

OTHER SCHEME OF ARRANGEMENT::JOINT ANNOUNCEMENT

Issuer & Securities

Issuer/ Manager

SP CORPORATION LIMITED

Securities

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No

Announcement Details

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Please see attached.

Attachments

[24435112_Joint Announcement.pdf](#)

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SP Corporation Limited
(Company Registration No: 195200115K)
(Incorporated in Singapore)

Tuan Sing Holdings Limited
(Company Registration No: 196900130M)
(Incorporated in Singapore)

JOINT ANNOUNCEMENT

PROPOSED ACQUISITION BY TUAN SING HOLDINGS LIMITED OF ALL THE SHARES IN THE ISSUED SHARE CAPITAL OF SP CORPORATION LIMITED (OTHER THAN THE SHARES HELD BY TUAN SING HOLDINGS LIMITED) BY WAY OF A SCHEME OF ARRANGEMENT

1. INTRODUCTION

- 1.1 **The Scheme.** The respective boards of directors of SP Corporation Limited (the “**Company**” or “**SP**”) and Tuan Sing Holdings Limited (the “**Offeror**”) are pleased to announce the proposed acquisition (the “**Acquisition**”) of all the shares in the issued share capital of the Company (the “**SP Shares**”), held by the shareholders of the Company (the “**Shareholders**”) other than the Offeror (the “**Scheme Shareholders**”), by the Offeror. The Acquisition will be effected by the Company by way of a scheme of arrangement (the “**Scheme**”) in accordance with Section 210 of the Companies Act 1967 of Singapore (the “**Companies Act**”) and the Singapore Code on Take-overs and Mergers (the “**Code**”).
- 1.2 **Implementation Agreement.** In connection with the Acquisition, the Offeror and the Company (collectively, the “**Parties**” and each, a “**Party**”) have on 20 August 2022 entered into an implementation agreement (the “**Implementation Agreement**”) setting out the terms and conditions on which the Offeror and the Company will implement the Scheme.

2. INFORMATION ON THE PARTIES

- 2.1 **The Company.** The Company was incorporated in Singapore on 27 November 1952 and was listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 20 September 1974. The Company and its subsidiaries (collectively, the “**SP Group**” and each, a “**SP Group Company**”) principally engage in commodities trading activities in coal, rubber, metals as well as other commodities and products used by manufacturers in the energy, metal and automotive industries in Asia.

As at the date of this Joint Announcement (the “**Joint Announcement Date**”), the board of directors of the Company (the “**Board**”) comprises the following:

Mr Cheng Hong Kok (*Chairman, Non-Executive and Independent Director*)
Mr William Nursalim alias William Liem (*Interim Executive Director*)
Mr Leong Kok Ho (*Non-Executive and Non-Independent Director*)
Ms Lim Huei Min (*Non-Executive and Independent Director*)
Mr Tan Kok Seng (*Non-Executive and Independent Director*)

As at the Joint Announcement Date:

- (a) the Company has an issued and paid-up share capital of S\$58,365,721.95, comprising 35,099,132 SP Shares of which none are held as treasury shares and subsidiary holdings; and
- (b) save for the SP Shares, there are no other (i) securities which carry voting rights; and/or (ii) convertible securities, warrants, options or derivatives in respect of such SP Shares or securities which carry voting rights.

2.2 **The Offeror.** The Offeror was incorporated in Singapore on 13 March 1969 and was listed on the Main Board of the SGX-ST on 9 July 1973. The Offeror is a regional investment holding company with interests mainly in real estate development, real estate investment and hospitality.

As at the Joint Announcement Date:

- (a) the issued share capital of the Offeror excluding treasury shares comprises 1,218,043,900 shares (the “**Offeror Shares**”). Nuri Holdings (S) Pte Ltd holds 651,772,446 Offeror Shares, which represents approximately 53.51 per cent. of the Offeror Shares. The shareholders of Nuri Holdings (S) Pte Ltd are Ms Michelle Liem Mei Fung, Mr William Nursalim alias William Liem and Dr Tan Enk Ee;

- (b) the board of directors of the Offeror comprises the following:

Mr Richard Eu Yee Ming (*Chairman, Non-Executive and Independent Director*)
Mr William Nursalim alias William Liem (*Executive Director*)
Mr Cheng Hong Kok (*Non-Executive and Independent Director*)
Mr Ooi Joon Hin (*Non-Executive and Independent Director*)
Ms Michelle Liem Mei Fung (*Non-Executive and Non-Independent Director*)

Hence, each of Mr William Nursalim alias William Liem and Mr Cheng Hong Kok are directors of the boards of both the Offeror and the Company; and

- (c) the Offeror holds 28,146,319 SP Shares, which represents approximately 80.19 per cent. of the SP Shares.

3. THE SCHEME

3.1 **The Acquisition.** Under the Scheme:

- (a) all the SP Shares held by the Scheme Shareholders (the “**Scheme Shares**”), as at a books closure date to be announced (before the Effective Date (as defined below)) by the Company on which the Transfer Books and the Register of Members of the Company will be closed in order to determine the entitlements of the Scheme Shareholders in respect of the Scheme (the “**Books Closure Date**”), will be transferred to the Offeror:
 - (i) fully paid;

- (ii) free from all charges, mortgages, liens, hypothecations, hire purchases, judgments, encumbrances, easements, security, title retention, preferential rights, trust arrangements or any other security interests or any other agreements or arrangements having a commercial effect analogous to the conferring of security or similar rights in favour of any person (“**Encumbrances**”); and
 - (iii) together with all rights, benefits and entitlements as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared by the Company on or after the Joint Announcement Date. If any dividend, right or other distribution is declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date, the Offeror reserves the right to reduce the Scheme Consideration (as defined below) by the amount of such dividend, right or distribution; and
- (b) in consideration for such transfer, each of the Scheme Shareholders as at the Books Closure Date will be entitled to receive for each Scheme Share held as at the Books Closure Date S\$1.59 in cash (the “**Scheme Consideration**”).

