

GENERAL ANNOUNCEMENT::JOINT ANNOUNCEMENT

Issuer & Securities

Issuer/ Manager

HAI LECK HOLDINGS LIMITED

Securities

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Attachments

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HAI LECK HOLDINGS LIMITED
(Company Registration No. 199804461D)
(Incorporated in the Republic of Singapore)

**CHENG INVESTMENT MANAGEMENT
PTE. LTD.**
(Company Registration No. 202426377G)
(Incorporated in the Republic of Singapore)

JOINT ANNOUNCEMENT

PROPOSED ACQUISITION BY CHENG INVESTMENT MANAGEMENT PTE. LTD. OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF HAI LECK HOLDINGS LIMITED (OTHER THAN THE EXCLUDED SHARES) BY WAY OF A SCHEME OF ARRANGEMENT

1. INTRODUCTION

- 1.1. The Scheme.** The respective boards of directors of Hai Leck Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) and Cheng Investment Management Pte. Ltd. (the “**Offeror**”) are pleased to announce the proposed acquisition (the “**Acquisition**”) of all the issued ordinary shares in the capital of the Company (the “**Shares**”), other than the (a) Shares directly held by Mr. Cheng Buck Poh @ Chng Bok Poh (“**Mr. Cheng**”) (the “**Mr. Cheng Direct Shares**”); (b) Shares directly held by Cheng Capital Holdings Pte. Ltd. (“**CCHPL**”, collectively with Mr. Cheng, the “**Excluded Shareholders**”) (the “**CCHPL Direct Shares**”); and (c) Shares held in treasury (the “**Treasury Shares**”, collectively with Mr. Cheng Direct Shares and CCHPL Direct Shares, the “**Excluded Shares**”) (the “**Eligible Shares**”) by way of a scheme of arrangement (the “**Scheme**”) pursuant to Section 210 of the Companies Act 1967 (the “**Companies Act**”) and the Singapore Code on Takeovers and Mergers (the “**Code**”).
- 1.2. Implementation Agreement.** In connection with the Acquisition, the Offeror and the Company (each, a “**Party**” and collectively, the “**Parties**”) have on 9 December 2024 entered into an implementation agreement (the “**Implementation Agreement**”) setting out the terms and conditions on which the Company will implement the Scheme.
- 1.3. Scheme Consideration.** Under the Scheme, the Offeror proposes to acquire the Eligible Shares at S\$0.55 in cash for each Eligible Share (the “**Scheme Consideration**”).

2. INFORMATION ON THE PARTIES

- 2.1. The Company.** The Company was incorporated on 12 September 1998 in Singapore and was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 28 August 2008. Established in 1975, the Group is one of the leading Singapore companies that provide project and maintenance services to the oil and gas and petrochemical industries. The Group has presence in Singapore and Thailand. The Group operates through the following two (2) business segments:
- (a) Project and Maintenance Services: The Group provides scaffolding erection services; corrosion protection services; thermal insulation services; refractory services as well as mechanical engineering services in structural steel and piping fabrication and installation on a routine or turnaround basis.

- (b) Contact Centre Services: The Group also has a premium contact centre providing outsource services. Contact centre solutions include customer service support; technical helpdesk; virtual receptionist services; lead generation; live web chat as well as email management.

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

- (i) Mr. Cheng (*Executive Chairman and Chief Executive Officer*);
- (ii) Mr. Chua Keng Woon (*Lead Independent Director*);
- (iii) Ms. Cheng Wee Ling (*Executive Director*);
- (iv) Mr. Lim Hui Kwan (*Independent Director*); and
- (v) Mr. Reuben Tan Wei Jer (*Independent Director*).

As at the Joint Announcement Date, the Company has an issued and paid-up share capital of S\$65,402,412.83 comprising 226,241,195 Shares (excluding 352,000 Treasury Shares).

2.2. The Offeror. The Offeror is a private company limited by shares incorporated in Singapore on 1 July 2024. As at the Joint Announcement Date:

- (a) the principal activity of the Offeror is that of investment holding, and it has not carried on any business since its incorporation, except in relation to matters in connection with the Acquisition and the Scheme;
- (b) the Offeror has an issued and paid-up capital of S\$1.00 comprising one (1) ordinary share;
- (c) Mr. Cheng is the sole shareholder of the Offeror. Mr. Cheng is the founder of the Group and is currently the Executive Chairman and Chief Executive Officer of the Company;
- (d) the directors of the Offeror are Mr. Cheng and Ms. Cheng Li Chen; and
- (e) the Offeror does not hold any Shares in the Company.

