Manual), SCI irrevocably undertakes to the Company that it shall vote or procure the voting of all the Relevant Company Shares in favour of the resolution to approve the Rights Issue and the allotment and issuance of the Rights Shares at the Company EGM.

The undertakings of SCI and the agreements between SCI and the Company pursuant to the Undertaking Agreement are subject to and conditional upon, *inter alia*:

---

<sup>6</sup> “**Excess Rights Shares**” means the Rights Shares represented by provisional allotments of Rights Shares not accepted (whether by the persons to which the Rights Shares are provisionally allotted or by the purchasers of “nil-



- (1) the Rights Issue Conditions;
- (2) the entry into the Subordinated Credit Facility Deed of Amendment by SCI, SFS, the Company and SMFS, and the Subordinated Credit Facility Deed of Amendment (including the Novation) not having been terminated and remaining in full force and effect; and
- (3) all other third party approvals or consents which SCI or the Company reasonably determines are necessary to implement the Rights Issue and the Proposed Distribution, having been obtained either unconditionally or on conditions satisfactory to SCI and the Company acting reasonably and not having been withdrawn or revoked.

As SCI holds more than 50 per cent. of the Company Shares in issue, the obligations under the Undertaking Agreement will not trigger an obligation under the Code to make a general offer for the Company Shares.

### **3.4 Underwriting of the Rights Issue**

The Financial Adviser, Lead Manager and Underwriter has agreed to underwrite up to 2,963,723,020 Rights Shares (which excludes the Undertaking Rights Shares) (the “**Underwritten Rights Shares**”), at the Issue Price on the terms and subject to the conditions of the Underwriting and Management Agreement.

Pursuant to the Underwriting and Management Agreement, the Company will pay the Financial Adviser, Lead Manager and Underwriter an underwriting commission of 0.15 per cent. of the Issue Price multiplied by the Underwritten Rights Shares.

### **3.5 Sub-Underwriting**

Startree, a wholly-owned subsidiary of Temasek, has entered into a sub-underwriting agreement on 8 June 2020 (the “**Sub-Underwriting Agreement**”) with the Financial Adviser, Lead Manager and Underwriter pursuant to which it has agreed, on the terms and subject to the conditions of the Sub-Underwriting Agreement, to subscribe, or procure one or more Temasek Companies<sup>7</sup> to subscribe for up to 2,963,723,020 Underwritten Rights Shares (the entity(ies) that will be subscribing for such Underwritten Rights Shares, the “**Relevant Temasek Entity**”) to the extent that such Rights Shares are not successfully subscribed for under the Rights Issue, where such successful subscriptions shall include valid acceptances for provisional allotments of Rights Shares and valid subscriptions for excess Rights Shares, provided always that the aggregate subscription amount for such Rights Shares shall not at any time exceed S\$0.6 billion.

Under the terms of the Sub-Underwriting Agreement, no sub-underwriting fees will be paid to Temasek or Startree.

---

paid” rights), taken up or allotted for any reason and the fractional provisional allotments of Rights Shares not allotted in accordance with the terms of the Rights Issue.

<sup>7</sup> “**Temasek Companies**” means Temasek’s direct and indirect wholly-owned subsidiaries whose boards of directors or equivalent governing bodies comprise employees or nominees of (i) Temasek; (ii) Temasek Pte Ltd (“**TPL**”); and/or (iii) wholly-owned subsidiaries of TPL.

As a result of the entry into the Undertaking Agreement, the Underwriting and Management Agreement and the Sub-Underwriting Agreement, all of the Rights Shares to be allotted and issued by the Company under the Rights Issue will be fully subscribed and paid for.

### **3.6 Eligibility of Company Shareholders to Participate in the Rights Issue**

The Company proposes to provisionally allot by way of rights to all Company Shareholders who are eligible to participate in the Rights Issue ("**Entitled Company Shareholders**"), which comprise Entitled Depositors and Entitled Scripholders (each as defined below).

Company Shareholders whose Company Shares are registered in the name of The Central Depository (Pte) Limited ("**CDP**") and whose securities accounts ("**Securities Accounts**") with CDP are credited with Company Shares as at 5.00 p.m. (Singapore time) on the Record Date ("**Depositors**") will be provisionally allotted entitlements to the Rights Shares on the basis of the number of Company Shares standing to the credit of their Securities Accounts with CDP as at the Record Date. "**Entitled Depositors**" are Depositors whose registered addresses with CDP are in Singapore as at the Record Date or who have, at least three market days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents.

