

CIRCULAR DATED 23 FEBRUARY 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all your shares in the issued share capital of TLV Holdings Limited (the "**Company**"), you should immediately forward this circular ("**Circular**") together with the Notice of EGM and the accompanying Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this Circular.

This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.



TLV HOLDINGS LIMITED

Company Registration: 201526542-C
Incorporated in the Republic of Singapore on 22 June 2015

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED ADOPTION OF SHARE BUYBACK MANDATE

Last Date and Time for Lodgement of Proxy Forms	:	7 March 2016 at 10.00 am
Date and Time of Extraordinary General Meeting	:	9 March 2016 at 10.00 am
Place of Extraordinary General Meeting	:	3 Kaki Bukit Place, Eunos Techpark, Singapore 416181

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

- “ACRA”** : The Accounting and Corporate Regulatory Authority of Singapore
- “ACIL”** : Ample China International Limited
- “AGM”** : An annual general meeting of the Company
- “Associate”** : (a) in relation to any Director, chief executive officer, Substantial Shareholder or controlling shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediately family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more
- (b) in relation to a Substantial Shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Board of Directors” or “Board” or “Directors”** : The directors of the Company for the time being
- “Business Day”** : A day (other than a Saturday, Sunday and public holiday) on which commercial banks are generally open for business in Singapore
- “Catalist Rules”** : The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, modified or supplemented from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 23 February 2016
- “Constitution”** : The Constitution of the Company as amended, supplemented or modified from time to time
- “Company”** : TLV Holdings Limited
- “Companies Act” or “Act”** : Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
- “EGM”** : The extraordinary general meeting of the Company, notice of which is set out on page 20 of this Circular

DEFINITIONS

“EPS”	:	Earnings per Share
“FY”	:	Financial year ended or ending 31 March
“9M2016 Results” or “9M2016”	:	The unaudited consolidated financial statements of the Group and Company for the nine-month period ended 31 December 2015
“Group”	:	The Company and its subsidiaries as at the date of this Circular
“Latest Practicable Date”	:	15 February 2016, being the latest practicable date prior to the printing of this Circular
“Market Day(s)”	:	A day or days on which the SGX-ST is open for securities trading
“Market Purchases”	:	On-market purchases transacted on the SGX-ST through the SGX-ST’s trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose of the Share Buyback
“NTA”	:	Net tangible assets
“Off-Market Purchases”	:	Off-market purchases (if effected otherwise than on the SGX-ST) in accordance with an “equal access scheme” as defined in Section 76C of the Act
“Ordinary Resolution”	:	The ordinary resolution as set out in the Notice of EGM on page 20 of this Circular
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Buyback”	:	The purchase or acquisition of issued Share(s) by the Company pursuant to the terms of the Share Buyback Mandate
“Share Buyback Mandate”	:	The general and unconditional mandate given by the Shareholders to authorise the Directors to exercise all powers of the Company to purchase or otherwise acquire, on behalf of the Company, issued Shares in accordance with the terms set out in this Circular as well as the rules and regulations set forth in the Act and the Catalist Rules
“Shareholders”	:	Persons who are registered as holders of the Shares in the Register of Members of the Company, or where CDP is the registered holder, the term Shareholders shall in relation to such Shares, mean the Depositors who have Shares entered against their names in the Depository Register
“Shares”	:	Ordinary shares in the issued capital of the Company
“Substantial Shareholders”	:	A person who has an interest in voting Shares of the Company and the total votes attached to that Share, or those Shares, are not less than 5% of the total votes attached to all

DEFINITIONS

voting Shares in the Company

- “Take-over Code”** : The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
- “Treasury Shares”** : Issued Shares of the Company which were (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Act applies and have since purchase been continuously held by the Company
- “S\$” and “cents”** : Singapore dollars and cents, the lawful currency of Singapore
- “%” or “per cent.”** : Percentage or per centum

Unless the context otherwise requires:

- (a) the terms **“Depositor”**, **“Depository Register”** and **“Depository Agent”** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act;
- (b) the terms **“subsidiary”**, **“related company”** and **“substantial shareholder”** shall have the meanings ascribed to them in the Companies Act respectively;
- (c) words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders;
- (d) any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Catalist Rules or the Take-over Code or any modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the Catalist Rules or the Take-over Code or such modification thereof, as the case may be, unless the context otherwise requires;
- (e) any reference to a time of a day in this Circular shall be a reference to Singapore time unless otherwise stated;
- (f) any discrepancies between the figures listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them; and
- (g) the headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

LETTER TO SHAREHOLDERS

TLV HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 201526542C)

Directors

Mr Goh Yeow Tin	(Non-Executive Chairman and Independent Director)
Mr Michael Teo	(Managing Director)
Mr Ang Kah Leong	(Executive Director)
Mr Lu King Seng	(Independent Director)
Mr Chua Kern	(Independent Director)

Registered Office

3 Kaki Bukit Place,
Eunos Techpark
Singapore 416181

23 February 2016

To: The Shareholders of TLV Holdings Limited

Dear Sir/Madam,

THE PROPOSED ADOPTION OF SHARE BUYBACK MANDATE

1 INTRODUCTION

1.1 Proposed Adoption of Share Buyback Mandate

It is a requirement under the Act that a company which wishes to purchase or otherwise acquire its own shares has to obtain the approval of its shareholders to do so at a general meeting of its shareholders. It is also a requirement under the Catalyst Rules that an issuer which wishes to purchase its own shares should obtain prior approval of its shareholders at a general meeting. In this regard, approval is now being sought from Shareholders at the EGM for the adoption of the Share Buyback Mandate.