3. RATIONALE FOR THE ACQUISITION

3.1. A privatisation confers greater management flexibility to navigate a challenging operating environment

For the financial year ended 30 June 2024, the Company reported a net loss of S\$0.1 million, compared to a net profit of S\$4.3 million for the financial year ended 30 June 2023. The Company expects continued challenges and uncertainties in the business environment it operates in. The Offeror believes that the Acquisition and subsequent privatisation of the Company will allow the Offeror to dedicate focus and resources required to optimise the Company’s operations and strategy as a wholly owned private subsidiary. As a wholly owned subsidiary, the Company will also have necessary flexibility to optimise its resources to focus on the longer-term strategies of the business.

3.2. Opportunity for the Eligible Shareholders of the Company to realise their investment

Opportunity for the holders of the Eligible Shares to realise their investment in the Shares at a premium over historical trading prices of the Shares without incurring brokerage fees

The Acquisition represents an opportunity for the holders of Eligible Shares (the “**Eligible Shareholders**”) to realise their entire investment in the Shares at a premium over the prevailing

trading prices of the Shares without incurring brokerage and other trading costs, which may not otherwise be possible given the low trading liquidity of the Shares.

	Description	Benchmark Price (S\$) ⁽¹⁾	Premium of the Scheme Consideration over Benchmark Price (%) ⁽²⁾
(a)	Last traded price of the Shares on the SGX-ST on 3 December 2024 (being the last full market day on which the Shares were traded, prior to the Joint Announcement Date) (the “ Last Trading Day ”)	0.410	34.1
(b)	VWAP ⁽³⁾ of the Shares as transacted on the SGX-ST for the one (1)-month period up to and including the Last Trading Day	0.381	44.5
(c)	VWAP of the Shares as transacted on the SGX-ST for the three (3)-month period up to and including the Last Trading Day	0.365	50.7
(d)	VWAP of the Shares as transacted on the SGX-ST for the six (6)-month period up to and including the Last Trading Day	0.376	46.3
(e)	VWAP of the Shares as transacted on the SGX-ST for the 12-month period up to and including the Last Trading Day	0.366	50.1

Notes:

- (1) The benchmark prices are based on data extracted from S&P Capital IQ on the Last Trading Day rounded to the nearest three (3) decimal places.
- (2) The premiums over the benchmark price set out in this column are rounded to the nearest one (1) decimal place.
- (3) Being the volume-weighted average price of the Shares, which is calculated by using the total value over the total volume of Shares traded in the relevant period prior to and including the Last Trading Day.

Opportunity for Eligible Shareholders to fully exit their investment that is otherwise difficult due to the low liquidity of the Eligible Shares

The Offeror believes the Acquisition to be an opportunity for the Eligible Shareholders to achieve full liquidity on their investment in the Company. The Shares of the Company have had highly limited trading liquidity in the market, with average daily trading volumes of approximately 15,841, 7,994, 6,473 and 5,616 Shares over the last one (1)-month, three (3)-month, six (6)-month and 12-month periods respectively, up to and including on the Last Trading Day. These represent only 0.007%, 0.004%, 0.003% and 0.002% of the total number of Shares as at the Joint Announcement Date, respectively.

The Scheme therefore provides Eligible Shareholders who may find it difficult to exit the Company as a result of the low trading volume in the Shares with an opportunity to liquidate and realise their investment in the Shares at a premium to the prevailing market prices which would otherwise not be available given the low trading liquidity.

3.3. Costs of maintaining listing status

In maintaining its listed status, the Company incurs compliance and associated costs relating to continuing listing requirements. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses and costs relating to the maintenance of its listed status and channel such resources to its business operations in the challenging operating environment.

Further, the Company has not carried out any corporate exercise to raise funds from the equity markets since 2014. The Company does not intend to carry out any such corporate exercise in the near future and therefore does not see a need to maintain its listing status to have such access.

4. THE SCHEME

4.1. The Acquisition. Under the Scheme:

4.1.1. all the Eligible Shares held by Eligible Shareholders, being persons who are registered as holders of the Eligible Shares in the register of members of the Company and depositors who have Eligible Shares entered against their names in the Depository Register as at a date and time to be announced 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 Eligible Shareholders in respect of the Scheme (the “**Record Date**”) will be transferred to the Offeror:

- (a) fully paid;
- (b) free from any claim, charge, mortgage, assignment of receivables, debenture, pledge, right to acquire, security, lien, option, equity, power of sale, declaration of trust, hypothecation or other third party rights, retention of title, right of pre-emption, right of first refusal or security interest of any kind and any encumbrance or condition whatsoever (“**Encumbrances**”); and
- (c) together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights, other distributions and/or return of capital (if any) which may be announced, declared, paid or made thereon by the Company in respect of the Shares (collectively, the “**Distributions**”) on or after the Joint Announcement Date.

If any Distributions are announced, declared, paid or made by the Company to the Eligible Shareholders on or after the Joint Announcement Date, the Offeror reserves the right to reduce the Scheme Consideration payable to the Eligible Shareholders by the amount of such Distribution.