3.2 **Scheme Document.** Further information on the Scheme, and the terms and conditions upon which the Scheme will be implemented by the Company and the Offeror will be set out in the document to be issued by the Company to the Shareholders in respect of the Scheme (the “**Scheme Document**”).

3.3 **Delisting.** Upon the Scheme becoming effective and binding, the Company will become a wholly-owned subsidiary of the Offeror, and will, subject to the approval of the SGX-ST, be delisted from the Official List of the SGX-ST.

4. **SCHEME CONDITIONS**

4.1 **Scheme Conditions.** The Scheme is conditional upon the satisfaction or waiver (as the case may be) of a number of conditions precedent (the “**Scheme Conditions**”) which are set out in **Schedule 1** to this Joint Announcement.

4.2 **Benefit of Certain Scheme Conditions**

- (a) **The Offeror’s Benefit.** The Offeror alone may waive the Scheme Conditions in paragraphs (g) (in relation to the Prescribed Occurrences set out in **Schedule 2** to this Joint Announcement relating to the SP Group Companies) and (i) to (j) of **Schedule 1** to this Joint Announcement. Any breach or non-fulfilment of any such Scheme Conditions may be relied upon only by the Offeror. The Offeror may at any time and from time to time at its sole and absolute discretion waive any such breach or non-fulfilment.
- (b) **The Company’s Benefit.** The Company alone may waive the Scheme Conditions in paragraphs (g) (in relation to the Prescribed Occurrences set out in **Schedule 2** to this Joint Announcement relating to the Offeror) and (h) of **Schedule 1** to this Joint Announcement. Any breach or non-fulfilment of any such Scheme Conditions may be

relied upon only by the Company. The Company may at any time and from time to time at its sole and absolute discretion waive any such breach or non-fulfilment.

- (c) **Mutual Benefit.** The Offeror and the Company together may jointly waive the Scheme Conditions in paragraphs (b) and (f) of **Schedule 1** to this Joint Announcement (in each case, to the extent legally permissible). The Scheme Conditions in paragraphs (a), (c), (d) and (e) of **Schedule 1** to this Joint Announcement are not capable of being waived by either or both of the Company and the Offeror.

5. TERMINATION

5.1 **Right to Terminate.** The Implementation Agreement provides that the Implementation Agreement may be terminated at any time prior to the date on which the Scheme becomes effective in accordance with its terms (the “**Effective Date**”):

- (a) by either the Company or the Offeror, if any court of competent jurisdiction has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the Scheme or any part thereof, or has refused to do anything necessary to permit the Scheme or any part thereof, and such order, decree, ruling, other action or refusal shall have become final and non-appealable;
- (b) by either the Company or the Offeror, if the resolutions submitted to the meeting of the Shareholders to be convened by the General Division of the High Court of Singapore, (the “**Court**”) to approve the Scheme and any adjournment thereof (the “**Court Meeting**”) are not approved (without amendment) by the requisite majority of the Shareholders at the Court Meeting; or
- (c) if there shall have been a breach by any Party of its obligations under the Implementation Agreement and such breach is material in the context of the Scheme, by either the Offeror or the Company (as the case may be, being the Party not in default and having the benefit of such obligations) by 14 days written notice to the other Party,

in each case, after prior consultation with the Securities Industry Council (the “**SIC**”).

5.2 **Non-fulfilment of Scheme Conditions.** If for any reason the Scheme Conditions are not satisfied (or, if applicable, waived) or if the Scheme has not become effective on or before 5.00 p.m. on the date falling six (6) months from the date of the Implementation Agreement or such other date as the Parties may agree in writing, either the Offeror or SP may immediately terminate the Implementation Agreement (save for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law (the “**Surviving Provisions**”)) by notice in writing to the other Party. Subject to paragraph 4.2, the Offeror and/or SP (as the case may be) may invoke the non-fulfilment of any of the Scheme Conditions to terminate the Implementation Agreement, if it has first consulted the SIC and the SIC gives its approval for, or states that it has no objection to, such termination.

5.3 **Competing Offer.** Pursuant to the terms of the Implementation Agreement, in the event of a Competing Offer (as defined below) or in the event that an intention to make a Competing Offer is announced (whether or not such Competing Offer is pre-conditional), the Offeror may

terminate the Implementation Agreement (save for the Surviving Provisions), by notice in writing to the Company, after prior consultation with the SIC.

“**Competing Offer**” means any expression of interest, offer or proposal by any person other than the Offeror involving (a) a sale, transfer or other disposal of any direct or indirect interest in substantially all of the assets, business and/or undertakings of SP (whether held directly by SP or indirectly through one or more SP Group Companies); (b) a general offer (including partial offer) for the SP Shares; (c) a scheme of arrangement involving SP or the merger of SP with any other entity (whether by way of joint venture, reverse takeover bid, dual listed company structure or otherwise); or (d) any other arrangement having an effect similar to any of (a) to (c), including a merger or amalgamation proposal. For the purpose of this definition, a Competing Offer will be deemed to be for substantially all of the assets, business and/or undertakings of SP if the relevant assets, business and/or undertakings in question constitute a “material amount” as defined in Note 2 to Rule 5 of the Code.