An Ordinary Resolution will be proposed at the EGM pursuant to which the Share Buyback Mandate will be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares on the terms of the Share Buyback Mandate.

If approved by Shareholders at the EGM, the authority conferred by the Share Buyback Mandate will continue to be in force until the conclusion of the next AGM of the Company or the date by which such AGM is required to be held (whereupon it will lapse, unless renewed at such meeting) or the date on which the purchases or acquisitions of Shares have been carried out to the full extent mandated or until it is varied or revoked by the Company in a general meeting (if so varied or revoked prior to the next AGM of the Company), whichever is the earliest.

1.2 Purpose of Circular

The purpose of this Circular is to explain the reasons for, and to provide Shareholders with relevant information relating to the proposed adoption of the Share Buyback Mandate as well as to seek Shareholders' approval for the ordinary resolution to be tabled at the forthcoming EGM.

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This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any persons (other than the Shareholder to whom this Circular is despatched to by the Company) or for any other purpose.

2 THE PROPOSED ADOPTION OF SHARE BUYBACK MANDATE

2.1 Rationale for the Share Buyback Mandate

The rationale for the Company to undertake the purchase or acquisition of its issued Shares is as follows:

- (a) Directors are constantly seeking to increase Shareholders' value and to improve, *inter-alia*, the return on equity of the Group. The purchase by the Company of its issued Shares at the appropriate price level is one of the ways through which the return on equity of the Group may be enhanced;
- (b) The Share Buyback Mandate will give the Directors the flexibility to purchase or acquire Shares as and when circumstances permit. The Directors believe that the Share Buyback Mandate provides the Company and its Directors with a mechanism to facilitate the use of any surplus cash over and above the Company's ordinary working capital requirements, in an expedient and cost-efficient manner;
- (c) The Share Buyback Mandate will also allow the Directors to exercise greater control over the Company's share capital structure, dividend policy and cash reserves and may lead to an enhancement of EPS and/or NTA per Share of the Company and the Group; and
- (d) The Directors further believe that a Share Buyback by the Company may help mitigate short-term market or price volatility, offset the effects of short-term share speculation or demand and bolster Shareholders' confidence.

Whilst the Share Buyback Mandate would authorise Share Buybacks up to the said ten per cent. (10%) limit during the duration referred to in Section 2.2.2 below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may not be carried out to the full ten per cent. (10%) limit as authorised and the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate would be made only as and when the Directors consider it to be in the best interest of the Company and/or Shareholders and in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group, or result in the Company being delisted from the SGX-ST.

2.2 Authority and Limits of the Share Buyback Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buyback Mandate are summarised below:

2.2.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares that may be purchased or acquired by the Company pursuant to the Share Buyback Mandate is limited to that number of Shares representing not more than ten per cent. (10%) of the total number of issued Shares of the Company as at the date of the EGM at which the Share Buyback Mandate is approved, unless the Company has, at any time during the Relevant Period (as defined in Section 2.2.2), effected a reduction of its share capital in accordance with the applicable provisions of the Act, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the

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Company as altered. Any Shares which are held as Treasury Shares will be disregarded for purposes of computing the ten per cent. (10%) limit.

Purely for illustrative purposes only, on the basis of 565,506,000 Shares in issue as at the Latest Practicable Date, and assuming that no further Shares are issued on or prior to the EGM, not more than 56,550,600 Shares (representing 10% of the total number of issued Shares as at that date) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate.

2.2.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, by the Company on and from the date of the EGM at which the Share Buyback Mandate is approved up to the earlier of:

- (a) the conclusion of the next AGM or the date by which such AGM of the Company is held or required by law to be held;
- (b) the date on which the Share Buybacks are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Company in general meeting.

(the “**Relevant Period**”)

The authority conferred on the Directors by the Share Buyback Mandate to purchase or acquire Shares may be renewed by the Shareholders in a general meeting of the Company, such as at the next AGM of the Company or at an extraordinary general meeting to be convened immediately after the conclusion or adjournment of the next AGM.

2.2.3 Manner of purchases or acquisitions of Shares

Purchases or acquisitions of Shares can be effected by the Company by way of:

- (a) on-market purchases transacted on the SGX-ST through the SGX-ST’s trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose of the Share Buyback (“**Market Purchases**”); and/or
- (b) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with an “equal access scheme” as defined in Section 76C of the Act (“**Off-Market Purchases**”).

In an Off-Market Purchase, the Directors may impose such terms and conditions which are consistent with the Share Buyback Mandate, the Catalist Rules, the Act, the Constitution and other applicable laws and regulations, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes.