Duly completed and stamped transfers (in respect of Company Shares not registered in the name of CDP) together with all relevant documents of title received up to 5.00 p.m. (Singapore time) on the Record Date by the Company's Share Registrar, KCK CorpServe Pte. Ltd. at 333 North Bridge Road, #08-00 KH Kea Building, Singapore 188721 will be registered to determine the provisional entitlements to Rights Shares of the transferee (a "**Scripholder**", which term shall include a person who is registered as a holder of Company Shares and whose share certificates are not deposited with CDP) under the Rights Issue. "**Entitled Scripholders**" are Scripholders whose registered addresses with the Company are in Singapore as at the Record Date or who have, at least three market days prior to the Record Date, provided the Company's Share Registrar with addresses in Singapore for the service of notices and documents.

For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the rights to the Rights Shares will **NOT** be offered to Company Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three market days prior to the Record Date, provided CDP or the Company's Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents, subject to certain limited exceptions and/or unless otherwise reasonably determined by the Directors that the Rights Shares may be offered based on applicable securities legislation ("**Foreign Shareholders**"). Entitlements to provisional allotments of Rights Shares which would otherwise accrue to Foreign Shareholders will, if practicable, be sold "nil-paid" on the SGX-ST after dealings in the provisional allotments of Rights Shares commence, and the net proceeds arising therefrom will be dealt with in accordance with the terms set out in the offer information statement to be issued for the Rights Issue (the "**Offer Information Statement**").

Entitlements to subscribe for the Rights Shares will be renounceable and are expected to be tradeable on the Main Board of the SGX-ST over a period to be determined by the Directors in compliance with the rules of the SGX-ST Listing Manual. Entitled Company Shareholders will be at liberty to accept, decline, renounce or trade, in whole or in part, their provisional

allotments of the Rights Shares and will be eligible to apply for Rights Shares in excess of their respective provisional allotments under the Rights Issue.

Entitlements which are not allotted or taken up for any reason (including any fractional entitlements to the Rights Shares) will be aggregated and used to satisfy applications, if any, for excess Rights Shares or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

The terms and conditions of the Rights Issue are subject to such changes as the Directors, after consultation with the Financial Adviser, Lead Manager and Underwriter, may deem appropriate. The final terms and conditions of the Rights Issue will be contained in the Offer Information Statement to be despatched or, as the case may be, disseminated by the Company to Entitled Company Shareholders in due course.

### **3.7 Pro Forma Financial Effects of the Rights Issue**

For illustrative purposes only, the pro forma financial effects of the Rights Issue on the Group are set out in the Appendix to this announcement.

**The pro forma financial effects are for illustrative purposes only and do not reflect the actual financial position of the Group after the Rights Issue.**

### **3.8 Statement of the Directors**

The Directors are of the opinion that after taking into consideration the Group's present bank facilities and the net proceeds from the Rights Issue, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Rights Issue will strengthen the financial position and capital base of the Group. The Rights Issue will also provide the Company Shareholders with an opportunity to maintain their equity participation in the Company. For the reasons outlined in paragraph 2 above, the Directors believe the Rights Issue is in the interest of the Group.

### **3.9 Approvals**

#### **3.9.1 Listing Approval**

The Rights Issue is subject to the approval in-principle from the SGX-ST for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST. An application will be made to the SGX-ST for permission to deal in and for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST.

#### **3.9.2 Offer Information Statement**

The Rights Issue is subject to the lodgment of the Offer Information Statement together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Rights Issue, by the Company with the Monetary Authority of Singapore ("**MAS**").

#### **3.9.3 Other Approvals**

The Rights Issue and the Proposed Distribution will be inter-conditional upon each other, and apart from the approvals described above, the Rights Issue will also be subject to and conditional upon, *inter alia*, the satisfaction of the following conditions precedent (the “**Rights Issue Conditions**”):

- (i) the Rights Issue, including the allotment and issuance of the Rights Shares pursuant to the Rights Issue, and the Whitewash Resolution being approved by the Company Shareholders at the Company EGM;
- (ii) the Whitewash Waiver (as defined in paragraph 5.1 below) having been granted by the Securities Industry Council (“**SIC**”) on terms satisfactory to Temasek, SCI and the Company and not having been withdrawn, revoked or amended, and all conditions to which the Whitewash Waiver is subject having been fulfilled;
- (iii) the approval of the SCI Shareholders at the extraordinary general meeting of SCI (“**SCI EGM**”) for the Proposed Distribution (the “**Distribution Resolution**”); and
- (iv) all other necessary waivers, consents and approvals from, *inter alia*, the SGX-ST and other third parties in connection with the Rights Issue and the Proposed Distribution having been obtained.

