

**CIRCULAR DATED 15 APRIL 2021**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

This Circular is issued by Sitra Holdings (International) Limited (the “**Company**”). **If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.**

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee, as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the enclosed Proxy Form to the purchaser or transferee or to the bank, stockbroker or 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, RHT Capital Pte. Ltd. (the “**Sponsor**”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this Circular.

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

The contact person for the Sponsor is Mr. Leong Weng Tuck - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com.



**SITRA HOLDINGS (INTERNATIONAL) LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration No.: 197901237E)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

**THE PROPOSED DISPOSAL BY THE COMPANY’S SUBSIDIARY OF ITS ENTIRE SHAREHOLDING INTEREST IN WORLD FURNISHING HUB PTE. LTD. AS A MAJOR TRANSACTION**

**IMPORTANT DATES AND TIMES**

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| Last date and time for lodgement of Proxy Form | : | 28 April 2021 at 10.00 a.m.  |
| Date and time of Extraordinary General Meeting | : | 30 April 2021 at 10.00 a.m. or immediately after the AGM (as defined herein) |
| Place of Extraordinary General Meeting         | : | The Extraordinary General Meeting will be held by electronic means           |

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## DEFINITIONS

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The following definitions apply throughout this Circular, unless the context otherwise requires or otherwise stated:-

- “1<sup>st</sup> Tranche Completion Date”** : The date of completion of the sale of the Tranche 1 Shares, being five (5) Business Days after the fulfilment or waiver (as the case may be) of all the Conditions Precedent
- “2013 Agreements”** : The 2013 SPA, the SHA and the Option Deed
- “2013 Disposal”** : The previous sale of the Property by the Company to WFHPL for a consideration of S\$8,650,000, exclusive of goods and service tax thereon, on the terms and the conditions of the 2013 SPA
- “2013 SPA”** : The sale and purchase agreement dated 2 December 2013 entered into between the Company, the Promoters and WFHPL for the 2013 Disposal
- “2014 Circular”** : The circular dated 29 January 2014 issued by the Company to the Shareholders in relation to the 2013 Disposal and the Option Deed
- “AGM”** : The annual general meeting of the Company to be held by way of electronic means on 30 April 2021 at 9.30 a.m.
- “Board”** : The board of Directors of the Company for the time being
- “Business Day”** : Any day (other than a Saturday, Sunday or a gazetted public holiday) on which banks in Singapore are open for banking business
- “Call Option”** : The call option granted to HPL, Mr Ching and Mr Low in respect of the Option Shares pursuant to the Option Deed
- “Catalist Rules”** : The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 15 April 2021 in relation to the Proposed Disposal, including the appendices hereto
- “Company”** : Sitra Holdings (International) Limited
- “Companies Act”** : The Companies Act (Chapter 50) of Singapore, as may be amended, modified or supplemented from time to time
- “Completion”** : The completion of the Proposed Disposal pursuant to the SPA

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## DEFINITIONS

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| <b>“Completion Date”</b>                    | : | The date of Completion  |
| <b>“Conditions Precedent”</b>               | : | The conditions precedent to the Completion  |
| <b>“Consideration”</b>                      | : | The sum of S\$3,700,000 in cash, being the aggregate consideration for the Sale Shares  |
| <b>“Controlling Shareholder”</b>            | : | A person who:-<br><br>(a) holds directly or indirectly fifteen per cent. (15%) or more of the total number of the voting Shares (excluding treasury shares) in the Company; or<br><br>(b) in fact exercises control over the Company  |
| <b>“Deed of Termination and Settlement”</b> | : | The Deed of Termination and Settlement dated 24 March 2021 entered into between the Promoters   |
| <b>“Deposit”</b>                            | : | The sum of S\$185,000 in cash, equivalent to five per cent. (5%) of the Consideration, which has been paid by HPL to SAPL on 24 March 2021  |
| <b>“Directors”</b>                          | : | The directors of the Company for the time being   |
| <b>“EGM”</b>                                | : | The extraordinary general meeting of the Company to be held on 30 April 2021 at 10.00 a.m. or immediately following the AGM, by electronic means, notice of which is set out on pages N-1 to N-4 of this Circular   |
| <b>“EPS”</b>                                | : | Earnings per share  |
| <b>“FY”</b>                                 | : | Financial year ended or ending 31 December, as the case may be  |
| <b>“FY2020”</b>                             | : | The financial year ended 31 December 2020   |
| <b>“Group”</b>                              | : | The Company and its subsidiaries  |
| <b>“HPL”</b>                                | : | Hafary Pte Ltd  |
| <b>“Independent Valuer”</b>                 | : | Colliers International Consultancy and Valuation (Singapore) Pte Ltd, the competent and independent valuer in respect of the Valuation Report   |
| <b>“Joint Venture”</b>                      | : | The incorporation of WFHPL on 2 July 2013 by the Promoters as a joint venture company for the purposes of (i) acquiring the Property from the Company; (ii) developing the Property in accordance with the objectives, concept and development strategy envisioned for the International Furniture Park in Sungei Kadut, Singapore by certain government organisations, including JTC; and (iii) holding the Property for |