Under the Act, an equal access scheme must satisfy all the following conditions:

- (a) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and

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- (c) the terms of all the offers shall be the same, except that there shall be disregarded, where applicable:
 - (i) differences in consideration attributable to the fact that the offers may relate to Shares with different accrued dividends entitlements;
 - (ii) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Pursuant to Rule 870 of the Catalist Rules, if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it must issue an offer document to all Shareholders containing at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed purchase or acquisition of Shares;
- (d) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the purchases or acquisitions of Shares, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (f) details of any purchases or acquisitions of Shares made by the Company in the previous twelve (12) months (whether by way of Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions of Shares, where relevant, and the total consideration paid for the purchases or acquisitions; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

2.2.4 Maximum Purchase Price

The purchase price per Share (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares purchased or acquired pursuant to the Share Buyback Mandate will be determined by the Directors, provided that such purchase price must not exceed:

- (a) in the case of a Market Purchase, one hundred and five per cent. (105%) of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent. (120%) of the Average Closing Price (as defined hereinafter),

(the "**Maximum Price**") in either case, excluding related expenses of the purchase or acquisition.

For the above purposes of determining the Maximum Price:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were

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recorded immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer (as defined below) pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Day period.

“**date of making of the offer**” means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.3 Status of Purchased or Acquired Shares

Any Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share will expire on such cancellation) unless such Share is held by the Company as Treasury Share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as Treasury Shares.

All Shares purchased or acquired by the Company (other than Treasury Shares held by the Company to the extent permitted under the Act) will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

The Company may decide to cancel Shares which have been purchased by the Company or hold such Shares as Treasury Shares, depending on whether it is in the interests of the Company to do so.

2.4 Treasury Shares

Under the Act, Shares purchased or acquired by the Company may be held or dealt with as Treasury Shares. Certain of the provisions on treasury shares under the Act are summarised below:

2.4.1 Maximum holdings

The aggregate number of Shares held by the Company as Treasury Shares shall not at any time exceed ten per cent. (10%) of the total number of Shares in issue at that time. In the event that the aggregate number of Treasury Shares held by the Company exceeds the aforesaid limit, the Company shall dispose of or cancel the excess Treasury Shares in accordance with Section 76K of the Act within six (6) months from the day the aforesaid limit is first exceeded or such further periods as ACRA may allow.

2.4.2 Voting and other rights

The Company cannot exercise any right in respect of the Treasury Shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Act, the Company shall be treated as having no right to vote and the Treasury Shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members of the Company on a winding up) may be made, to the Company in respect of Treasury Shares. However, the allotment of shares as fully paid bonus shares in respect of the Treasury Shares is allowed.

The Treasury Shares may be sub-divided or consolidated, so long as the total value

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of the Treasury Shares after such sub-division or consolidation is the same as the total value of the Treasury Shares before the sub-division or consolidation, as the case may be.

2.4.3 Disposal or cancellation

Where Shares are held as Treasury Shares, the Company may at any time:

- (a) sell the Treasury Shares (or any of them) for cash;
- (b) transfer the Treasury Shares (or any of them) for the purposes of or pursuant to an employees' share scheme;
- (c) transfer the Treasury Shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the Treasury Shares (or any of them); or
- (e) sell, transfer or otherwise use the Treasury Shares for such other purposes as the Minister for Finance may by order prescribe.

Under the Catalist Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of Treasury Shares (in each case, the "**usage**"). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of Treasury Shares comprised in the usage, the number of Treasury Shares before and after the usage, the percentage of the number of Treasury Shares comprised in the usage against the total number of issued shares (of the same class as the Treasury Shares) which are listed on the SGX-ST before and after the usage and the value of the Treasury Shares comprised in the usage.

2.5 **Reporting Requirement**

Within thirty (30) days of the passing of the Shareholders' resolution to approve the proposed adoption of the Share Buyback Mandate, the Company shall lodge a copy of such resolution with ACRA.

The Company shall notify ACRA in the prescribed form within thirty (30) days of a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification shall include, *inter alia*, details of the purchase or acquisition, the total number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Shares held as Treasury Shares, the Company's issued share capital before and after the purchase or acquisition of Shares and the amount of consideration paid by the Company for the purchase or acquisition, whether the Shares were purchased or acquired out of profits or the capital of the Company and such other particulars as may be required by ACRA.

Within thirty (30) days of the cancellation or disposal of Treasury Shares in accordance with the provisions of the Companies Act, the Directors shall lodge with ACRA the notice of cancellation or disposal of Treasury Shares in the prescribed form as required by ACRA.

The Catalist Rules specify that a listed company shall notify the SGX-ST of all purchases or acquisitions of its shares not later than 9.00 a.m.

- (a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; or
- (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

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The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

2.6 Source of Funds

In purchasing or acquiring its Shares, the Company may only apply funds legally available for such purchase or acquisition as provided in the Constitution, Catalyst Rules and in accordance with applicable laws in Singapore.

The Company may not purchase or acquire its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

Pursuant to the Act, any payment made by the Company in consideration of the purchase or acquisition of Shares by the Company may be made out of the Company's capital or profits, so long as the Company is solvent.

When Shares are purchased or acquired, and cancelled:

- (a) if the Shares are purchased or acquired entirely out of the capital of the Company, the Company shall reduce the amount of its share capital by the total amount of the purchase price paid by the Company for the Shares (including brokerage, stamp duties, applicable goods and services tax, clearance fees and other related expenses incurred directly in the purchase or acquisition by the Company of its Shares) ("**Purchase Price**") and the amount available for the distribution of dividends by the Company will not be reduced;
- (b) if the Shares are purchased or acquired entirely out of profits of the Company, the Company shall reduce the amount of its profits and the amount available for distribution of dividends by the total amount of the Purchase Price; or
- (c) where the Shares are purchased or acquired out of both the capital and the profits of the Company, the Company shall reduce the amount of its share capital and profits proportionately by the total amount of the Purchase Price.

