

VOLUNTARY UNCONDITIONAL OFFER

by

PRICEWATERHOUSECOOPERS CORPORATE FINANCE PTE LTD

(Company Registration No.: 197501605H)

(Incorporated in the Republic of Singapore)

for and on behalf of

AEM SINGAPORE PTE. LTD.

(Company Registration No.: 199200362M)

(Incorporated in the Republic of Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

CEI LIMITED

(Company Registration No.: 199905114H)

(Incorporated in the Republic of Singapore)

OFFEROR'S INTENTIONS IN RELATION TO THE RESOLUTIONS TO APPROVE DIVIDENDS AS SET OUT IN THE NOTICE OF ANNUAL GENERAL MEETING DATED 1 APRIL 2021 OF CEI LIMITED

1. INTRODUCTION

PricewaterhouseCoopers Corporate Finance Pte Ltd ("**PwC CF**") refers to:

- (a) the offer document dated 3 March 2021 (the "**Offer Document**") in relation to the voluntary conditional offer (the "**Offer**") by PwC CF, for and on behalf of AEM Singapore Pte. Ltd. (the "**Offeror**"), to acquire all the issued and paid-up ordinary shares (excluding any shares held in treasury) (the "**Shares**") in the capital of CEI Limited (the "**Company**" or "**CEI**") other than those already held by the Offeror as at the date of the Offer in accordance with Rule 15 of The Singapore Code on Take-overs and Mergers (the "**Code**");
- (b) the announcement dated 19 March 2021 (the "**Unconditional Date**") issued by PwC CF, for and on behalf of the Offeror, in relation to, *inter alia*, the Offer being declared unconditional in all respects and the extension of the Closing Date to 5.30 p.m. on 26 April 2021 (the "**Final Closing Date**");
- (c) the announcement dated 29 March 2021 issued by PwC CF, for and on behalf of the Offeror, in relation to the allotment and issue of 2,204,127 New AEM Holdings Shares in consideration for 29,456,573 Offer Shares, representing 33.98%¹ of the total number of issued Shares, that were tendered in acceptance of the Offer for either of the Cash

¹ Unless otherwise stated, references in this Announcement to the total number of issued Shares are based on 86,698,463 Shares (excluding 1,235,750 treasury shares) in issue (based on a search conducted at the Accounting and Corporate Regulatory Authority of Singapore on 5 April 2021).

Shares Consideration Options as at 23 March 2021; and

- (d) the announcement dated 1 April 2021 issued by PwC CF, for and on behalf of the Offeror, in relation to the allotment and issue of 652,671 New AEM Holdings Shares in consideration for 6,721,977 Offer Shares, representing 7.75% of the total number of issued Shares, that were tendered in acceptance of the Offer for either of the Cash Shares Consideration Options from 24 March 2021 to 26 March 2021.

Unless otherwise defined, capitalised terms in this Announcement shall bear the same meaning as set out in the Offer Document.

2. ANNUAL GENERAL MEETING OF THE COMPANY AND THE OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

2.1 Resolutions to Approve Dividends

PwC CF, for and on behalf of the Offeror, refers to the Notice of Annual General Meeting dated 1 April 2021 in respect of the upcoming annual general meeting of CEI to be held on 19 April 2021 (the "**Upcoming Offeree AGM**") and in particular, resolutions 2 and 3 to approve a one-tier tax-exempt third and final dividend of 0.40 cents per Share and a one-tier tax-exempt special dividend of 2.60 cents per Share respectively (collectively, the "**Dividends**") (collectively, the "**Dividend Resolutions**").

2.2 Offeror's Intentions Relating to the Company and the Dividends

- (a) PwC CF, for and on behalf of the Offeror, wishes to highlight the Offeror's intentions relating to the Company's practice regarding the payment of dividends to Shareholders as set out in paragraph 9 of the Offer Document, which has been reproduced below:

"In the event the Offer becomes or is declared unconditional in all respects in accordance with its terms and the Company becomes an indirect subsidiary of AEM Holdings, the Directors of AEM Holdings may review and make changes to the Company's existing practice regarding the payment of dividends to Shareholders, having regard to the AEM Group's dividend policy and factors including but not limited to the Company Group's retained earnings, financial position, capital expenditure requirements, future expansion and investment plans."