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## DEFINITIONS

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|   |   | the purposes of and in accordance with the usage approved by JTC and the Urban Redevelopment Authority of Singapore                                 |
| <b>“JTC”</b>                                  | : | JTC Corporation   |
| <b>“Latest Practicable Date”</b>              | : | 13 April 2021, being the latest practicable date prior to the issuance of this Circular   |
| <b>“Longstop Date”</b>                        | : | 30 June 2021 or such other date as may be agreed between SAPL and HPL   |
| <b>“Market Day”</b>                           | : | A day on which the SGX-ST is open for trading in securities   |
| <b>“Mr Ching”</b>                             | : | Mr. Ching Chiat Kwong   |
| <b>“Mr Low”</b>                               | : | Mr. Low See Ching   |
| <b>“NAV”</b>                                  | : | Net asset value   |
| <b>“Notice of EGM”</b>                        | : | The notice of the EGM, as set out on pages N-1 to N-4 of this Circular  |
| <b>“NTA”</b>                                  | : | Net tangible assets   |
| <b>“Option Deed”</b>                          | : | The put and call option deed dated 2 December 2013 entered into between the Promoters, as supplemented by a supplemental deed dated 23 January 2014 |
| <b>“Option Shares”</b>                        | : | The shareholding interest in WFHPL held by SAPL   |
| <b>“Promoters”</b>                            | : | SAPL, HPL, Mr Ching and Mr Low  |
| <b>“Property”</b>                             | : | The leasehold interest of the property located at 18 Sungei Kadut Street 2, Singapore 729236  |
| <b>“Proposed Disposal”</b>                    | : | The proposed disposal of the Sale Shares by SAPL to HPL   |
| <b>“Put Option”</b>                           | : | The put option granted to SAPL in respect of the Option Shares pursuant to the Option Deed  |
| <b>“Proxy Form”</b>                           | : | The proxy form in respect of the EGM as set out in this Circular  |
| <b>“Register”</b>                             | : | The register of holders of Shares, as maintained by the share registrar of the Company  |
| <b>“Register of Directors’ Shareholdings”</b> | : | The register maintained by the Company setting out details of the Directors’ respective shareholdings   |
| <b>“Register of Substantial Shareholders”</b> | : | The register of Substantial Shareholders of the Company   |

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## DEFINITIONS

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| <b>“Sale Shares”</b>             | : | The 100,000 ordinary shares in WFHPL held by SAPL, being the entire of SAPL’s interest in WFHPL and representing 10% of the total issued and paid-up capital of WFHPL  |
| <b>“SAPL”</b>                    | : | Sitra Agencies Pte Ltd, a wholly-owned subsidiary of the Company   |
| <b>“Securities Accounts”</b>     | : | The securities accounts maintained by Depositors with CDP, but does not include securities sub-accounts maintained with a Depository Agent   |
| <b>“SFA”</b>                     | : | The Securities and Futures Act (Chapter 289 of Singapore), as may be amended, modified or supplemented from time to time   |
| <b>“SGX-ST”</b>                  | : | Singapore Exchange Securities Trading Limited  |
| <b>“SHA”</b>                     | : | The shareholders’ agreement dated 2 December 2013 entered into between the Company and the Promoters in relation to the business and affairs of WFHPL  |
| <b>“Shareholders”</b>            | : | Registered holders of Shares as indicated in the Register, except that where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares and where the context so admits, mean the persons named as Depositors in the Depository Register maintained by CDP and to whose Securities Accounts such Shares are credited |
| <b>“Shareholders’ Approval”</b>  | : | The approval of the Shareholders in respect of the Proposed Disposal   |
| <b>“Shares”</b>                  | : | Ordinary shares in the capital of the Company  |
| <b>“SPA”</b>                     | : | The sale and purchase agreement dated 24 March 2021 entered into between SAPL and HPL for the sale of the Sale Shares by SAPL to HPL   |
| <b>“SISV”</b>                    | : | Singapore Institute of Surveyors and Valuers   |
| <b>“subsidiaries”</b>            | : | Has the meaning ascribed to it in section 5 of the Companies Act, and <b>“subsidiary”</b> shall be construed accordingly   |
| <b>“Substantial Shareholder”</b> | : | A person who has an interest or interests in one (1) or more voting Shares (excluding treasury shares) in the Company, and the total votes attached to that Share, or those Shares, represent not less than five per cent. (5%) of the total votes attached to all the voting Shares (excluding treasury shares) in the Company                          |
| <b>“Tranche 1 Consideration”</b> | : | The tranche consideration payable for the Tranche 1 Shares of S\$1,850,000, equivalent to 50.0% of the Consideration   |