5.4 **Effect of Termination.** In the event of termination of the Implementation Agreement pursuant to the terms of the Implementation Agreement, the Implementation Agreement shall terminate (except for the Surviving Provisions) and there shall be no other liability on any Party.

5.5 **Specific Obligations of the Company.** The specific obligations of the Company are set out in **Schedule 3** to this Joint Announcement.

6. **NO IRREVOCABLE UNDERTAKINGS**

Neither the Offeror nor any Relevant Person (as defined below) has received any irrevocable undertaking from any party to vote in favour of the Scheme as at the Joint Announcement Date.

7. **RATIONALE FOR THE ACQUISITION**

7.1 **Rationale for the Acquisition.** The Acquisition is expected to allow the Offeror to achieve the following objectives:

(a) Minimal benefit of the Company’s listed status

The Company has not carried out any fund-raising exercise on the SGX-ST in recent years. Additionally, the Offeror is of the view that the Company is unlikely to require access to Singapore equity capital markets to finance its operations in the foreseeable future. Accordingly, it is not necessary for the Company to maintain its listing on the SGX-ST.

(b) Eliminate duplication of compliance costs

The Acquisition allows the Offeror to reduce the duplication of compliance and associated costs in maintaining the listing status of both the Offeror and the Company. Delisting the Company would allow the Offeror to save on costs associated with complying with listing and other regulatory requirements and human resources that have to be committed for such compliance.

(c) Consolidate and leverage on management and capital resources

The Offeror believes that privatising the Company will allow the Offeror and the management of the Company to consolidate the business of the Company and to optimise the use of its management and capital resources.

7.2 Opportunity for Scheme Shareholders to Realise their Investment.

(a) The Scheme Consideration is at a premium to historical trading prices

As referred to in paragraph 8.3 below, the Acquisition represents an opportunity for Scheme Shareholders to realise their investments in the Company for a cash consideration at a premium over the one (1)-month, three (3)-month, six (6)-month and 12-month volume weighted average prices (“**VWAP**”) of the SP Shares prior to and including the last full trading day immediately before the Joint Announcement Date (the “**Last Trading Day**”).

The Scheme Consideration also exceeds the highest closing price of the SP Shares in over 10 years preceding the Last Trading Day.

(b) Opportunity to exit their investment, which may otherwise be difficult due to the low trading liquidity of the SP Shares

The trading volume of the SP Shares has been low, with an average daily trading volume of approximately 5,191 SP Shares, 5,694 SP Shares, 4,876 SP Shares and 4,354 SP Shares during the one (1)-month period, three (3)-month period, six (6)-month period and 12-month period up to and including the Last Trading Day. These represent 0.015 per cent., 0.016 per cent., 0.014 per cent. and 0.012 per cent. of the total number of issued SP Shares for the aforementioned relevant periods, respectively.

The Scheme therefore provides Scheme Shareholders an option to exit their entire investment for cash without incurring brokerage and other trading costs, which may otherwise be difficult to do so due to the low trading liquidity of the SP Shares.

(c) No other Competing Offer capable of turning unconditional or succeeding

As referred to in paragraph 2.2(c) above, the Offeror holds more than 50 per cent. of the SP Shares. No other Competing Offer will be capable of turning unconditional or succeeding without the Offeror’s support. Should the Scheme fail, the Offeror is not permitted under the Code to make another scheme or general offer for the Company for 12 months following the lapse of the Scheme.

8. FINANCIAL EVALUATION OF THE SCHEME CONSIDERATION

8.1 The Scheme Consideration for each Scheme Share is S\$1.59 in cash.

8.2 The figures set out in this paragraph are based on data extracted from Bloomberg Finance L.P. as at 18 August 2022, being the Last Trading Day.

- 8.3 The implied premium of the Scheme Consideration over the relevant closing prices and VWAP of the Company is as follows:

Description	Benchmark price of the SP Shares ⁽¹⁾ (S\$)	Premium to the benchmark price of the SP Shares ⁽²⁾⁽³⁾
VWAP for the 12-month period prior to and including the Last Trading Day	0.661	140.54%
VWAP for the six (6)-month period prior to and including the Last Trading Day	0.619	156.87%
VWAP for the three (3)-month period prior to and including the Last Trading Day	0.605	162.81%
VWAP for the one (1)-month period prior to and including the Last Trading Day	0.603	163.68%
Last transacted price per SP Share as quoted on the SGX-ST on the Last Trading Day	0.590	169.49%

Notes:

- (1) The VWAP is calculated based on the VWAP turnover divided by VWAP volume of the SP Shares for the relevant periods as extracted from Bloomberg Finance L.P..
- (2) Computed based on the benchmark prices which were rounded to the nearest three (3) decimal places.
- (3) Percentages rounded to the nearest two (2) decimal places.

9. APPROVALS REQUIRED

- 9.1 **Court Meeting and Court Sanction.** The Scheme will require, *inter alia*, the following approvals:

- (a) the approval-in-principle from the SGX-ST of the Scheme Document and for the proposed delisting of the Company from the SGX-ST on or after the Effective Date;
- (b) the approval of the Scheme by a majority in number of Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, such majority holding not less than three-fourths in value of the Scheme Shares voted at the Court Meeting; and
- (c) the sanction of the Scheme by the Court.