Where appropriate, further details will be disclosed in subsequent announcements.

### **3.10 General**

The terms and conditions of the Rights Issue are subject to such changes as the Directors, after consultation with the Financial Adviser, Lead Manager and Underwriter, may deem appropriate. Further details of the Rights Issue will be made available in the Offer Information Statement to be despatched or, as the case may be, disseminated to Entitled Company Shareholders, or will be disclosed in subsequent announcements in due course.

### **3.11 Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore**

The provisional allotments of Rights Shares and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## **4. THE PROPOSED DISTRIBUTION**

### **4.1 Method of Distribution**

Following the completion of the Rights Issue, SCI proposes to undertake the Proposed Distribution, as set out in the announcement by SCI made on the date of this announcement. The Proposed Distribution, which will be subject to, *inter alia*, the approval of the SCI Shareholders, will be effected by way of a distribution *in specie* to SCI Shareholders *pro rata* to their respective shareholdings in SCI. SCI Shareholders who hold SCI Shares as at a time and date to be determined by the board of directors of SCI for the purposes of determining

SCI Shareholders' entitlements under the Proposed Distribution (the "**SCI Record Date**"), will be entitled to the Proposed Distribution ("**Entitled SCI Shareholders**").

Please refer to the announcement released by SCI on 8 June 2020 in relation to, *inter alia*, the Proposed Distribution for further information on the Proposed Distribution.

#### **4.2 Distribution Ratio**

The number of Company Shares to be distributed by SCI pursuant to the Proposed Distribution is subject to the number of Company Shares held by SCI following completion of the Rights Issue.

For illustrative purposes only, assuming that, as at the SCI Record Date, SCI holds the Relevant Company Shares and:

- (i) all Rights Shares are subscribed for by the Company Shareholders and investors such that SCI is not required pursuant to the Undertaking Agreement to subscribe for any Excess Rights Shares and subscribes only for the Pro Rata Rights Shares, SCI's resultant holding in the Company, and the number of Company Shares to be distributed following completion of the Rights Issue will be 7,645,624,584, and assuming further that the number of SCI Shares in issue as at the SCI Record Date is 1,786,708,391 (excluding 1,972,802 treasury shares and assuming the vesting and release of 1,133,461 SCI Shares under 10,156,157 outstanding performance share awards and restricted share awards granted pursuant to the SCI Performance Share Plan ("**SCI PSP**") and the SCI Restricted Share Plan ("**SCI RSP**") on or prior to the SCI Record Date), the Proposed Distribution will be effected on the basis of 427 Company Shares for every 100 SCI Shares held by Entitled SCI Shareholders at the SCI Record Date, fractional entitlements to be disregarded; and
- (ii) other than SCI which subscribes for the Pro Rata Rights Shares, no Company Shareholder or investor subscribes for any Rights Shares such that SCI is required pursuant to the Undertaking Agreement to subscribe for the Undertaking Rights Shares, SCI's resultant holding in the Company, and the number of Company Shares to be distributed following completion of the Rights Issue will be 8,774,270,764, and assuming further that the number of SCI Shares in issue as at the SCI Record Date is 1,785,574,930 SCI Shares (excluding 1,972,802 treasury shares and no SCI Shares vest and are released under 10,156,157 outstanding performance share awards and restricted share awards granted pursuant to the SCI PSP and the SCI RSP on or prior to the SCI Record Date), the Proposed Distribution will be effected on the basis of 491 Company Shares for every 100 SCI Shares held by Entitled SCI Shareholders at the SCI Record Date, fractional entitlements to be disregarded.

#### **4.3 Effects of the Proposed Distribution**

On completion of the Proposed Distribution, SCI will have distributed all of its holdings of Company Shares. The Company will cease to be a subsidiary of SCI and SCI Shareholders will hold listed shares in both SCI and the Company.