4.1.2. in consideration of the transfer of the Eligible Shares referred to in paragraph 4.1.1 above, each Eligible Shareholder as at the Record Date will be entitled to receive the Scheme Consideration of S\$0.55 in cash for each Eligible Share.

4.2. **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 Eligible Shareholders in respect of the Scheme (the “**Scheme Document**”). The indicative timetable for the Acquisition is set out in **Schedule 1 (Indicative Timeline)** to this joint announcement.

4.3. Delisting. Upon the Scheme becoming effective and binding in accordance with its terms and conditions, all the Eligible Shares will be transferred to the Offeror and the Company will, subject to the approval of the SGX-ST, be delisted from the Official List of the SGX-ST.

5. SCHEME CONDITIONS¹

5.1. Scheme Conditions. The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of a number of conditions precedent (the “**Scheme Conditions**”) which are set out in **Schedule 2 (Scheme Conditions)** to this joint announcement.

5.2. Benefit of Scheme Conditions.

5.2.1. The Offeror’s benefit. The Offeror alone may waive the Scheme Conditions in paragraph (4)(c), paragraph (6) (in relation to any Prescribed Occurrence relating to the Company or any Subsidiary as set out in Part II of **Schedule 3 (Prescribed Occurrences)** to this joint announcement), paragraph (7) (in relation to any material breach of Warranties by the Company) and paragraph (8) (in relation to any material adverse events of the Company) of **Schedule 2 (Scheme Conditions)** 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.

5.2.2. The Company’s benefit. The Company alone may waive the Scheme Conditions in paragraph (6) (in relation to any Prescribed Occurrence relating to the Offeror as set out in Part I of **Schedule 3 (Prescribed Occurrences)** to this joint announcement) and paragraph (7) (in relation to any material breach of Warranties by the Offeror) of **Schedule 2 (Scheme Conditions)** 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.

5.2.3. Mutual benefit. Any non-fulfilment of the Scheme Condition in paragraph (4) (except for paragraph (4)(c) which is for the benefit of the Offeror) and paragraph (5) of **Schedule 2 (Scheme Conditions)** to this joint announcement is capable of being waived with the consent in writing of both Parties (to the extent legally permissible).

5.2.4. Other Scheme Conditions. For the avoidance of doubt, the Parties agree that, save for the Scheme Conditions in paragraph (4) and paragraph (5) to paragraph (8) of **Schedule 2 (Scheme Conditions)** to this joint announcement, none of the Scheme Conditions are capable of being waived by either Party or both Parties.

6. TERMINATION²

6.1. Failure of the Scheme Conditions. If (a) any of the Scheme Conditions is not satisfied; or (b) there is an act, omission, event or occurrence that will or, as far as the Offeror or the Company (as the case may be) is aware, is likely to prevent any of the Scheme Conditions from being satisfied, the Offeror or the Company (as the case may be), shall immediately notify the other Party in writing (and in any event prior to the lodgment of the Court Order with the ACRA), and take all such steps as the other Party may require to enable such Scheme Conditions to be satisfied or, if the other Party shall

¹ All capitalised terms used and not defined in this paragraph 5 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 date on which the Scheme becomes effective in accordance with its terms and conditions (the “**Effective Date**”).

² All capitalised terms used and not defined in this paragraph 6 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.

waive such Scheme Conditions, to comply with any such conditions as the other Party may have imposed in giving such waiver.

6.2. Termination. If:

6.2.1. any of the Scheme Conditions set out in paragraph (1) (in relation to the approval of the Scheme by the Eligible Shareholders), paragraph (2) (in relation to the grant of the Court Order), paragraph (3) (in relation to the lodgment of the Court Order), paragraph (4) (except paragraph (4)(c)) (in relation to Regulatory Approvals) of **Schedule 2 (Scheme Conditions)** to this joint announcement is not satisfied, 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 may be agreed in writing between the Parties (the “**Cut-Off Date**”), either Party may immediately terminate the Implementation Agreement, the Acquisition and the Scheme by notice in writing to the other Party;

6.2.2. the Scheme Condition set out in paragraph (4)(c) of **Schedule 2 (Scheme Conditions)** to this joint announcement is not satisfied, the Offeror may immediately terminate the Implementation Agreement, the Acquisition and the Scheme by notice in writing to the Company; and

6.2.3. subject to the terms of the Implementation Agreement:

(a) if the Scheme Condition set out in paragraph (5) of **Schedule 2 (Scheme Conditions)** to this joint announcement is not satisfied, or, if applicable, waived, on or before 5.00 p.m. on the Cut-Off Date, either Party may immediately terminate the Implementation Agreement, the Acquisition and the Scheme by notice in writing to the other Party;