In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement and a copy of the order of the Court sanctioning the Scheme has been lodged with the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”).

9.2 **SIC Confirmations.** An application was made by the Offeror to the SIC to seek certain rulings in relation to the Scheme (the “**Application**”). Pursuant to the Application, the SIC has confirmed, *inter alia*, that:

- (a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on Rule 19 of the Code, subject to the following conditions:
 - (i) the common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand, abstain from voting on the Scheme;
 - (ii) the Offeror and its concert parties abstain from voting on the Scheme;
 - (iii) the directors of the Company who are also directors of the Offeror or who are acting in concert with those persons in (i) or (ii) above abstain from making a recommendation on the Scheme to the Shareholders;
 - (iv) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the latest practicable date and their voting rights in the Offeror and the Company after the Scheme;
 - (v) the Company appoints an independent financial adviser to advise the Shareholders on the Scheme; and
 - (vi) the Scheme being completed within six (6) months (unless extended with the SIC’s consent) from the date of this Joint Announcement; and
- (b) it has no objections to the Scheme Conditions.

10. CONFIRMATION OF FINANCIAL RESOURCES

United Overseas Bank Limited (the “**Offeror Financial Adviser**” or “**UOB**”), being the financial adviser to the Offeror in connection with the Acquisition and the Scheme, confirms that sufficient financial resources are available to the Offeror to satisfy in full the aggregate Scheme Consideration payable by the Offeror for all the Scheme Shares to be acquired by the Offeror pursuant to the Scheme.

11. INDEPENDENT FINANCIAL ADVISER

Ernst & Young Corporate Finance Pte Ltd has been appointed as the independent financial adviser (the “**IFA**”) to advise the directors of the Company who are considered to be independent for the purposes of the Scheme (collectively, the “**Independent Directors**”) for the purposes of making a recommendation to the Scheme Shareholders in connection with the Scheme. Full details of the Scheme including the recommendation of the Independent Directors along with the advice of the IFA (the “**IFA Letter**”) will be included in the Scheme Document.

12. SCHEME DOCUMENT

12.1 **Scheme Document.** The Scheme Document containing full details of the Scheme (including the recommendation of the Independent Directors along with the IFA Letter) and giving notice of the Court Meeting to approve the Scheme will be despatched to the Shareholders in due course.

12.2 **Cautionary Note. Scheme Shareholders are advised to refrain from taking any action in relation to their SP Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations of the Independent Directors on the Scheme as well as the advice of the IFA set out in the Scheme Document.**

Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

13. DISCLOSURE OF INTERESTS

13.1 **Company.** As at the Joint Announcement Date, the interests in SP Shares held by the directors of the Company are set out below:

Directors	Direct Interest		Deemed Interest	
	No. of SP Shares	% ⁽¹⁾	No. of SP Shares	% ⁽¹⁾
Mr Cheng Hong Kok	–	–	–	–
Mr William Nursalim alias William Liem	–	–	28,146,319 ⁽²⁾	80.19%
Mr Leong Kok Ho	–	–	–	–
Ms Lim Huei Min	–	–	–	–
Mr Tan Kok Seng	–	–	–	–

Notes:

(1) All references to percentage shareholding of the issued share capital of the Company in this paragraph 13.1 of this Joint Announcement are based on the total issued SP Shares as at the date of this Joint Announcement.

(2) Mr William Nursalim alias William Liem is deemed to have an interest in the 28,146,319 SP Shares held by the Offeror (by virtue of his interests in Nuri Holdings (S) Pte Ltd).

Save as disclosed in this Joint Announcement, no director or controlling Shareholder has any interest in the Scheme (other than by reason only of being a director or Shareholder).

13.2 Offeror

- (a) **Holdings.** As at the Joint Announcement Date, save as set out in the Appendix to this Joint Announcement, none of (i) the Offeror; (ii) the directors of the Offeror; and (iii) the Offeror Financial Adviser (collectively, the “**Relevant Persons**”), owns, controls or has agreed to acquire any (A) SP Shares; (B) securities which carry voting rights in the Company; and (C) convertible securities, warrants, options or derivatives in respect of such SP Shares or securities which carry voting rights in the Company (collectively, the “**Company Securities**”).
- (b) **Dealings.** None of the Relevant Persons has dealt in the Company Securities for the three (3)-month period prior to the Joint Announcement Date.
- (c) **Undertakings, Security and Other Arrangements.** None of the Relevant Persons, as at the Joint Announcement Date, in respect of the Company Securities which it owns or controls:
- (i) has received any irrevocable undertaking from any person to vote in favour of the Scheme;
 - (ii) has entered into any arrangement (by way of option, indemnity or otherwise) in relation to shares of the Offeror or the Company which might be material to the Scheme; and/or
 - (iii) has (A) granted any security interest in respect of any Company Securities to another person, whether through a charge, pledge or otherwise; (B) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or (C) lent any Company Securities to another person.
- (d) **Confidentiality.** In the interests of confidentiality, save for the Relevant Persons, the Offeror has not made enquiries in respect of any other person acting or deemed to be acting in concert with the Offeror in connection with the Scheme. Similarly, in the interests of confidentiality, the Offeror Financial Adviser has not made any enquiries in respect of persons within UOB who have no knowledge of the transaction or of the other members of its group. Further enquiries will be made of such persons subsequent to this Joint Announcement and the relevant disclosures (if any) will be made in due course and in the Scheme Document.