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## DEFINITIONS

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- “Tranche 1 Shares”** : The first tranche of the Sale Shares, comprising 50,000 Sale Shares, equivalent to 50.0% of the Sale Shares
- “Tranche 2 Consideration”** : The tranche consideration payable for the Tranche 2 Shares of S\$370,000, equivalent to ten per cent. (10%) of the Consideration
- “Tranche 2 Shares”** : The second tranche of the Sale Shares, comprising 10,000 Sale Shares, equivalent to ten per cent. (10%) of the Sale Shares
- “Tranche 3 Consideration”** : The tranche consideration payable for the Tranche 3 Shares of S\$370,000, equivalent to ten per cent. (10%) of the Consideration
- “Tranche 3 Shares”** : The third tranche of the Sale Shares, comprising 10,000 Sale Shares, equivalent to ten per cent. (10%) of the Sale Shares
- “Tranche 4 Consideration”** : The tranche consideration payable for the Tranche 4 Shares of S\$370,000, equivalent to ten per cent. (10%) of the Consideration
- “Tranche 4 Shares”** : The fourth tranche of the Sale Shares, comprising 10,000 Sale Shares, equivalent to ten per cent. (10%) of the Sale Shares
- “Tranche 5 Consideration”** : The tranche consideration payable for the Tranche 5 Shares of S\$370,000, equivalent to ten per cent. (10%) of the Consideration
- “Tranche 5 Shares”** : The fifth tranche of the Sale Shares, comprising 10,000 Sale Shares, equivalent to ten per cent. (10%) of the Sale Shares
- “Tranche 6 Consideration”** : The tranche consideration payable for the Tranche 6 Shares of S\$370,000, equivalent to ten per cent. (10%) of the Consideration
- “Tranche 6 Shares”** : The sixth tranche of the Sale Shares, comprising 10,000 Sale Shares, equivalent to ten per cent. (10%) of the Sale Shares
- “Tranche Completion”** : The relevant completion of the sale of each tranche of the Sale Shares
- “Tranche Completion Date”** : The relevant date of completion of the sale of each tranche of the Sale Shares
- “Tranche Consideration”** : The relevant amount of the Consideration that is payable on each Tranche Completion Date
- “Valuation Report”** : The valuation report dated 29 January 2021 issued by the

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## DEFINITIONS

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Independent Valuer in respect of the valuation of the Property, as set out in **Appendix A** to this Circular

**“WFHPL”** : World Furnishing Hub Pte. Ltd.

### **Currencies, units and others**

**“S\$” and “cents”** : Singapore dollars and cents respectively, being the lawful currency of the republic of Singapore

**“%” or “per cent.”** : Per centum or percentage



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## DEFINITIONS

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The terms “**Depositor**”, “**Depository**”, “**Depository Register**” and “**Depository Agent**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference to a time of day or date in this Circular shall be a reference to Singapore time or date, unless otherwise stated.

Any reference in this Circular to any statute or enactment is a reference to such statute or enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof, as the case may be, unless the context otherwise requires. Summaries of the provisions of any laws and regulations (including the Catalist Rules) contained in this Circular are of such laws and regulations (including the Catalist Rules) as at the Latest Practicable Date.

Any reference in this Circular to “**Rule**” or “**Chapter**” is a reference to the relevant rule or Chapter in the Catalist Rules, unless otherwise stated.

Any discrepancies in this Circular between the sum of the figures stated 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 which precede them.