It is an offence for a Director or an officer of the Company to approve or authorise the purchase or acquisition of Shares, knowing that the Company is not solvent. For this purpose, pursuant to the Section 76F(4) of the Act, a company is solvent if:

- (a) the company is able to pay its debts in full at the time of the payment of the purchase or acquisition of its shares and will be able to pay its debts as they fall due in the normal course of business during the period of twelve (12) months immediately following the date of payment of the purchase or acquisition of its shares; and
- (b) the value of the company's assets exceeds its liabilities (including contingent liabilities) and will not, after the proposed purchase or acquisition of shares, become less than the value of its liabilities (including contingent liabilities).

In determining whether the Company is solvent, the Directors must have regard to the most recently audited financial statements, other relevant circumstances, and may rely on valuations of assets or estimates of liabilities. In determining the value of the contingent liabilities, the Directors may take into account the likelihood of the contingency occurring, as well as any counter-claims by the Company.

The Company intends to use internal sources of funds or external borrowings or a combination of both to finance purchases or acquisitions of its Shares pursuant to the

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Share Buyback Mandate. The amount of funding required for the Company to purchase or acquire its Shares and the financial impact on the Company and the Group arising from such purchases or acquisitions of Shares pursuant to the Share Buyback Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time, and the amount (if any) borrowed by the Company to fund the purchases or acquisitions. However in considering the option of external financing, the Board will consider particularly the prevailing gearing level of the Group. The Board will only make purchases or acquisitions of Shares pursuant to the Share Buyback Mandate in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group.

2.7 Financial Effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buyback Mandate will depend on, *inter alia*, the number of Shares purchased or acquired, the price paid for such Shares, whether the Shares are purchased or acquired out of profits and/or capital of the Company and whether the Shares purchased or acquired are held by the Company as Treasury Shares or cancelled.

Under the Act, the Company may purchase or acquire its Shares out of its profits and/or capital so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (including brokerage, stamp duties, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration (including brokerage, stamp duties, applicable goods and services tax and other related expenses) paid by the Company for the purchase or acquisition of Shares is made out of capital, this will not reduce the amount available for the distribution of cash dividends by the Company.

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Buyback Mandate on the Company and Group's NTA and EPS as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or otherwise acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares and the amount (if any) borrowed by the Company to fund the purchase or acquisition and whether the Shares purchased or otherwise acquired are cancelled or held as Treasury Shares.

For illustrative purposes only and given that the Company was incorporated after the financial year ended 31 March 2015, the financial effects on the Company and the Group are based on the 9M2016 Results, and the assumptions set out below.

2.7.1 Share Buyback Mandate

It has been assumed that the Share Buyback Mandate was effective as at the Latest Practicable Date.

2.7.2 Number of Shares purchased or acquired

Purely for illustrative purposes, on the basis of 565,506,000 Shares in issue at the Latest Practicable Date and assuming no further Shares are issued on or prior to the EGM, the purchase by the Company of 10% of its issued Shares will result in the purchase or acquisition of 56,550,600 Shares.

LETTER TO SHAREHOLDERS

2.7.3 Maximum Price paid for Shares purchased or acquired

In the case of Market Purchases by the Company, assuming that the Company purchases or acquires 10% of its issued Shares at the Maximum Price of S\$0.126 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares over the last 5 Market Days on the SGX-ST preceding the Latest Practicable Date on which transactions in the Shares were recorded), the maximum amount of funds required for the purchase or acquisition of 56,550,600 Shares is approximately S\$7.13 million.

In the case of an Off-Market Purchase by the Company, assuming that the Company purchases or acquires 10% of its issued Shares at the Maximum Price of S\$0.144 for one Share (being the price equivalent to 20% above the Average Closing Price of the Shares over the last five (5) Market Days on the SGX-ST preceding the Latest Practicable Date on which transactions in the Shares were recorded), the maximum amount of funds required for the purchase or acquisition of 56,550,600 Shares is approximately S\$8.14 million.

2.7.4 Illustrative financial effects

For illustrative purposes only and based on the assumptions set out in Clauses 2.7.1 to 2.7.3 of this Circular and further assuming that the Share Buyback Mandate will be funded by the Company solely by internal funds and/or borrowings, transaction costs incurred for the purchase or acquisition of Shares pursuant to the Share Buyback Mandate are assumed to be insignificant and have been ignored for the purposes of computing the financial effects and had been effective and the purchase of the Shares took place at the beginning of 9M2016 on 1 April 2015, the financial effects of:

- (a) the purchase or acquisition of 56,550,600 Shares by way of Market Purchases pursuant to the Share Buyback Mandate made entirely out of capital and cancelled; and
- (b) the purchase or acquisition of 56,550,600 Shares by way of Off-Market Purchases pursuant to the Share Buyback Mandate made entirely out of capital and held as Treasury Shares (56,550,600 Shares being the maximum number of Shares which may be held as Treasury Shares under the Act after taking into consideration that no Shares are held by the Company as Treasury Shares as at the Latest Practicable Date),

on the 9M2016 Results are set out below.