13.3 Disclosure of dealings

In accordance with the Code, the associates (as defined under the Code) of the Company and the Offeror are hereby reminded to disclose their dealings in any securities of the Company and the Offeror under Rule 12 of the Code.

14. OVERSEAS SHAREHOLDERS

- 14.1 **Overseas Shareholders.** The applicability of the Scheme to Scheme Shareholders whose addresses are outside Singapore, as shown on the register of members of the Company, or as

the case may be, in the records of The Central Depository (Pte) Limited (collectively, the “**Overseas SP Shareholders**”), may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas SP Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

- 14.2 **Despatch of Scheme Document Overseas.** Where there are potential restrictions on sending the Scheme Document to any overseas jurisdiction, the Offeror and the Company reserve the right not to send such documents to the Scheme Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Scheme Shareholders (including the Overseas SP Shareholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.
- 14.3 **Cautionary Note. Overseas SP Shareholders who are in doubt about their positions should consult their own professional advisers in the relevant jurisdictions.**
- 14.4 **Further Details in Scheme Document.** Further details in relation to the Overseas SP Shareholders will be contained in the Scheme Document.

15. DOCUMENTS FOR INSPECTION

A copy of the Implementation Agreement will be made available for inspection during normal business hours at the registered office of the Company from the Joint Announcement Date up until the Effective Date.

16. RESPONSIBILITY STATEMENTS

- 16.1 **Company.** The directors of the Company (including any who may have delegated detailed supervision of the preparation of this Joint Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Joint Announcement which relate to the Company (excluding information relating to the Offeror or any opinion expressed by the Offeror) are fair and accurate and that, where appropriate, no material facts which relate to the Company have been omitted from this Joint Announcement, the omission of which would make any statement in this Joint Announcement misleading, and the directors of the Company jointly and severally accept responsibility accordingly.

Where any information which relates to the Company has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror, the sole responsibility of the directors of the Company has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Joint Announcement. The directors of the Company do not accept any responsibility for any information relating to the Offeror or any opinion expressed by the Offeror.

- 16.2 **Offeror.** The directors of the Offeror (including any who may have delegated detailed supervision of the preparation of this Joint Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Joint Announcement (excluding

information relating to the Company or any opinion expressed by the Company) are fair and accurate and that, where appropriate, no material facts in relation thereto have been omitted from this Joint Announcement, the omission of which would make any statement in this Joint Announcement misleading, and the directors of the Offeror jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the directors of the Offeror has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Joint Announcement. The directors of the Offeror do not accept any responsibility for any information relating to or any opinion expressed by the Company.

20 August 2022

By order of the Board

By order of the board of directors

SP CORPORATION LIMITED

TUAN SING HOLDINGS LIMITED

Any queries relating to this Joint Announcement, the Acquisition or the Scheme should be directed during office hours to one of the following:

SP CORPORATION LIMITED

TUAN SING HOLDINGS LIMITED

Tel: +65 6645 3260

UOB's helpline

Email: enquiry@spcorp.com.sg

Tel: +65 6539 7066

Forward-Looking Statements

All statements other than statements of historical facts included in this Joint Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's or the Company's (as the case may be) current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors of the Offeror and the Company should not place undue reliance on such forward-looking statements, and neither the Offeror nor the Company undertakes any obligation to update publicly or revise any forward-looking statements.

Schedule 1 Scheme Conditions

All capitalised terms used and not defined in this Joint Announcement shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company from the Joint Announcement Date up until the Effective Date.

The completion of the Acquisition is conditional upon the following:

- (a) **Regulatory Approvals:** prior to the first application to the Court for the order to convene the Court Meeting, the receipt of the Regulatory Approvals and such approvals not being revoked or withdrawn (if applicable) on or before the Relevant Date:
 - (i) confirmation from the SIC that Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code do not apply to the Scheme, subject to any conditions that the SIC may deem fit to impose;
 - (ii) confirmation from the SIC that it has no objections to the conditions set out in this **Schedule 1**; and
 - (iii) approval-in-principle of the SGX-ST of the Scheme Document and for the proposed delisting of SP from the SGX-ST;

- (b) **Authorisations:** in addition to the approvals aforementioned in paragraph (a) above:
 - (i) in relation to SP (and in addition to the approvals and steps referred to in paragraphs (c), (d) and (e) below) all other authorisations, consents, clearances, permissions and approvals as are necessary or required by SP under any and all applicable laws from all relevant Governmental Agencies, for or in respect of the Acquisition or the implementation of the Scheme being obtained; and
 - (ii) in relation to the Offeror, all authorisations, consents, clearances, permissions and approvals as are necessary or required by the Offeror under any and all applicable laws from all Governmental Agencies, for or in respect of the Acquisition or implementation of the Scheme being obtained,

and if any such authorisations, consents, clearances, permissions and approvals is subject to any conditions or requires any actions or obligations to be taken or performed, all such actions having been duly taken or performed (by SP or the Offeror, solely bearing the respective costs and expenses, as the case may be) on or prior to the first application to the Court for the order to convene the Court Meeting;

- (c) **Shareholder Approval:** the approval of the Scheme by the Scheme Shareholders at the Court Meeting in compliance with Section 210(3AB) of the Companies Act;