(b) if any of the Scheme Conditions set out in paragraph (6) (in relation to any Prescribed Occurrence relating to the Company as set out in Part II of **Schedule 3 (Prescribed Occurrences)** to this joint announcement) and paragraph (7) (in relation to any material breach of Warranties by the Company or any Subsidiary) and paragraph (8) (in relation to any material adverse events of the Company) of **Schedule 2 (Scheme Conditions)** to this joint announcement is not satisfied or, if applicable, waived, on or before 5.00 p.m. on the Cut-Off Date, the Offeror may immediately terminate the Implementation Agreement, the Acquisition and the Scheme by notice in writing to the Company; or

(c) if any of the Scheme Conditions set out in paragraph (6) (in relation to any Prescribed Occurrence relating to the Offeror as set out in Part I of **Schedule 3 (Prescribed Occurrences)** to this joint announcement) and paragraph (7) (in relation to any material breach of Warranties by the Offeror) of **Schedule 2 (Scheme Conditions)** to this joint announcement is not satisfied or, if applicable, waived, on or before 5.00 p.m. on the Cut-Off Date, the Company may immediately terminate the Implementation Agreement, the Acquisition and the Scheme by notice in writing to the Offeror.

6.3. Effect of Termination. In the event of termination of the Implementation Agreement by either the Offeror or the Company pursuant to the terms of the Implementation Agreement:

6.3.1. the Implementation Agreement shall cease to have any further force or effect (save for the Surviving Provisions); and

6.3.2. neither Party shall have any further liability or obligation to the other Party; but

6.3.3. such termination shall not prejudice the rights of either Party which have accrued or arisen prior to such termination, including, without limitation, any claim in respect of a breach of the Implementation Agreement.

7. INFORMATION ON THE EXCLUDED SHAREHOLDERS AND THE DEEDS OF UNDERTAKING

7.1. Information on Mr. Cheng. Mr. Cheng is the founder, Executive Chairman and Chief Executive Officer of the Company. He is a director and the sole shareholder of the Offeror and a shareholder of CCHPL (a “**CCHPL Shareholder**”). Mr. Cheng has a direct interest in 115,425,610 Shares and deemed interest (through CCHPL)³ in 85,800,000 Shares, representing approximately 51.02% and 37.92% of all the Shares (excluding any Shares held in treasury), respectively.

7.2. Information on CCHPL. CCHPL is a private company limited by shares incorporated in Singapore on 18 October 2007 and its principal activity is that of investment holding. CCHPL has a direct interest in 85,800,000 Shares, representing approximately 37.92% of all the Shares (excluding any Shares held in treasury).

CCHPL is held by Mr. Cheng (31.68%), Mdm. Goo Guik Bing @ Goh Guik Bing (“**Mdm. Goo**”), the wife of Mr. Cheng (9.90%), and their children, Ms. Cheng Li Peng (6.93%), Ms. Cheng Li Chen (14.85%), Ms. Cheng Li Hui (6.93%), Ms. Cheng Wee Ling (14.85%) and Mr. Cheng Yao Tong (14.85%). Each of Mr. Cheng, Ms. Cheng Li Peng, Ms. Cheng Li Chen, Ms. Cheng Li Hui, Ms. Cheng Wee Ling and Mr. Cheng Yao Tong is a director of CCHPL.

7.3. Deeds of Undertaking. Each of the Excluded Shareholders, being Mr. Cheng and CCHPL, has given an undertaking to the Offeror and the Company (collectively, the “**Deeds of Undertaking**”) pursuant to which each Excluded Shareholder has, among others, agreed and confirmed:

- (a) his/its acceptance of the terms and conditions of the Acquisition and the Scheme as set out in the Implementation Agreement (specifically that the Acquisition by way of the Scheme will not be extended to the Excluded Shares); and
- (b) that he/it will not dissent from the terms and conditions of the Acquisition and the Scheme as set out in the Implementation Agreement, in any application for the grant of orders of the Court⁴ in relation to the Scheme and/or at any hearings of the Court in respect of the application to approve the Scheme.

The Excluded Shareholders have each given the Deeds of Undertaking to the Offeror and the Company in respect of their collective direct interests of 201,225,610 Shares as at the Joint Announcement Date, representing approximately 88.94% of all the Shares.

7.4. Termination of the Deeds of Undertaking. Each of the Excluded Shareholders obligations under the Deeds of Undertaking shall terminate and cease to have any effect if the Acquisition by way of the Scheme is terminated for any reason under the Implementation Agreement other than a breach of the obligations under the Deeds of Undertaking, provided that such termination and cessation shall be subject to the prior written confirmation of the Offeror and the Company.