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(a) **Market Purchases of 10% of issued Shares made entirely out of capital and cancelled**

	Group		Company	
	Before Share Buy-Back	After Share Buy-Back	Before Share Buy-Back	After Share Buy-Back
<u>As at 31 December 2015</u>	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	96,719	89,594	96,719	89,594
Reserves	(63,754)	(63,754)	-	-
Retained earning	67,376	67,376	(1,956)	(1,956)
Treasury Shares	-	-	-	-
Shareholders' equity	100,341	93,216	94,763	87,638
NTA	99,180	92,055	94,763	87,638
Current assets	164,772	157,647	12,812	5,687
Current liabilities	74,045	74,045	125	125
Working capital	90,727	83,602	12,687	5,562
Total borrowings	18,180	18,180	-	-
Profit attributable to Shareholders	3,430	3,430	(1,956)	(1,956)
Cash and cash equivalents	13,625	6,500	-	1,875
Total issued number of Shares ('000)	565,506	508,955	565,506	508,955
Weighted average number of Shares ('000)	520,613	464,062	520,613	464,062
<u>Financial Ratios</u>				
NTA per Share ⁽¹⁾ (cents)	17.54	18.09	16.76	17.22
Gearing ratio ⁽²⁾ (times)	0.18	0.20	-	-
Current ratio (times)	2.23	2.13	102.50	45.50
EPS ⁽³⁾ (cents)	6.59	7.39	(3.76)	(4.21)

Notes:

- (1) NTA per Share equals to NTA (excludes minority interests) divided by the number of Shares outstanding as at 31 December 2015.
- (2) Gearing ratio represents total borrowings divided by Shareholders' equity.
- (3) EPS is calculated based on profit attributable to Shareholders and aggregated weighted average number of issued and paid-up Shares (excluding Treasury Shares) based on the 9M2016 Results.

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(b) **Off-Market Purchases of 10% of issued Shares made entirely out of capital and held as Treasury Shares**

	Group		Company	
	Before Share Buy-Back	After Buy-Back	Share Buy- Back	After Share Buy- Back
As at 31 December				
2015				
Share capital	S\$'000 96,719	S\$'000 96,719	S\$'000 96,719	S\$'000 96,719
Reserves	(63,754)	(63,754)	-	-
Retained earnings	67,376	67,376	(1,956)	(1,956)
Treasury Shares	-	(8,143)	-	(8,143)
Shareholders' equity	100,341	92,198	94,763	86,620
NTA	99,180	91,037	94,763	86,620
Current assets	164,772	156,629	12,812	4,669
Current liabilities	74,045	74,045	125	125
Working capital	90,727	82,584	12,687	4,544
Total borrowings	18,180	18,180	-	-
Profit attributable to Shareholders	3,430	3,430	(1,956)	(1,956)
Cash and cash equivalents	13,625	5,482	-	857
Total issued number of Shares ('000)	565,506	508,955	565,506	508,955
Weighted average number of Shares ('000)	520,613	464,062	520,613	464,062
Financial Ratios				
NTA per Share ⁽¹⁾ (cents)	17.54	17.89	16.76	17.02
Gearing ratio ⁽²⁾ (times)	0.18	0.20	-	-
Current ratio (times)	2.23	2.12	102.50	37.35
EPS ⁽³⁾ (cents)	6.59	7.39	(3.76)	(4.21)

Notes:

- (1) NTA per Share equals to NTA (excludes minority interests) divided by the number of Shares outstanding as at 31 December 2015.
- (2) Gearing ratio represents total borrowings divided by Shareholders' equity.
- (3) EPS is calculated based on profit attributable to Shareholders and aggregated weighted average number of issued and paid-up Shares (excluding Treasury Shares) based on the 9M2016 Results.

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The actual impact will depend on the number and price of the Shares bought back. As stated, the Directors do not propose to exercise the Share Buyback Mandate to such an extent that it would have a material adverse effect to the financial position of the Company or the Group. The purchase of Shares will only be effected after assessing the relative impact of a share buyback taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements) and non-financial factors (such as share market conditions and performance of the Shares).

Shareholders should note that the financial effects illustrated above, based on the respective aforesaid assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on the unaudited accounts of the Company and the Group for 9M2016, and is not necessarily representative of the future financial performance of the Company and the Group.

It should be noted that although the Share Buyback Mandate would authorise the Company to purchase or otherwise acquire up to ten per cent. (10%) of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or otherwise acquire the entire ten per cent. (10%) of the issued Shares. In addition, the Company may cancel, or hold as Treasury Shares, all or part of the Shares purchased or otherwise acquired. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase or acquisition before execution.

2.8 Interested Persons

The Company is prohibited from knowingly buying Shares on the SGX-ST from an interested person, that is, a Director, the chief executive officer of the Company or Substantial Shareholder of the Company or any of their Associates, and an interested person is prohibited from knowingly selling his Shares to the Company.

2.9 Take-over Implications Arising from Share Buybacks

Appendix 2 of the Take-over Code ("**Appendix 2**") contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

2.9.1 Obligation to make a take-over offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code ("**Rule 14**"). Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14.