- (d) **Court Order:** the grant of the Court Order by the Court and such Court Order having become final;

- (e) **Lodgement of the Court Order:** the lodgement of the Court Order with ACRA pursuant to Section 210(5) of the Companies Act;
- (f) **No Legal or Regulatory Restraint:** between the date of the Implementation Agreement and up to the Relevant Date, no injunction or other order being issued by any Governmental Agency or by any court of competent jurisdiction or other legal or regulatory restraint, prohibition or condition preventing the consummation of the Acquisition or the implementation of the Scheme or proposed transactions relating to the Scheme, being in effect;
- (g) **No Prescribed Occurrence:** between the date of the Implementation Agreement and up to the Relevant Date, no Prescribed Occurrence in relation to SP (or, where applicable, any other SP Group Company) or the Offeror, as the case may be, occurring other than as required or contemplated by the Implementation Agreement;
- (h) **The Offeror's Representations, Warranties and Covenants:**
 - (i) the representations and warranties of the Offeror set out in the Implementation Agreement that:
 - (A) are qualified as to materiality and the Fundamental Acquiror Warranties shall be true and accurate in all respects; and
 - (B) are not qualified as to materiality (other than the Fundamental Acquiror Warranties) shall be true and accurate in all material respects,

in each case as of the date of the Implementation Agreement and as of the Relevant Date (as if they have been given again on and as of that date) except to the extent any such representation or warranty expressly relates to an earlier date (in which case as of such earlier date); and
 - (ii) the Offeror shall have, as of the Relevant Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied with by it, on or prior to the Relevant Date;
- (i) **SP's Representations, Warranties and Covenants:**
 - (i) the representations and warranties of SP set out in the Implementation Agreement that:
 - (A) are qualified as to materiality and the Fundamental SP Warranties shall be true and accurate in all respects; and
 - (B) are not qualified as to materiality (other than the Fundamental SP Warranties) shall be true and accurate in all material respects,

in each case as of the date of the Implementation Agreement and as of the Relevant Date (as if they have been given again on and as of that date) except to the extent any such representation or warranty expressly relates to an earlier date (in which case as of such earlier date); and

- (ii) SP shall have, as of the Relevant Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied with by it, on or prior to the Relevant Date; and

- (j) **No Material Adverse Event:** there being no event occurring from the date of the Implementation Agreement which has or have the effect of causing a diminution in the consolidated net asset value of the SP Group to an amount below S\$50,215,500, as reflected in or computed from the later of (i) the latest publicly released unaudited consolidated financial statements of the SP Group immediately prior to the Relevant Date; and (ii) the unaudited consolidated management balance sheet (to be prepared in accordance with the accounting principles, policies, bases, practices and estimation techniques used in preparing the SP June 2022 Unaudited Accounts applied on a consistent basis) as at the calendar month ending at least 15 days immediately prior to the Relevant Date, provided that any diminution or increase in the value of any asset or liability arising from currency translation shall not be taken into account.

Schedule 2 Prescribed Occurrence

For the purposes of the Implementation Agreement, a “**Prescribed Occurrence**”, as referred to in paragraphs 4.2(a) and 4.2(b) of this Joint Announcement and paragraph (g) of **Schedule 1** to this Joint Announcement and defined in the Implementation Agreement, means, in relation to the Offeror, SP, and/or any other SP Group Company, as the case may be, any of the following:

1. **Conversion of Shares:** SP converting all or any of its shares into a larger or smaller number of shares;
2. **Share Buy-back:** SP entering into a share buy-back agreement or resolving to approve the terms of a share buy-back agreement under the Companies Act or the equivalent companies or securities legislation;
3. **Reduction of Share Capital:** SP resolving to reduce its share capital in any way;
4. **Allotment of Shares:** SP making an allotment of, or granting an option to subscribe for, any shares or securities convertible into shares or agreeing to make such an allotment or to grant such an option or convertible security, or any other SP Group Company doing any of the foregoing with respect to its own securities;
5. **Issuance of Debt Securities:** SP (or any other SP Group Company), issuing, or agreeing to issue, convertible notes or other debt securities;
6. **Dividends:** SP declaring, making or paying any dividends or any other form of distribution to its Shareholders;
7. **Injunctions:** an injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Acquisition or any part thereof by either the Offeror or SP;
8. **Resolution for Winding Up:** SP (or any other SP Group Company) or the Offeror resolving that it be wound up;
9. **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or other similar officer of SP (or of any other SP Group Company) or the Offeror;
10. **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of SP (or of any other SP Group Company) or the Offeror;
11. **Composition:** SP (or any other SP Group Company) or the Offeror entering into any arrangement or general assignment or composition for the benefit of its creditors generally;
12. **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of SP (or of any other SP Group Company) or SP;

13. **Insolvency:** SP (or any other SP Group Company) or the Offeror becoming or being deemed by law or a court to be insolvent or stops or suspends or threatens to stop or suspend payment of its debts;
14. **Cessation of Business:** SP (or any other SP Group Company) or the Offeror ceases or threatens to cease for any reason to carry on business in the usual course;
15. **Breach of the Implementation Agreement:** SP or the Offeror being in material breach of any of the provisions of the Implementation Agreement;
16. **Investigations and Proceedings:** if SP (or any other SP Group Company) or the Offeror or any of their respective directors is or will be the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or
17. **Analogous Event:** any event occurs which, under the laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event(s).