**For the avoidance of doubt, there will be no change to the issued and paid-up share capital of the Company or to the number of SCI Shares held by each SCI Shareholder as a result of the Proposed Distribution.**

#### **4.4 Conditions to the Proposed Distribution**

The Proposed Distribution is subject to and conditional upon, *inter alia*, the following:

- (i) the approval of the Company Shareholders at the Company EGM for the Rights Issue and the Whitewash Resolution;
- (ii) the Whitewash Waiver having been granted by the SIC on terms satisfactory to Temasek, SCI and the Company, and not having been withdrawn, revoked or amended and all conditions to which the Whitewash Waiver is subject having been fulfilled;
- (iii) the approval of the SCI Shareholders at the SCI EGM for the Proposed Distribution;
- (iv) all other necessary waivers, consents and approvals from, *inter alia*, the SGX-ST and other third parties in connection with the Rights Issue and the Proposed Distribution having been obtained; and
- (v) the closing of the Rights Issue having occurred and the allotment and issuance of the Rights Shares.

**The Proposed Distribution and the Rights Issue are inter-conditional. In the event that the Company Shareholders do not approve the Rights Issue and/or the Whitewash Resolution, or the SCI Shareholders do not approve the Proposed Distribution, neither the Rights Issue nor the Proposed Distribution will proceed. In the event that the Rights Issue does not proceed or the Rights Shares are not allotted and issued, the Proposed Distribution will not proceed.**

**Pursuant to the Undertaking Agreement, SCI has given an undertaking to, *inter alia*, vote or procure the voting of all the Relevant Company Shares in favour of the resolution to approve the Rights Issue and the allotment and issuance of the Rights Shares at the Company EGM.**

#### **5. WHITEWASH WAIVER FOR THE TRANSACTION**

As at 5 June 2020, being the latest practicable date of this announcement (“**Latest Practicable Date**”), based on information available to Temasek:

- (i) Temasek and Startree, its wholly-owned subsidiary, hold interest in an aggregate of 880,600,328<sup>8</sup> SCI Shares, representing approximately 49.3 per cent. of the SCI Shares in issue<sup>9</sup>. Temasek is also deemed interested in 844,275 SCI Shares held by DBS Group Holdings Limited (“**DBS Group**”), as reported to Temasek by DBS Group, an independently-managed operating company of Temasek; and

<sup>8</sup> Temasek holds 871,200,328 SCI Shares directly, while the balance 9,400,000 SCI Shares are held through Startree.

<sup>9</sup> Calculated based on 1,785,574,930 SCI Shares in issue (excluding 1,972,802 treasury shares) as at Latest Practicable Date and rounded to the nearest one decimal place.

- (ii) Temasek also has a deemed interest in an aggregate of 1,274,271,521 Company Shares, representing approximately 61.0 per cent. of the issued share capital of the Company<sup>10</sup>, comprising 1,274,270,764 Company Shares held by SCI and 757 Company Shares held by DBS Group, as reported to Temasek by DBS Group, an independently-managed operating company of Temasek.

In the interests of confidentiality, Temasek has not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert with Temasek in relation to the Proposed Distribution. Further enquiries will be made of such persons after the date of this announcement and the relevant disclosures will be made in the Company Circular (as defined in paragraph 5.1(i)(d) below).

**Temasek Minimum Resultant Holding after the Rights Issue and the Proposed Distribution.** Assuming that:

- (a) there is no change in the number of SCI Shares in which Temasek has an interest;
- (b) the size of the Rights Issue is the Maximum Rights Issue Shares Scenario;
- (c) all Rights Shares are subscribed for by the Company Shareholders and investors such that SCI subscribes only for the Pro Rata Rights Shares and not any Excess Rights Shares and the Relevant Temasek Entity is not required pursuant to the Sub-Underwriting Agreement to subscribe for any Underwritten Rights Shares;
- (d) there is no subscription of Rights Shares by DBS Group for its pro rata entitlement under the Rights Issue; and
- (e) the number of SCI Shares in issue as at the SCI Record Date is 1,786,708,391 (excluding 1,972,802 treasury shares and assuming the vesting and release of 1,133,461 SCI Shares under 10,156,157 outstanding performance share awards and restricted share awards granted pursuant to the SCI PSP and the SCI RSP on or prior to the SCI Record Date),

Temasek and its wholly-owned subsidiaries (including the Relevant Temasek Entity but excluding independently-managed operating companies) (collectively, the “**Temasek Group**”) would hold in aggregate 3,760,163,400 Company Shares<sup>11</sup>, representing approximately 29.9 per cent. of the Company Shares in issue immediately following the Rights Issue and the Proposed Distribution.