2.9.2 Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter-alia*, the following individuals and companies to be acting in concert with each other:

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- (a) a company with its parent company, its subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- (b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Appendix 2.

2.9.3 Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months. In calculating the percentages of voting rights of such Directors and their concert parties, Treasury Shares shall be excluded.

Under Appendix 2, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would

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increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

2.9.4 Application of the Take-over Code

Mr Teo Boon Leng, our Managing Director, and Mr Ang Kah Leong, our Executive Director, are co-founders of the Group (collectively referred to as the "**Relevant Parties**"), Mr Teo Boon Leng and Mr Ang Kah Leong have shareholding interests of 30.30% and 27.92% in the Company respectively as at the Latest Practicable Date.

Assuming that there is no change in the number of Shares held or deemed to be held by Mr Teo Boon Leng, the purchase or acquisition by the Company of the maximum limit of 10% of the issued and paid-up share capital of the Company will result in an increase in the aggregate shareholding interest of Mr Teo Boon Leng by more than 1% in any period of six (6) months. Accordingly, Mr Teo Boon Leng, would, unless exempted, be required to make a general offer under Rule 14 of the Take-over Code.

Similarly, under Rule 14 of the Take-over Code, Mr Ang Kah Leong would, unless exempted, become obliged to make a general offer under the Take-over Code for the Shares not owned by him, if as a result of the exercise of the Share Buyback Mandate, his interests in the voting rights of the Company increases to 30% or more.

As at the Latest Practicable Date, the details of the shareholdings of the Substantial Shareholders and Directors of the Company are set out in paragraph 3 below.

2.9.4.1 Conditions for exemption from having to make a general offer under Rule 14 of the Take-over Code

Pursuant to Section 3(a) of Appendix 2 of the Take-over Code, the Relevant Parties will be exempted from the requirement to make a general offer under Rule 14 of the Take-over Code as a result of any share buy-back carried out by the Company pursuant to the Share Buyback Mandate, subject to the following conditions:

- (a) the circular to Shareholders seeking their approval for the Share Buyback Mandate will contain:
 - (i) advice to the effect that by voting in favour of the resolution to approve the Share Buyback Mandate, Shareholders are waiving their rights to a general offer at the required price from the Relevant Parties; and
 - (ii) the names and voting rights of the Relevant Parties as at the date of the resolution and after the Company exercises the power under the Share Buyback Mandate in full and purchases 10% of the issued Shares;
- (b) the resolution to authorise the Share Buyback Mandate is approved by a majority of Shareholders who are present and voting at the EGM on a poll who could not become obliged to make an offer as a result of the share buy-back by the Company pursuant to the Share Buyback Mandate;
- (c) the Relevant Parties will abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to approve the Share Buyback Mandate;
- (d) within seven (7) days after the passing of the resolution to approve the Share Buyback Mandate, Mr Teo Boon Leng and Mr Ang Kah Leong submits to the SIC a duly signed form as prescribed by the SIC;

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(e) directors and/or persons acting in concert with them not to have acquired and not to acquire any shares between the date on which they know that the announcement of the Share Buyback Mandate is imminent and the earlier of;

- (i) the date on which the authority of the Share Buyback Mandate expires; and
- (ii) the date on which the Company announces it has bought back such number of Shares as authorised by the Share Buyback Mandate or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the buy-back, would cause their aggregate voting rights to increase to 30% or more;

(f) directors and/or persons acting in concert with them, together holding between 30% and 50% of the company's voting rights, not to have acquired and not to acquire any shares between the date on which they know that the announcement of the Share Buyback Mandate is imminent and the earlier of:

- (i) the date on which the authority of the Share Buyback Mandate expires; and
- (ii) the date on which the Company announces it has bought back such number of Shares as authorised by the Share Buyback Mandate or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the buy-back, would cause their aggregate voting rights to increase by more than 1% in the preceding six (6) months. It follows that where aggregate voting rights held by a director and persons acting in concert with him increase by more than 1% solely as a result of the Share Buyback and none of them has acquired any shares during the relevant period defined above, then such director and/or persons acting in concert with him would be eligible for SIC's exemption from the requirement to make a general offer under Rule 14 of the Take-over Code, or where such exemption had been granted, would continue to enjoy the exemption.

2.9.4.2 Form 2 submission to the SIC

Form 2 (Submission by directors and their concert parties pursuant to Appendix 2) is the prescribed form to be submitted to the SIC by a director and persons acting in concert with him pursuant to the conditions for exemption as set out in paragraph 2.9.4.1(d) above from the requirement to make a take-over offer under Rule 14 of the Take-over Code as a result of the buy-back of shares by a listed company under its Share Buyback Mandate.

As at the Latest Practicable Date, the Relevant Parties have informed the Company that they will be submitting the Form 2 to the SIC within seven (7) days after the passing of the resolution relating to the adoption of the Share Buyback Mandate.

2.9.4.3 Advice to Shareholders

Shareholders should note that by voting for the Share Buyback Mandate, they are waiving their rights to a take-over offer at the required price from the Relevant Parties in the circumstances set out above. Such a take-over offer, if required to be made and had not been exempted by the SIC, would have to be made in cash or be accompanied by a cash alternative at the required price.