- (b) As the Offer has been declared unconditional in all respects on 19 March 2021 and, following the settlement of the acceptances received on or prior to the Unconditional Date and up to 23 March 2021, CEI has become an indirect subsidiary of AEM Holdings as at 29 March 2021, **PwC CF wishes to announce, for and on behalf of the Offeror, that having regard to the Offeror's intentions relating to the Company as set out above in this paragraph 2.2, the Offeror will vote against the Dividend Resolutions at the Upcoming Offeree AGM. Consequently, the Dividend Resolutions will NOT be passed and the Dividends will NOT be paid to Shareholders.**
- (c) The Board of Directors of AEM Holdings is of the view that it would be in the best interests of CEI for the cash, which would otherwise be distributed to Shareholders

under the Dividends, to be retained by CEI, in order to fund future growth and expansion and to optimise operational needs going forward.

2.3 Impact on Shareholders

PwC CF, for and on behalf of the Offeror, refers to paragraph 2.6 of the Offer Document and wishes to highlight the following:

- (a) **For Shareholders who have tendered or will tender their Shares in acceptance of the Offer:** the decision of the Offeror to vote against the Dividend Resolutions would not have any impact on Shareholders who have tendered or will tender their Shares in acceptance of the Offer prior to the close of the Offer, as the relevant Offer Settlement Date(s) would fall before the Record Date for the Dividends (i.e. 7 May 2021) and such accepting Shareholders would therefore not, in any case, be entitled to the Dividends.
- (b) **For Shareholders who do not tender their Shares in acceptance of the Offer:**
 - (i) Even if the Offeror were to vote in favour of the Dividend Resolutions such that the Dividend Resolutions are approved at the Upcoming Offeree AGM:
 - (A) in the event the Offeror becomes entitled to exercise its right to compulsorily acquire all remaining Offer Shares not acquired under the Offer, Shareholders who do not tender their Shares in acceptance of the Offer would be entitled to receive the Dividends (of S\$0.03 per Share); however, the Offer Consideration payable for such Offer Shares under the compulsory acquisition will be reduced by an amount which is equal to the Dividends in respect of such Offer Shares (i.e. an adjusted Offer Consideration of S\$1.12 per Offer Share, instead of S\$1.15 per Offer Share will be paid to such Shareholders);
 - (B) in the event however, that the Offeror does not become entitled to exercise its right to compulsorily acquire all remaining Offer Shares not acquired under the Offer, such Shareholders would only be entitled to receive the Dividends of S\$0.03 per Share.
 - (ii) Assuming the Dividend Resolutions are NOT approved at the Upcoming Offeree AGM, as set out in paragraph 2.2(b) above:
 - (A) in the event that the Offeror becomes entitled to exercise its right to compulsorily acquire all remaining Offer Shares not acquired under the Offer, the Offer Consideration payable for such Offer Shares under the compulsory acquisition will remain at S\$1.15 per Share;
 - (B) in the event, however, that the Offeror does not become entitled to exercise its right to compulsorily acquire all remaining Offer Shares not acquired under the Offer, Shareholders who do not tender their Shares in acceptance of the Offer would NOT receive the Dividends or the Offer Consideration.

3. RESPONSIBILITY STATEMENT

The Directors of the Offeror and AEM Holdings (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the Company Group), the sole responsibility of the Directors of the Offeror and AEM Holdings 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 Announcement.

Issued by

PricewaterhouseCoopers Corporate Finance Pte Ltd

For and on behalf of

AEM Singapore Pte. Ltd.

5 April 2021

Any enquiries relating to this Announcement or the Offer should be directed during office hours to the following:

PricewaterhouseCoopers Corporate Finance Pte Ltd

+65 6592 4719