**Temasek Maximum Resultant Holding after the Rights Issue and the Proposed Distribution.** Assuming that:

- (a) there is no change in the number of SCI Shares in which Temasek has an interest;
- (b) the size of the Rights Issue is the Maximum Rights Issue Shares Scenario;

---

<sup>10</sup> Calculated based on 2,090,487,729 Company Shares in issue (excluding 416,840 treasury shares) as at the Latest Practicable Date and rounded to the nearest one decimal place.

<sup>11</sup> The number of Company Shares which Temasek would hold a direct and deemed interest in, including the Company Shares held by DBS Group, would be 3,763,769,211, representing approximately 30.0 per cent. of the Company Shares in issue (excluding treasury shares) immediately following the Rights Issue and the Proposed Distribution.

- (c) other than SCI which subscribes for the Pro Rata Rights Shares, no Company Shareholder or investor subscribes for any Rights Shares such that SCI is required pursuant to the Undertaking Agreement to subscribe for all of the Undertaking Rights Shares;
- (d) the Relevant Temasek Entity is required pursuant to the Sub-Underwriting Agreement to subscribe for all the Underwritten Rights Shares;
- (e) there is no subscription of Rights Shares by DBS Group for its pro rata entitlement under the Rights Issue; and
- (f) the number of SCI Shares in issue as at the SCI Record Date is 1,785,574,930 SCI Shares (excluding 1,972,802 treasury shares and no SCI Shares vest and are released under 10,156,157 outstanding performance share awards and restricted share awards granted pursuant to the SCI PSP and the SCI RSP on or prior to the SCI Record Date),

the Temasek Group would hold in aggregate 7,287,470,630 Company Shares<sup>12</sup>, representing approximately 58.0 per cent. of the Company Shares in issue immediately following the Rights Issue and the Proposed Distribution.

## **5.1 Whitewash Waiver**

As Temasek and parties acting in concert with it in relation to the Proposed Distribution (the “**Temasek Concert Party Group**”) may acquire or consolidate effective control of the Company as a result of the Proposed Distribution, a ruling from the SIC has been sought and SIC has confirmed that the Temasek Concert Party Group will be exempted from the requirement to make a general offer for all the Company Shares under Rule 14 of the Code as a result of the Proposed Distribution (the “**Whitewash Waiver**”), subject to the following conditions being satisfied:

- (i) in respect of the Company:
  - (a) a majority of the Company Shareholders approving at the Company EGM before the Proposed Distribution, a resolution (the “**Whitewash Resolution**”) by way of a poll, to waive their rights to receive a general offer from the Temasek Concert Party Group;
  - (b) the Whitewash Resolution being put to the vote of the Company Shareholders separate from any other resolutions which may be proposed at the Company EGM;
  - (c) the Temasek Concert Party Group, including SCI, as well as other Company Shareholders not independent of them, abstaining from voting on the Whitewash Resolution;

---

<sup>12</sup> The number of Company Shares which Temasek would hold a direct and deemed interest in, including the Company Shares held by DBS Group, would be 7,291,616,777, representing approximately 58.1 per cent. of the Company Shares in issue (excluding treasury shares) immediately following the Rights Issue and the Proposed Distribution.



- (d) the Temasek Concert Party Group not having acquired and are not to acquire any Company Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of the Company Shares which will be disclosed in the Company's circular to Company Shareholders in relation to the Rights Issue (the "**Company Circular**") (I) during the period between the first announcement of the Transaction and the later of (A) the date the Company Shareholders' approval is obtained for the Whitewash Resolution and (B) the date the SCI Shareholders' approval is obtained for the Distribution Resolution; and (II) in the six months prior to the announcement of the Transaction but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Company in relation to the Transaction;
- (e) the appointment by the Company of an independent financial adviser to advise the Company Shareholders independent of the Temasek Concert Party Group on whether they should vote for or against the Whitewash Resolution;
- (f) the Company Circular setting out:
  - (1) details of the proposed Rights Issue (including SCI's undertaking to subscribe for the Undertaking Rights Shares pursuant to the Undertaking Agreement and Temasek's agreement to subscribe for the Underwritten Rights Shares pursuant to the Sub-Underwriting Agreement) and the Proposed Distribution;
  - (2) the dilution effect of issuing the Rights Shares pursuant to the Rights Issue and the Proposed Distribution to existing Company Shareholders;
  - (3) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Company Shares held by the Temasek Concert Party Group as at the latest practicable date prior to the posting of the Company Circular;
  - (4) the number and percentage of voting rights in the Company that may be acquired by the Relevant Temasek Entity upon the issue of the Rights Shares as a result of the Undertaking Agreement and Sub-Underwriting Agreement;
  - (5) the number and percentage of voting rights in the Company that may be held by the Temasek Concert Party Group after the Rights Issue and the Proposed Distribution;
  - (6) a specific and prominent reference to the fact that the Rights Issue and Proposed Distribution could result in the Temasek Concert Party Group holding more than 49 per cent. of the voting rights in the Company, and that the Temasek Concert Party Group will be free to