Save as disclosed, the Directors are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under

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the Take-over Code would ensue as a result of a purchase of shares by the Company pursuant to the Share Buyback Mandate.

Appendix 2 of the Take-over Code requires that the resolution to authorise the Share Buyback Mandate to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer under the Take-over Code as a result of the share buy-back. Accordingly, the said resolution is proposed to be taken on a poll and the Relevant Parties shall abstain from voting on such resolution.

2.10 Listing Status of Shares on the SGX-ST

Rule 723 of the Catalist Rules requires a listed company to ensure that at least 10% of the total number of issued shares (excluding Treasury Shares, preference shares and convertible equity securities) in a class that is listed is at all times held by public shareholders.

The expression “**public**” is defined under the Catalist Rules as persons other than (a) the directors, chief executive officer, substantial shareholders or controlling shareholders of a company and its subsidiaries and (b) the associates (as defined in the Catalist Rules) of the persons described in paragraph (a).

As at the Latest Practicable Date, there are 152,253,414 Shares in the hands of the public, representing 26.90% of the issued Shares of the Company (there being no Treasury Shares held by the Company as at the Latest Practicable Date). Assuming that the Company purchases its Shares through Market Purchases up to the full 10% limit pursuant to the Share Buyback Mandate from the public on the Latest Practicable Date, the number of Shares in the hands of the public would be reduced to 95,702,814 Shares, representing 18.80% of the issued Shares of the Company (there being no Treasury Shares held by the Company as at the Latest Practicable Date).

Accordingly, the Company is of the view that there is a sufficient number of Shares held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the proposed Share Buyback Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

2.11 No Share Buybacks in the Previous Twelve (12) Months

The Company has not purchased or acquired any Shares during the 12-month period immediately preceding the Latest Practicable Date.

2.12 Timing of Purchases

While the Catalist Rules do not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buyback Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in observing the best practices recommended in the Catalist Rules on securities dealings, the Company will not purchase or acquire any Shares through Market Purchases during the period of two (2) weeks and one (1) month immediately preceding the announcement of the Company’s interim and full-year results respectively, as the case may be, and ending on the date of announcement of the relevant results.

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2.13 Tax Implications

Shareholders who are in doubt as to their respective tax positions or the tax implications arising from the purchase or acquisition of Shares by the Company, or who may be subject to tax in a jurisdiction, should consult their own professional advisers.

3 INTERESTS OF DIRECTORS AND/OR SUBSTANTIAL SHAREHOLDERS

3.1 Interests in the Company

Based on the Company's registrar of interest of Directors and register of Substantial Shareholders respectively, as at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Company in the Shares before and after the purchase or acquisition of Shares pursuant to the Share Buyback Mandate, assuming (a) the Company purchases or acquires the maximum amount of ten per cent (10%) of the total number of issued Shares, and (b) there is no change in the number of Shares held by the Directors and Substantial Shareholders or in which they are deemed interested, are as follows:

	Before the Share Buyback				After the Share Buyback	
	Direct Interest (No. of Shares)	Deemed Interest (No. of Shares)	Total Interest (No. of Shares)	Total Interest (%)	Total Interest (No. of Shares)	Total Interest (%)
Directors						
Teo Boon Leng	171,359,753	-	171,359,753	30.30	171,359,753	33.67
Ang Kah Leong	157,884,355	-	157,884,355	27.92	157,884,355	31.02
Substantial Shareholders						
Lee Sui Hee	55,733,478		55,733,478	9.86	55,733,478	10.95
ACIL	28,275,000		28,275,000	5.00	28,275,000	5.56
Lim Choo Hian ⁽¹⁾		28,275,000	28,275,000	5.00	28,275,000	5.56

Note (1)

ACIL is a company incorporated in the British Virgin Islands. The sole shareholder of ACIL is Mr Lim Choon Hian. Mr Lim Choon Hian is accordingly deemed to be interested in the Shares held by ACIL.

4 EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 20 of this Circular, will be held on 9 March 2016, at 10.00 a.m. at 3 Kaki Bukit Place, Eunos Techpark, Singapore 416181, for the purpose of considering, and if thought fit, passing with or without any modifications, the Ordinary Resolution set out in the notice of EGM.

5 ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf should complete, sign and return the proxy form attached to this Circular in accordance with the instructions printed thereon. The completed and signed proxy form should then be returned as soon as possible and in any event so as to arrive at the Company's registered office at 3 Kaki Bukit Place, Eunos Techpark, Singapore 416181, not later than 48 hours before the time fixed for the EGM. Shareholders who have completed and returned the proxy form may still attend and vote in person at the EGM, if they so wish, in place of their proxy.

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A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the EGM.

6 ABSTENTION FROM VOTING

The Relevant Parties will abstain, and will procure their Associates to abstain, from voting on the Ordinary Resolution in relation to the proposed adoption of Share Buyback Mandate pursuant to the conditions for exemption under Appendix 2 of the Take-over Code (as set out in paragraph 2.9.4.1(c) above).

The Relevant Parties and their Associates will also decline to accept appointment as proxies to attend and vote at the EGM, unless the Shareholder concerned have given specific instructions as to the manner in which their votes are to be cast in respect of the Ordinary Resolution.