8. APPROVALS REQUIRED

8.1. Scheme Meeting and Court Approval. The Scheme will require, among others, 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 after the Scheme becomes effective in accordance with its terms;

³ By virtue of Mr. Cheng holding more than 20% of the total issued and paid-up capital of CCHPL, Mr. Cheng is deemed to be interested in the 85,800,000 Shares held by CCHPL.

⁴ Court refers to the General Division of the High Court of the Republic of Singapore or, where applicable on appeal, the Appellate Division of the High Court of the Republic of Singapore or the Court of Appeal of the Republic of Singapore.

- (b) the approval of the Scheme by a majority in number of Eligible Shareholders representing three-fourths in value of the Eligible Shares held by Eligible Shareholders present and voting either in person or by proxy at the meeting of the Eligible Shareholders to be convened at the direction of the Court for the purpose of considering and, if thought fit, approving the Scheme (and shall include any adjournment thereof) (the “**Scheme Meeting**”); and
- (c) the grant of the order of Court approving the Scheme under Section 210 of the Companies Act (the “**Court Order**”) by the Court and such Court Order having become final.

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 Court Order approving the Scheme has been lodged with the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”).

8.2. Rulings / Confirmations from the Securities Industry Council of Singapore. Pursuant to an application made to the Securities Industry Council of Singapore (the “**Council**”) to seek certain rulings in relation to the Acquisition and the Scheme, the Council had, on 4 November 2024 ruled / confirmed, among others, that:

- (a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code, subject to:
 - (i) the Offeror and the parties who are acting or presumed to be acting in concert with the Offeror in connection with the Scheme (the “**concert parties**”), and the common substantial shareholders of the Offeror and the Company abstain from voting on the Scheme;
 - (ii) the directors of the Company who are also directors of the Offeror or who are acting in concert with those persons in sub-paragraph (i) above abstain from making a recommendation on the Scheme to the Eligible Shareholders;
 - (iii) the Scheme Document contains advice to the effect that by voting for the Scheme, the Eligible Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company;
 - (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 appointing an independent financial adviser to advise the Eligible Shareholders on the Scheme; and
 - (vi) the Scheme being completed within six (6) months (unless extended with Council’s consent) from the date of this joint announcement;
- (b) the Deeds of Undertaking and the exclusion of the Excluded Shares from the Acquisition by way of the Scheme do not constitute prohibited special deals within the meaning of Rule 10 of the Code; and
- (c) it has no objections to the Scheme Conditions, subject to the condition that parties will not be allowed to invoke the Scheme Conditions to terminate the Implementation Agreement unless they have consulted Council on the same.

9. FUTURE INTENTIONS FOR THE COMPANY

There is presently no intention by the Offeror to (a) introduce any major changes to the business of the Company; (b) dispose of, sell or re-deploy the fixed assets of the Company; or (c) discontinue the employment of the employees of the Company, save in the ordinary course of business.

The board of directors of the Offeror retains and reserves the right and flexibility at any time after the completion of the Scheme to consider or pursue any options in relation to the Company which may present themselves and which the board of directors of the Offeror (at such time) may regard to be in the interest of the Company, while also taking into account the interests of the various stakeholders of the Company.

10. CONFIRMATION OF FINANCIAL RESOURCES

Icon Law LLC, being the legal 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 Eligible Shares to be acquired by the Offeror pursuant to the Scheme.

11. INDEPENDENT FINANCIAL ADVISER

Xandar Capital 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 Acquisition and the Scheme (collectively, the “**Independent Directors**”) for the purposes of making a recommendation to the Eligible 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

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 Scheme Meeting will be despatched to Eligible Shareholders in due course.

Eligible Shareholders are advised to refrain from taking any action in relation to their Eligible 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 the Shares held by the directors of the Company are set out below:

Directors	Direct		Deemed		Total	
	No. of Shares	Per cent. (%) ⁽¹⁾	No. of Shares	Per cent. (%) ⁽¹⁾	No. of Shares	Per cent. (%) ⁽¹⁾
Mr. Cheng	115,425,610	51.02	85,800,000 ⁽²⁾	37.92 ⁽²⁾	201,225,610	88.94

Directors	Direct		Deemed		Total	
	No. of Shares	Per cent. (%) ⁽¹⁾	No. of Shares	Per cent. (%) ⁽¹⁾	No. of Shares	Per cent. (%) ⁽¹⁾
Mr. Chua Keng Woon	1,035,650	0.46	-	-	1,035,650	0.46
Ms. Cheng Wee Ling	-	-	-	-	-	-
Mr. Lim Hui Kwan	-	-	-	-	-	-
Mr. Reuben Tan Wei Jer	-	-	-	-	-	-

Notes:

- (1) The percentage shareholding interest referred to in this joint announcement is rounded to two (2) decimal places and is based on 226,241,195 Shares (which is the total issued and paid-up share capital of the Company, excluding 352,000 Shares held in treasury). Any discrepancies in the figures included in this joint announcement between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this joint announcement may not be an arithmetic aggregation of the figures that precede them.
- (2) By virtue of Mr. Cheng holding more than 20% of the total issued and paid-up capital of CCHPL, Mr. Cheng is deemed to be interested in the 85,800,000 Shares held by CCHPL.