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## LETTER TO SHAREHOLDERS

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### SITRA HOLDINGS (INTERNATIONAL) LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 197901237E)

**Directors:**

Chew Hua Seng (Non-Executive Chairman)  
Guo Shaozeng (Non-Executive Vice Chairman)  
Chew Chiew Siang, Steven (Executive Director)  
Ng Boon Huan, Daniels (Independent Non-Executive Director)  
Chin Sek Peng, Michael (Lead Independent Non-Executive Director)  
Tan Eng Kiat, Dominic (Independent Non-Executive Director)

**Registered Office:**

15 Hillview Terrace,  
Singapore 669226

15 April 2021

**To: The Shareholders of Sitra Holdings (International) Limited**

Dear Sir/Madam

**THE PROPOSED DISPOSAL BY THE COMPANY'S SUBSIDIARY OF ITS ENTIRE SHAREHOLDING INTEREST IN WORLD FURNISHING HUB PTE. LTD. AS A MAJOR TRANSACTION**

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#### 1 INTRODUCTION

On 24 March 2021, the Board had announced that its wholly owned subsidiary, SAPL, had entered into a sale and purchase agreement with HPL for the sale of the Sale Shares, being SAPL's entire shareholding interest in WFHPL to HPL, in accordance with the terms and conditions of the SPA. The Board had also announced that in connection with the Proposed Disposal, SAPL, HPL, Mr Ching and Mr Low had entered into the Deed of Termination and Settlement relating to certain prior agreements entered into by the Promoters which will take effect on the date of the Completion.

As the Proposed Disposal would constitute a "major transaction" for the purposes of Chapter 10 of the Catalist Rules, the approval of the Shareholders at an extraordinary general meeting is required for the Proposed Disposal. Further details on the relative figures computed under Rule 1006 of the Catalist Rules are set out in Section 6 of this Circular.

The Directors propose to hold the EGM to seek the approval of Shareholders for the Proposed Disposal by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

The purpose of this Circular is to explain the rationale for, provide Shareholders with relevant information relating to, and seek the approval of Shareholders for the Proposed Disposal at the EGM to be held by electronic means on Friday, 30 April 2021 at 10.00 a.m. or immediately following the AGM, notice of which is set out in the Notice of EGM as set out on pages N-1 to N-4 of this Circular. This Circular has been prepared solely for the purposes set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose.

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## LETTER TO SHAREHOLDERS

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The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy of any of the statements made, opinions expressed or reports contained in this Circular.

### **2 THE PROPOSED DISPOSAL**

#### **2.1 Background relating to the Proposed Disposal**

On 2 July 2013, the Promoters had incorporated WFHPL as a joint venture company for the purposes of the Joint Venture. In connection therewith, the Promoters entered into the 2013 Agreements (comprising the 2013 SPA, the SHA and the Option Deed).

The entry into the 2013 Agreements were previously announced by the Company on SGXNET. As the 2013 Disposal pursuant to the 2013 SPA was classified as a major transaction under Rule 1014 of the Catalist Rules and the grant of the call option was required to be approved by the Shareholders Rule 1018(1) of the Catalist Rules, the Company had issued the 2014 Circular to seek the Shareholders' approval for the 2013 Disposal and the entry into and grant of the Call Option under the Option Deed. Pursuant thereto, the Company had obtained the Shareholders' approval in respect of the 2013 Disposal and the entry into and grant of the Call Option under the Option Deed at an extraordinary general meeting held on 14 February 2014.

Upon the completion of the 2013 Disposal, WFHPL had developed the Property in accordance with the objectives, concept and development strategy envisioned for the International Furniture Park in Sungei Kadut Singapore by, *inter alia*, JTC in accordance with the terms of the 2013 Disposal. The temporary occupation permit for the Property following its redevelopment was issued on 25 August 2016.

Under the Option Deed, the aggregate consideration for the Option Shares pursuant to an exercise of the Put Option or Call Option shall be the higher of (a) 10% of the market value of the Property prevailing as at the date of the applicable exercise of the Put Option or Call Option as determined in accordance with the Option Deed; or (b) if the Property is sold or contracted to be sold at the time of the exercise of the Put Option or Call Option, 10% of the sale price or contracted sale price of the Property.