acquire further Company Shares without incurring any obligation to make a mandatory offer for the Company; and

- (7) a specific and prominent reference to the fact that the Company Shareholders, by voting for the Whitewash Resolution, will be waiving their rights to receive a general offer from the Temasek Concert Party Group at the highest price paid by any of them for Company Shares in the past six months prior to the commencement of the offer;
  - (g) the Company Circular to state that the Whitewash Waiver is subject to compliance with the conditions set out above in paragraphs 5.1(i)(a) to 5.1(i)(f);
  - (h) the Temasek Concert Party Group will obtain SIC's approval in advance for those parts of the Company Circular that refer to the Whitewash Resolution; and
  - (i) to rely on the Whitewash Resolution, approval of the Whitewash Resolution must be obtained within three months of 5 June 2020 and the Proposed Distribution must be completed within three months of the date on which the approval of the Company Shareholders for the Whitewash Resolution is obtained; and
- (ii) in respect of SCI:
- (a) the circular to SCI Shareholders ("the **"SCI Circular"**") to authorise the Proposed Distribution shall (A) contain advice to the effect that by voting for the Proposed Distribution, and if the Company Shareholders approve the Whitewash Resolution, the SCI Shareholders are waiving their right to a general offer at the required price by the Temasek Concert Party Group, which would acquire or consolidate effective control of the Company after the Proposed Distribution; and (B) disclose the names and voting rights of each member of the Temasek Concert Party Group which holds Company Shares as at the latest practicable date of the SCI Circular and after the Rights Issue and the Proposed Distribution;
  - (b) the Distribution Resolution being approved by a majority of the SCI Shareholders present and voting at the SCI EGM on a poll who could not become obliged to make an offer for the Company as a result of the Proposed Distribution;
  - (c) the Temasek Concert Party Group will abstain from voting on the Distribution Resolution;
  - (d) the SCI Directors who are acting in concert with the Temasek Concert Party Group shall abstain from making a recommendation on the Distribution Resolution in the SCI Circular; and
  - (e) the Temasek Concert Party Group did not acquire or are not to acquire any SCI Shares during the period between (A) when they become aware that the

announcement of the Transaction is imminent and (B) the later of the date on which the SCI Shareholders' approval is obtained for the Distribution Resolution and the date on which the Company Shareholders' approval is obtained for the Whitewash Resolution.

**6. COMPANY CIRCULAR**

The Company Circular in respect of the Rights Issue and the Whitewash Resolution, together with a notice of the Company EGM to be convened, will be despatched or, as the case may be, disseminated in due course to the Company Shareholders to provide details on the Rights Issue and the Whitewash Waiver.

**7. JOINT MEDIA RELEASE, INVESTOR PRESENTATION AND TRADING UPDATE**

Company Shareholders are also advised to refer to the following, each of which forms part of this announcement:

- (i) the joint media release made by the Company and SCI in connection with the Rights Issue and the Proposed Distribution dated 8 June 2020;
- (ii) the investor presentation in relation to the Rights Issue dated 8 June 2020; and
- (iii) the trading update released by the Company on 8 June 2020.