Save as disclosed in this joint announcement, no director of the Company or controlling Eligible Shareholder has any interest in the Scheme (other than by reason only of being a director of the Company or an Eligible Shareholder).

13.2. Offeror.

- (a) **No holdings.** Save as disclosed in this joint announcement and **Schedule 4 (Disclosure of interests of Relevant Persons)** to this joint announcement, as at the Joint Announcement Date, none of (i) the Offeror and its directors (being Mr. Cheng and Ms. Cheng Li Chen); (ii) CCHPL and its directors (being Mr. Cheng and Ms. Cheng Li Chen (who are also directors of the Offeror), Ms. Cheng Li Peng, Ms. Cheng Li Hui, Ms. Cheng Wee Ling and Mr. Cheng Yao Tong); and (iii) Mr. Cheng's wife, Mdm. Goo (collectively, the "**Relevant Persons**" and each, a "**Relevant Person**"):
- (1) owns, controls or has agreed to acquire any Shares, other securities which carry voting rights in the Company or convertible securities, warrants, options, awards or derivatives in respect of the Shares or securities which carry voting rights in the Company (collectively, the "**Company Securities**"); or
 - (2) has dealt for value in any Company Securities during the three (3)-month period immediately preceding the Joint Announcement Date.

(b) **Other arrangements.** Save as disclosed in this joint announcement, as at the Joint Announcement Date, none of the Relevant Persons has:

- (1) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to any shares in the capital of the Offeror and/or any Company Securities which might be material to the Scheme, other than the Deeds of Undertaking;
- (2) received any irrevocable commitment from any party to approve or dissent to the Scheme, other than the Deeds of Undertaking; and
- (3) in relation to the Company Securities, granted a security interest to another person, whether through a charge, pledge or otherwise, borrowed from another person (excluding borrowed securities which have been on-lent or sold) or lent to another person.

13.3. Confidentiality. In the interests of confidentiality, save for the Relevant Persons, the Offeror has not made enquiries in respect of other concert parties in connection with the Scheme. Further enquiries will be promptly made of such persons subsequent to this joint announcement and the Council will be informed of any such holdings or dealings. Relevant disclosures, if any, will be made subsequently in due course and in the Scheme Document, noting that if the aggregate number of the Company Securities owned, controlled or agreed to be acquired by such other concert parties represent 0.1% or more of the total number of Shares, the Offeror must promptly announce such holdings to the public.

14. OVERSEAS ELIGIBLE SHAREHOLDERS

The applicability of the Scheme to Eligible 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 (each, an “**Overseas Eligible Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Eligible Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

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 Overseas Eligible Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Eligible Shareholders (including the Overseas Eligible 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.

Overseas Eligible Shareholders who are in doubt about their positions should consult their own professional advisers in the relevant jurisdictions.

Further details in relation to Overseas Eligible Shareholders will be contained in the Scheme Document.

15. DOCUMENTS FOR INSPECTION

A copy of the Implementation Agreement 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.

16. RESPONSIBILITY STATEMENTS

- 16.1. Company.** The directors of the Company (including those who may have delegated detailed supervision 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 Offeror, Mr. Cheng and/or CCHPL or any opinion expressed by the Offeror, Mr. Cheng and/or CCHPL) are fair and accurate and that no material facts have been omitted from this joint announcement, the omission of which would make any statement in this joint announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information in relation to the Offeror, Mr. Cheng and/or CCHPL), the sole responsibility of the directors of the Company has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this joint announcement in its proper form and context. The directors of the Company do not accept any responsibility for any information relating to the Offeror, Mr. Cheng and/or CCHPL or any opinion expressed by the Offeror, Mr. Cheng and/or CCHPL.

The directors of the Company jointly and severally accept full responsibility accordingly.

- 16.2. Offeror.** The directors of the Offeror (including those who may have delegated detailed supervision 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 no material facts have been omitted from this joint announcement, the omission of which would make any statement in this joint announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information in relation to the Company or the Group), the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this joint announcement in its proper form and context. The directors of the Offeror do not accept any responsibility for any information relating to the Company or any opinion expressed by the Company.

The directors of the Offeror jointly and severally accept full responsibility accordingly.

9 December 2024

By order of the Board

HAI LECK HOLDINGS LIMITED

By order of the board of directors

CHENG INVESTMENT MANAGEMENT PTE. LTD.