Schedule 3 Specific Obligations

The specific obligations of the Company are as follows:

- (a) **Announcement:** it will release the Announcement jointly with the Offeror on the Announcement Date;
- (b) **Preparation of Scheme Document:** it shall prepare and circulate the Scheme Document and all other documents which are required to be prepared and circulated by it in connection with the Scheme and to carry into effect the Implementation Agreement (with reasonably sufficient time for review), in each case, in compliance with (i) all applicable laws and regulations; and (ii) the Code;
- (c) **SGX-ST Approval:** it shall submit the draft Scheme Document including the draft IFA opinion on the Scheme to the SGX-ST (in each case in such form and substance as shall have been approved by the Offeror, such approval not to be unreasonably withheld, conditioned or delayed) for clearance as soon as reasonably practicable after the date of the Implementation Agreement and diligently pursue the SGX-ST's clearance for the Scheme Document and seek such clearance promptly;
- (d) **IFA:** appoint an IFA to (i) advise the Independent Directors; and (ii) publicly state in its opinion whether the terms of the Scheme are fair and reasonable;
- (e) **Court Meeting:** subject to obtaining the approval of the SGX-ST for the draft Scheme Document, it will make the application to the Court for order(s) convening the Court Meeting and for any ancillary orders relating thereto (all such applications and orders, including the originating summons for the Scheme, to be in such form and substance as shall have been approved by the Offeror, such approval not to be unreasonably withheld, conditioned or delayed) and diligently pursue such application so as to obtain the Court's order to convene the Court Meeting and other necessary ancillary orders;
- (f) **Despatch of Documents:** it will instruct its share registrar to despatch to the entitled Shareholders the Scheme Document and the appropriate forms of proxy (in each case in such form and substance as shall have been approved by the Offeror, such approval not to be unreasonably withheld, conditioned or delayed) for use at the Court Meeting following approval thereof by the SGX-ST and the Court, respectively;
- (g) **Court Order:** if the Scheme is approved by the requisite majority of the Shareholders at the Court Meeting, it will apply to the Court within such time frames as shall be agreed between the Parties in writing for the Court Order and seek its sanction and confirmation of the Scheme;
- (h) **ACRA Lodgement:** following the grant of the Court Order, it will deliver the same to ACRA for lodgement within such time frames as shall be agreed between the Parties in writing pursuant to Section 210(5) of the Companies Act;
- (i) **Conduct of Business by the SP Group:** during the period from the date of the Implementation Agreement to the Relevant Date, save insofar as agreed in writing by the Offeror, it will, and will procure that the other SP Group Companies will, carry on its respective businesses only in the ordinary and usual course of business;

- (j) **Provision of Information:** subject and without prejudice to SP's legal or regulatory obligations, from the date of the Implementation Agreement until (and including) the Relevant Date, SP will, and will procure that each other SP Group Company will, authorise and direct its officers, employees, auditors, legal advisers and other advisers to assist and to co-operate fully with the Offeror for the completion of the Acquisition and the implementation of the Scheme;
- (k) **No Action:** subject and without prejudice to any legal or regulatory obligations of SP, or the legal or fiduciary duties of its directors, it will take no action which may be prejudicial to the successful completion of the Acquisition or the implementation of the Scheme;
- (l) **Consultation with the Offeror:** subject and without prejudice to SP's legal or regulatory obligations, it will consult in good faith with the Offeror with a view to establishing appropriate procedures to provide the Offeror with access to information which it requires for the purposes of the Acquisition and to facilitate the timely notification of material matters affecting the respective businesses of each SP Group Company to the Offeror (only to the extent required for the Scheme);
- (m) **Recommendation:** it will use its best endeavours to procure that the Independent Directors will recommend to the Shareholders to vote in favour of the Scheme at the Court Meeting, subject to the fiduciary obligations of the Independent Directors;
- (n) **No Dividend or Distribution:** it will not, during the period from the date of the Implementation Agreement up to (and including) the Effective Date:
 - (i) declare or pay any dividend or make any distribution (in cash or in kind) to the Shareholders; or
 - (ii) (and will procure that no SP Group Company will) create, allot or issue any shares or other securities convertible into equity securities, or create, issue or grant any option or right to subscribe in respect of any of its share capital, or agree to do any of the foregoing;
- (o) **Normal Dealing:** it will not, and will procure that each SP Group Company will not, without the prior written consent of the Offeror:
 - (i) dispose of any assets, including shares or other interests in any SP Group Company or in any other entity in which it has an interest, or voluntarily assume, acquire or incur any liabilities (including contingent liabilities), in each case, otherwise than the trading of commodities and the consequential assumption of liabilities in connection with such trading activities in the ordinary and usual course of business of the SP Group;
 - (ii) create, or agree to create, any Encumbrance over any of the SP Group Company's assets or undertakings otherwise than in the ordinary and usual course of business of the SP Group;
 - (iii) enter into any guarantee, indemnity or other agreement to secure any obligation of a third party that is not a SP Group Company;