**BY ORDER OF THE BOARD**

Tan Yah Sze  
Company Secretary

8 June 2020

**IMPORTANT NOTICE**

This announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue or subscribe for, or any solicitation of any offer to acquire, any Rights Shares or to take up any entitlements to Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Rights Shares except on the basis of the information contained in an offer information statement to be lodged by the Company with the MAS. The information contained in this announcement is not for release, publication or distribution to persons in the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights Shares and the acquisition or purchase of the Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this announcement into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

**APPENDIX**

**PRO FORMA FINANCIAL EFFECTS**

1. The pro forma financial effects of the Rights Issue as presented herein:
- (i) are for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Group immediately after the completion of the Rights Issue;
  - (ii) are based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2019 (“**FY2019**”);
  - (iii) are based on the Existing Share Capital and assume, for illustrative purpose only, that on or prior to the Record Date, no awards under the Company RSP are released and no Company Shares are allotted and issued for the payment of Directors’ fees, such that the Company will issue up to 10,452,438,645 Rights Shares under the Rights Issue under the Minimum Rights Issue Shares Scenario;
  - (iv) assume that the Rights Shares had been allotted and issued on 31 December 2019 in calculating the financial effects on share capital, net tangible assets (“**NTA**”) and gearing;
  - (v) assume that the Rights Shares had been allotted and issued on 1 January 2019 in calculating the financial effects on earnings or loss per Company Share (“**EPS**”);
  - (vi) assume that the net proceeds from the issue of the Rights Shares, after deducting estimated expenses of S\$9.0 million incurred in connection with the Rights Issue, of S\$2.1 billion and further assuming all of the expenses from the Rights Issue are capitalised; and
  - (vii) does not take into account any theoretical ex-rights adjustment factor.
2. **Share Capital**

	<u>Number of Company Shares</u>	<u>S\$’ million</u>
Issued share capital (excluding treasury shares) as at the Latest Practicable Date	2,090,487,729	485.4
Add: Rights Shares to be allotted and issued	10,452,438,645	2,081.5
Issued share capital (excluding treasury shares) after the Rights Issue	12,542,926,374	2,566.9

3. **NTA**

	<b><u>As at 31</u></b>
	<b><u>December 2019</u></b>
<b><u>NTA</u></b>	
NTA before the Rights Issue (S\$' million)	1,927.0
Net proceeds from the Rights Issue (S\$' million)	2,081.5
NTA after adjusting for the Rights Issue (S\$' million)	4,008.5

**NTA per Company Share**

Number of Company Shares (excluding treasury shares) before the Rights Issue	2,090,487,729
NTA per Company Share before the Rights Issue (Singapore cent) <sup>(1)</sup>	92.18
Number of Company Shares (excluding treasury shares) after the Rights Issue	12,542,926,374
NTA per Company Share after the Rights Issue (Singapore cent) <sup>(1)</sup>	31.96

**Note:**

(1) NTA per Share = (Equity attributable to owners – Intangible assets) / Number of Shares outstanding (excluding treasury shares).

4. **Gearing**

	<b><u>As at 31</u></b>
	<b><u>December</u></b>
	<b><u>2019</u></b>
<b><u>Before the Rights Issue</u></b>	
Total net borrowings (S\$' million) <sup>(1)</sup>	4,011.5
Total shareholders' equity (S\$' million)	2,206.8
Net gearing (times) <sup>(2)</sup>	1.82x
<b><u>After the Rights Issue</u></b>	
Total net borrowings (S\$' million)	1,930.1
Total shareholders' equity (S\$' million)	4,288.3
Net gearing (times) <sup>(2)</sup>	0.45x

**Notes:**

(1) Including the S\$1.5 billion principal amount outstanding under the Subordinated Credit Facility.

(2) Net Gearing = (Gross Borrowings – Cash) / Equity attributable to owners.

5. **EPS**

	<b><u>Full year ended</u></b> <b><u>31 December</u></b> <b><u>2019</u></b>
<b><u>Before the Rights Issue</u></b>	
Net profit/(loss) attributable to Shareholders of the Company (S\$ million)	(137.2)
Weighted average number of Company Shares (excluding treasury shares) (million)	2,089.0
<b><u>After the Rights Issue</u></b>	
Net profit/(loss) attributable to Shareholders of the Company (S\$ million) <sup>(1)</sup>	(83.9)
Weighted average number of Company Shares (excluding treasury shares) (million)	12,541.5
<b><u>EPS</u></b>	
Basic EPS before Rights Issue (Singapore cents) <sup>(2)</sup>	(6.57)
Basic EPS after Rights Issue (Singapore cents) <sup>(2)</sup>	(0.67)

**Notes:**

- (1) Includes assumed interest savings from debt repayment of S\$1.5 billion and interest income arising from bank deposit of S\$0.6 billion, calculated on a post-tax basis.
- (2) EPS = Profit/(loss) attributable to Company Shareholders / Weighted average number of Company Shares outstanding (excluding treasury shares).