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 current expectations, beliefs, hopes, intentions or strategies of the party making the statements 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 Company and/or any other person should not place undue reliance on such forward-looking statements, and the Offeror does not undertake any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

**Schedule 1
Indicative Timeline**

The timeline below is indicative only and subject to change. Please refer to future SGXNet announcement(s) by the Company for the exact dates of these events.

Indicative Date	Event
9 December 2024	Announcement of Scheme
Mid to Late March 2025	First Court Hearing ⁽¹⁾
Early to Mid-April 2025	Despatch of Scheme Document ⁽²⁾
Mid to Late April 2025	Scheme Meeting
Early to Mid-May 2025	Second Court Hearing to approve the Scheme ⁽¹⁾
Mid-May 2025	Effective Date ⁽³⁾

Notes:

- (1) The dates of the Court hearings of the application to (a) convene the Scheme Meeting; and (b) approve the Scheme will depend on the dates that are allocated by the Court.
- (2) The date of despatch of the Scheme Document is subject to the SGX-ST's approval of the Scheme Document.
- (3) On the basis that the Court Order is lodged with ACRA pursuant to Section 210(5) of the Companies Act by the Company on the 10th Business Day from the date the Scheme is approved by the Court.

Schedule 2⁵
Scheme Conditions

Scheme Conditions. The Acquisition is conditional upon the satisfaction (or, where applicable, the waiver) of all of the following Scheme Conditions:

- (1) **Eligible Shareholders' Approval:** the approval of the Scheme by the Eligible Shareholders in compliance with the requirements of Section 210(3AB) of the Companies Act;
- (2) **Court Order:** the grant of the Court Order by the Court and such Court Order having become final;
- (3) **ACRA Lodgment:** the lodgment of the Court Order with the ACRA pursuant to Section 210(5) of the Companies Act;
- (4) **Regulatory Approvals:** all Regulatory Approvals having been obtained or granted and remaining in full force and effect from the date such Regulatory Approvals are obtained or granted up to immediately prior to the lodgment of the Court Order with the ACRA and, if any such Regulatory Approval is subject to any conditions or requires any actions or obligations to be taken or performed, all such conditions being reasonably acceptable to the Parties and all such actions and obligations having been duly taken or performed on or prior to the first application to the Court for the order to convene the Scheme Meeting to the Parties' reasonable satisfaction (save for sub-Clause (c) below which is to the Offeror's reasonable satisfaction), including, the following:
 - (a) confirmation from the Council 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 shall not apply to the Scheme, subject to any conditions the Council may impose but without prejudice to Clause 3.3;
 - (b) the approval-in-principle from the SGX-ST of the Scheme and for the proposed delisting of the Company from the SGX-ST; and
 - (c) confirmation from the Council that the exclusion of Mr. Cheng Direct Shares and CCHPL Direct Shares from the Scheme would not be regarded as a prohibited special deal for the purpose of Rule 10 of the Code;
- (5) **No Illegality:** between the date of this Agreement and up to immediately prior to the lodgment of the Court Order with the ACRA, (a) no order, injunction, judgment or decree issued by any Governmental Agency or other legal restraints or prohibition preventing the consummation of the Acquisition or implementation of the Scheme shall be in effect; (b) no *bona fide* official proceeding initiated by any Governmental Agency shall be pending that presents a reasonable prospect of materially restraining, enjoining or otherwise preventing the consummation of the Acquisition or implementation of the Scheme or resulting in the same; and (c) no law shall have been enacted, entered, promulgated or enforced by any Governmental Agency that prohibits, materially restricts or makes illegal the consummation of the Acquisition or the implementation of the Scheme;
- (6) **No Prescribed Occurrence:** between the date of this Agreement and up to immediately prior to the lodgment of the Court Order with the ACRA, no Prescribed Occurrence in relation to (a) the Offeror (as set out in Part I of **Schedule 3 (Prescribed Occurrences)** to this Agreement); or (b) the Company or, where applicable, any Subsidiary (as set out in Part II of **Schedule 3 (Prescribed Occurrences)** to this Agreement), in each case, occurring other than as required by this Agreement or the Scheme;

⁵ All capitalised terms used and not defined in this Schedule 2 to 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.

- (7) **Warranties:** there having been no material breach by the Offeror or the Company of its respective Warranties, as at the date of this Agreement up to immediately prior to the lodgment of the Court Order with the ACRA; and
- (8) **No Material Adverse Event:** there having been no event occurring since the Announcement Date which has or is reasonably likely to have the effect of causing more than a 10.0% diminution in the consolidated net profit attributable to equity holders of the Company or the consolidated net asset value of the Group, as reflected in the Company Audited Accounts.