Having regard to all relevant considerations, including, *inter alia*, discussions between the Promoters, the Company and WFHPL in connection with the Option Deed and the fact that the cooperation of the Promoters and the Company is required to apply for and obtain consent from JTC for any transfer of the shares in WFHPL, the Promoters and the Company have agreed to undertake the Proposed Disposal pursuant to the terms of the SPA and terminate the Option Deed pursuant to the Deed of Termination and Settlement.

#### **2.2 Information relating to WFHPL, the Sale Shares and HPL**

##### **2.2.1 Information relating to WFHPL**

WFHPL is a private company limited by shares incorporated in Singapore on 2 July 2013, which has a total issued and paid-up share capital of S\$1,000,000 comprising 1,000,000 ordinary shares. WFHPL is principally engaged in the business of property ownership.

SAPL is the legal and beneficial owner of 100,000 ordinary shares in WFHPL, representing 10% of the total issued and paid-up share capital of WFHPL. The remaining shareholders of WFHPL are HPL, Mr Ching and Mr Low who respectively own 46%, 25% and 19% of the issued and paid-up share capital of WFHPL. The directors of WFHPL are Ms. Cheah Yee

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## LETTER TO SHAREHOLDERS

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Leng, Mr. Chew Ah Ba, Mr. Chew Chiew Siang, Mr. Low Kok Ann and Mr. Low See Ching (i.e. Mr Low).

Based on the unaudited financial statements of WFHPL for FY2020, the net liability value of WFHPL as at 31 December 2020 is S\$4,139,548.

The assets of WFHPL comprises the Property. The Property is a leasehold property granted by JTC with a lease tenure that expires on 4 September 2043. The Property has a land area of approximately 9,919.5 square metres, a gross floor area of approximately 27,456.27 square metres, and is currently being used by HPL and Hafary Holdings Limited as an office cum warehouse for their group's operations. The retail space on the first floor is tenanted to a pet supplies store and a food and beverage operator.

### **2.2.2 Value and net profit attributable to the Sale Shares**

#### **2.2.2.1 NTA, book value and net profit figures**

Based on the unaudited financial statements of WFHPL for FY2020:

- (a) the NTA value attributable to the Sale Shares is negative S\$413,955;
- (b) the book value of the Sale Shares which was recorded as financial assets, at fair value through profit or loss on the Group's balance sheet was S\$5,000,000<sup>(1)</sup> as reported in the Group's unaudited consolidated financial statements for FY2020. The book value of the Sale Shares recorded on the balance sheet of the Group's audited consolidated financial statements for FY2020 is S\$3,700,000<sup>(2)</sup> after taking into account the loss on the Proposed Disposal of S\$1,300,000;
- (c) the net profits<sup>(3)</sup> attributable to the Sale Shares is S\$41,100;
- (d) the deficit of the proceeds over the book value of the Sale Shares of S\$5,000,000 as reported in the Group's unaudited consolidated financial statements for FY2020 is S\$1,300,000; and
- (e) the loss on the Proposed Disposal of the Sale Shares as reported in the Group's unaudited consolidated financial statements for FY2020 is S\$1,300,000. This loss on disposal has been fully recognised in the audited consolidated financial statements for FY2020.

Notes:

- (1) The book value was adjusted based on a valuation on the Property conducted by an Independent Valuer as at 31 December 2020 pursuant to the terms of the Put Option as disclosed below.
- (2) The book value was adjusted based on the Consideration in relation to the Proposed Disposal.
- (3) Under Rule 1002(3)(b) of the Catalist Rules, "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.

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## LETTER TO SHAREHOLDERS

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### 2.2.2.2 Valuation on the Property

For the purpose of the Proposed Disposal, the Company has commissioned the Independent Valuer, as a competent and independent valuer, to perform a valuation on the Property. The Independent Valuer is a member of the SISV and has more than five (5) years of experience in valuing real properties in a similar industry and area as the Property. Based on the Valuation Report, the market value of the Property as at 31 December 2020 is S\$50,000,000.

The valuation of the Property was arrived at based on a comparison method, with the income capitalisation method used to cross check the valuation.

The comparison method provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. By analysing such sales, which qualify as 'arms-length' transactions between willing buyers and sellers, adjustments are made for size, location, time, amenities and other relevant factors when comparing such sales prices to assess the value of the subject asset. This approach is commonly used to value assets where reliable sales evidence of assets of a similar nature is available. The income capitalisation approach to valuation provides an indication of value by converting future cash flows to a single current capital value.