7 RECOMMENDATION OF DIRECTORS

The Directors, save for Mr Teo Boon Leng and Mr Ang Kah Leong who have abstained from making any recommendation to Shareholders pursuant to the conditions for exemption under Appendix 2 of the Take-over Code (as set out in paragraph 2.9.4.1(c) above), having carefully considered the terms and rationale of the proposed Share Buyback Mandate, are of the opinion that the proposed Share Buyback Mandate is in the best interest of the Company and they recommend that Shareholders vote in favour of the proposed Share Buyback Mandate.

8 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed adoption of the Share Buyback Mandate, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

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9 DOCUMENTS FOR INSPECTION

The Constitution of the Company is available for inspection during normal office hours at the registered office of the Company at 3 Kaki Bukit Place, Eunos Techpark, Singapore 416181 for a period of three (3) months from the date of this Circular.

Yours faithfully

For and on behalf of the Board of Directors of
TLV HOLDINGS LIMITED

Teo Boon Leng
Managing Director

TLV HOLDINGS LIMITED
(Incorporated in Singapore)
(Company Registration No.: 201526542C)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (the “**EGM**”) of TLV Holdings Limited (“**Company**”) will be held at 3 Kaki Bukit Place, Eunos Techpark, Singapore 416181 on 9 March 2016, at 10.00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

RESOLUTION 1: ORDINARY RESOLUTION

THE PROPOSED ADOPTION OF SHARE BUYBACK MANDATE

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore (“**Companies Act**”) the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares in the capital of the Company (“**Shares**”) not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) market purchase(s) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); and/or
- (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may from time to time being applicable, be and is hereby authorized and approved generally and unconditionally (the “**Share Buyback Mandate**”);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
- (i) the conclusion of the next annual general meeting (“**AGM**”) or the date by which such AGM of the Company is held or required by law to be held;
 - (ii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by an ordinary resolution of shareholders of the Company in general meeting; or
 - (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated;

- (c) in this Resolution:

“Average Closing Price” means the average of the closing market prices of the Shares for the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the date of the market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action that occurs after the relevant five (5) Market Day period;

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the purchase price (which shall not be more than the Maximum Price for an off-market purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

“Maximum Limit” means that number of issued Shares representing ten per cent. 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date); and

“Maximum Price”, in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed, pursuant to a market purchase, 105% of the Average Closing Price of the Shares and pursuant to an off-market purchase, 120% of the Average Closing Price of the Shares; and

- (d) the Directors of the Company and/or any of them be and are hereby authorized to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

All capitalised terms used in this Notice which are not defined herein shall have the same meanings ascribed to them in the circular to the Shareholders of the Company issued by the Company dated 23 February 2016.

BY ORDER OF THE BOARD

Teo Boon Leng
Managing Director
23 February 2016

Notes:

- (i) A member entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend and vote in his stead.
- (ii) A member of the Company, which is a corporation, is entitled to appoint its authorized representative or proxy to vote on its behalf. A proxy need not be a member of the Company.
- (iii) The instrument appointing a proxy must be deposited at the Company's registered office at 3 Kaki Bukit Place, Eunos Techpark, Singapore 416181, at least 48 hours before the time of the EGM.
- (iv) Where a member appoints two (2) proxies, he shall specify the percentage of his shares to be represented by each proxy and if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. (100%) of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.
- (v) Intermediaries such as banks and capital markets services licence holders which provide custodial services and are members of the Company may appoint more than two proxies provided that each proxy is appointed to exercise the rights attached to different shares held by the member.

- (vi) A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.

- (vii) **PERSONAL DATA PRIVACY** By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

TLV Holdings Limited

(Incorporated in Singapore)
(Company Registration No.: 201526542C)

PROXY FORM

(Please see notes overleaf before completing this Form)

I/We,

(Name)

of

(Address)

being a member/members of TLV Holdings Limited (**Company**), hereby appoint:

Name	*NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and/or (delete as applicable)

Name	*NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her/them, the Chairman of the Extraordinary General Meeting of the Company (the "EGM") as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the EGM to be held at 3 Kaki Bukit Place, Eunos Techpark, Singapore 416181 on 9 March 2016 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed as the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. All resolutions put to the vote at the EGM shall be decided by way of poll.

(Please indicate your vote "For" or "Against" with a "X" within the box provided. Otherwise please indicate the number of votes)

No.	Resolution relating to:	For	Against
1.	The Proposed Adoption of Share Buyback Mandate		

Dated this _____ day of _____ 2016

Total number of Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	

Signature of Shareholder(s)
Or, Common Seal of Corporate Shareholder

IMPORTANT: Please read notes overleaf

*Delete where inapplicable

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints two (2) proxies, he shall specify the proportion of his shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.
3. Intermediaries such as banks and capital markets services licence holders which provide custodial services and are members of the Company may appoint more than two proxies provided that each proxy is appointed to exercise the rights attached to different shares held by the member. In such event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.
4. A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the EGM, provided that if a member shall nominate two (2) proxies, then the member shall specify the proportion of his/her shares to be represented by each such proxy, failing which the second nomination shall be deemed to be alternative.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 3 Kaki Bukit Place, Eunos Techpark, Singapore 416181 not less than 48 hours before the time appointed for the EGM.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of the proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company
9. **PERSONAL DATA PRIVACY** By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.