- (iv) enter into any transaction with any shareholder and/or director of any SP Group Company otherwise than in the ordinary and usual course of business of the SP Group;
 - (v) amend, or agree to amend, any terms of any agreement or arrangement to which any SP Group Company is a party or is bound by which would have a material adverse effect on the financial position of the SP Group as a whole;
 - (vi) sell, transfer or otherwise dispose of any treasury shares of SP to any person (other than the Offeror);
 - (vii) obtain or collect payment of any amounts owing to SP, and pay and discharge any debts owed by SP, otherwise than in accordance with the past practice of SP;
 - (viii) enter into any new facilities or incur any further drawdown on all outstanding banking or financing facilities or agreements of the SP Group other than trading and/or letters of credit/trust receipts facilities required for the trading activities undertaken in the ordinary and usual course of business of the SP Group; or
 - (ix) alter its share capital in any way, including (A) issuing, or granting a right or option to subscribe for, any new shares or new class of shares; and (B) repurchasing, cancelling or redeeming its share capital or any reduction, consolidation, subdivision or reclassification or other alteration of its capital structure;
- (p) **No Solicitation:** during the Restricted Period, it will:
- (i) ensure that it and the other SP Group Companies and their respective employees, consultants, advisers and representatives shall deal exclusively with the Offeror to complete the Scheme and do not directly or indirectly solicit, invite, induce, initiate, encourage or entertain approaches or participate in or enter into any negotiations or discussions, or communicate any intention to do any of these things (including allowing any third party to perform due diligence investigations on any SP Group Company), with a view to obtaining or with respect to any expression of interest, offer or proposal by any person other than the Offeror in relation to:
 - (A) any proposal or offer to (whether directly or indirectly) acquire or become the holder (whether by share purchase, asset purchase, scheme, capital reconstruction, tender offer or otherwise) of, or otherwise have an economic interest in:
 - (I) any part of the businesses, assets (other than in the ordinary and usual course of business of the SP Group) or undertakings of SP and/or any other SP Group Company; or
 - (II) any shares in SP and/or any other SP Group Company;
 - (B) any proposal or offer to otherwise acquire or merge with SP or any other SP Group Company (whether by way of joint venture, reverse takeover bid, dual listed company structure or otherwise);

- (C) any other arrangement having an effect similar to any of paragraphs (p)(i)(A) or (p)(i)(B), including a merger or amalgamation proposal; or
 - (D) any other transaction which would preclude, interfere with or prejudice the Acquisition and/or the Scheme; and
- (ii) notify the Offeror of the details of any approach or solicitations by any third party made in writing either to SP or any SP Group Company with a view to the making of any such offer, merger or sale upon becoming aware of the relevant matter,

save that the restrictions in this paragraph (p) shall not apply to (Y) the making of normal presentations, by and on behalf of any SP Group Company, to brokers, portfolio investors and analysts in the ordinary and usual course in relation to its business generally; and (Z) the provision of information by or on behalf of SP to the SGX-ST.

For the avoidance of doubt, nothing in this paragraph (p) shall prohibit or restrict SP from receiving any unsolicited or uninitiated expression of interest, offer or proposal of a kind referred to in this paragraph (p). In the event that any SP Group Company receives any such expression of interest, offer or proposal, SP shall be entitled:

- (1) if required pursuant to the Listing Rules and/or the Code, to announce such expression of interest, offer or proposal;
- (2) to enter into discussions or negotiations or otherwise entertain such expressions of interest, offer or proposal;
- (3) to make any recommendation or to refrain from making any recommendation to the Shareholders as the directors of SP may deem fit in respect of such expression of interest, offer or proposal; and
- (4) generally to perform all such acts as may be necessary for the directors of SP to comply with and discharge their fiduciary duties, statutory, regulatory and/or legal obligations that they may be subject to under all applicable laws and regulations (including but not limited to their obligations under the Code),

provided that, in each instance, the Board has determined in good faith and acting reasonably (after having obtained written advice from its legal advisers) that a failure to do any of the foregoing would constitute a breach of the Listing Rules, the requirements of the SGX-ST, the Code or any applicable laws or regulations (including the fiduciary obligations of the directors of SP). The Parties agree that nothing in the Implementation Agreement will derogate from, or otherwise affect, SP's obligations under paragraph (m); and

- (q) **Appeal Process:** if the Court refuses to make any orders convening the Court Meeting or approving the Scheme, subject and without prejudice to any legal or regulatory obligations of SP, or the legal or fiduciary duties of its directors, SP must appeal the Court's decision to the fullest extent possible under Singapore law (except to the extent that the Parties agree in writing otherwise) and the Parties shall consult with each other in relation to such an appeal. If an appeal of the Court's decision is made by SP, the Offeror shall furnish to SP and its advisers such information relating to the Offeror as required by them for the purposes only of the appeal.

For the avoidance of doubt, SP shall bear its own legal costs and other costs and expenses incurred by it in connection with obtaining the orders of the Court and (if applicable) the appeal.

Appendix
Details Of Company Securities Held By The Relevant Persons

Name	Direct Interest		Deemed Interest	
	No. of SP Shares	% ⁽¹⁾	No. of SP Shares	% ⁽¹⁾
Offeror	28,146,319	80.19%	–	–
Mr William Nursalim alias William Liem	–	–	28,146,319 ⁽²⁾	80.19%
Ms Michelle Liem Mei Fung	–	–	28,146,319 ⁽²⁾	80.19%

Notes:

- (1) All references to percentage shareholding of the issued share capital of the Company in this Appendix are based on the total issued SP Shares as at the date of this Joint Announcement.
- (2) Mr William Nursalim alias William Liem and Ms Michelle Liem Mei Fung are deemed to have an interest in the 28,146,319 SP Shares held by the Offeror (by virtue of their interests in Nuri Holdings (S) Pte Ltd).