Schedule 3⁶
Prescribed Occurrences

Part I – Prescribed Occurrence in relation to the Offeror

For the purpose of this Agreement, “**Prescribed Occurrence**”, in relation to the Offeror, means any of the following:

- (1) **Injunction:** an injunction or other order issued against the Offeror 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 the Offeror;
- (2) **Resolution for Winding Up:** the Offeror resolving that it be wound up;
- (3) **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or any other similar officer of the Offeror;
- (4) **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of the Offeror;
- (5) **Composition:** the Offeror entering into any arrangement or general assignment or composition for the benefits of its creditors generally;
- (6) **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of the Offeror;
- (7) **Insolvency:** the Offeror becoming or being deemed by law or a court to be insolvent or being unable to pay its debts when they fall due or stops or suspends or threatens to stop or suspend payment of its debts of a material amount as they fall due;
- (8) **Cessation of Business:** the Offeror ceases or threatens to cease for any reason to carry on business in the usual and ordinary course;
- (9) **Breach of this Agreement:** the Offeror being in material breach of any of its covenants, undertakings and obligations under this Agreement;
- (10) **Investigations and Proceedings:** if the Offeror or any of its directors is or will be the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or
- (11) **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).

⁶ All capitalised terms used and not defined in this Schedule 3 to 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.

Part II – Prescribed Occurrence in relation to the Company (or where applicable, any Subsidiary)

For the purpose of this Agreement, “**Prescribed Occurrence**”, in relation to the Company (or, where applicable, any Subsidiary), means any of the following:

- (1) **Conversion of Shares:** the Company converting all or any of its shares into a larger or smaller number of shares;
- (2) **Share Buy-back:** the Company 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) **Alteration of Share Capital:** the Company resolving to reduce or otherwise alter its share capital in any way;
- (4) **Allotment of Shares:** the Company (or any Subsidiary) 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;
- (5) **Issuance of Debt Securities:** the Company (or any Subsidiary) issuing, or agreeing to issue, convertible notes or other debt securities;
- (6) **Dividends:** save as may be agreed in writing between the Parties, the Company declaring, making or paying any dividends or any other form of distribution to its shareholders;
- (7) **Injunction:** an injunction or other order issued against the Company 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 the Company;
- (8) **Resolution for Winding Up:** the Company (or any Subsidiary) 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 any other similar officer of the Company (or of any Subsidiary);
- (10) **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of the Company (or of any Subsidiary);
- (11) **Composition:** the Company (or any Subsidiary) entering into any arrangement or general assignment or composition for the benefits 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 the Company (or of any Subsidiary);
- (13) **Insolvency:** the Company (or any Subsidiary) becoming or being deemed by law or a court to be insolvent or being unable to pay its debts when they fall due or stops or suspends or threatens to stop or suspend payment of its debts of a material amount as they fall due;
- (14) **Cessation of Business:** save as disclosed in the Disclosure Letter, the Company (or any Subsidiary) ceases or threatens to cease for any reason to carry on business in the usual and ordinary course;
- (15) **Breach of this Agreement:** the Company being in material breach of any of its covenants, undertakings and obligations under this Agreement;

- (16) **Investigations and Proceedings:** if the Company (or any Subsidiary) 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 4
Disclosure of interests of Relevant Persons

Relevant Persons	Direct		Deemed		Total	
	No. of Shares	Per cent. (%) ⁽¹⁾	No. of Shares	Per cent. (%) ⁽¹⁾	No. of Shares	Per cent. (%) ⁽¹⁾
The Offeror						
Cheng Investment Management Pte. Ltd.	-	-	-	-	-	-
The directors of the Offeror						
Mr. Cheng	115,425,610	51.02	85,800,000 ⁽²⁾	37.92 ⁽²⁾	201,225,610	88.94
Ms. Cheng Li Chen	-	-	-	-	-	-
Other concert parties						
Cheng Capital Holdings Pte. Ltd.	85,800,000	37.92	-	-	85,800,000	37.92
Ms. Cheng Li Peng	-	-	-	-	-	-
Ms. Cheng Li Hui	-	-	-	-	-	-
Ms. Cheng Wee Ling	-	-	-	-	-	-
Mr. Cheng Yao Tong	-	-	-	-	-	-
Mdm. Goo	-	-	201,225,610	88.94	201,225,610	88.94

Notes:

- (1) The percentage shareholding interest referred to in this joint announcement is rounded to two (2) decimal places and is based on 226,241,195 Shares (which is the total issued and paid-up share capital of the Company, excluding 352,000 Shares held in treasury). Any discrepancies in the figures included in this joint announcement between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this joint announcement may not be an arithmetic aggregation of the figures that precede them.
- (2) By virtue of Mr. Cheng holding more than 20% of the total issued and paid-up capital of CCHPL, Mr. Cheng is deemed to be interested in the 85,800,000 Shares held by CCHPL.