The income capitalisation approach entails an estimate of the rental income of the building after deducting all necessary outgoings and expenses, which is then capitalized at an appropriate rate of return to arrive at the market value. The adopted yield reflects the age, tenure, type, use, location together with the prevailing property market conditions. The estimated rental income takes into account the current market rent and likely sustainable future rental.

The valuation was conducted in accordance with SISV standards.

A copy of the Valuation Report is set out in **Appendix A** of this Circular. Shareholders are advised to read and consider the Valuation Report, in particular the key assumptions and factors used therein.

### 2.2.3 **Information relating to HPL**

HPL is a private company limited by shares incorporated in Singapore on 8 May 1980 and is principally engaged in the business of wholesale trading of building materials. The company is a leading building material supplier that has been defining living spaces with premium products. The sole director of HPL is Mr Low.

HPL is a wholly-owned subsidiary of Hafary Holdings Limited, a company incorporated in Singapore on 6 October 2009 which has been listed on the Mainboard of the SGX-ST since 18 June 2003. Based on publicly available information, Hafary Holdings Limited is a supplier of premium tiles, stone, mosaic, wood-flooring, quartz top and sanitary ware and fittings in Singapore. Mr Low is a director and controlling shareholder of Hafary Holdings Limited. Mr Ching is a Substantial Shareholder of Hafary Holdings Limited.

HPL, Mr Low and Mr Ching do not have any shareholding interest, direct or indirect, in the Company, nor are HPL, Mr Low and Mr Ching related to any of the directors, the chief executive officer, or Controlling Shareholders of the Company, or their respective associates.

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## LETTER TO SHAREHOLDERS

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### 2.3 Material Terms of the Proposed Disposal

The salient terms of the Proposed Disposal as set out in the SPA include, *inter alia*, the following:

#### 2.3.1 Disposal of the Sale Shares

SAPL shall sell the Sale Shares to HPL in six (6) tranches, free from all encumbrances or conditions whatsoever, and with all rights, benefits and entitlements attaching thereto as at the relevant Tranche Completion Date, in the manner set out below.

The aggregate Consideration for the Sale Shares shall be S\$3,700,000 in cash, which shall be paid in six (6) tranches on each of the Tranche Completion Dates in the following manner:

(a) First Tranche Completion

Completion of the sale of the Tranche 1 Shares shall take place on the 1<sup>st</sup> Tranche Completion Date upon payment by HPL to SAPL of the Tranche 1 Consideration, less the Deposit (as defined herein).

(b) Second Tranche Completion

Completion of the sale of the Tranche 2 Shares shall take place on the last Business Day of the first month immediately after the 1<sup>st</sup> Tranche Completion Date, upon payment by HPL to SAPL of the Tranche 2 Consideration.

(c) Third Tranche Completion

Completion of the sale of the Tranche 3 Shares shall take place on the last Business Day of the second month immediately after the 1<sup>st</sup> Tranche Completion Date, upon payment by HPL to SAPL of the Tranche 3 Consideration.

(d) Fourth Tranche Completion

Completion of the sale of the Tranche 4 Shares shall take place on the last Business Day of the third month immediately after the 1<sup>st</sup> Tranche Completion Date, upon payment by HPL to SAPL of the Tranche 4 Consideration.

(e) Fifth Tranche Completion

Completion of the sale of the Tranche 5 Shares shall take place on the last Business Day of the fourth month immediately after the 1<sup>st</sup> Tranche Completion Date, upon payment by HPL to SAPL of the Tranche 5 Consideration.

(f) Sixth Tranche Completion

Completion of the sale of the Tranche 6 Shares shall take place on the last Business Day of the fifth month immediately after the 1<sup>st</sup> Tranche Completion Date, upon payment by HPL to SAPL of the Tranche 6 Consideration.

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## LETTER TO SHAREHOLDERS

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### 2.3.2 Consideration

The aggregate Consideration of S\$3,700,000 in cash shall be paid in the manner set out in Section 2.3.1 of this Circular and was arrived at after arms' length negotiations and on a willing-buyer willing-seller basis, after taking into consideration the valuation of the Property pursuant to the Valuation Report, a minority interest and illiquidity discount, discussions between the Promoters, the Company and WFHPL in connection with the Option Deed, other commercial factors including prevailing market conditions, and the rationale for and benefits to the Group arising from the Proposed Disposal as further described in Section 3 of this Circular.

### 2.3.3 Deposit

In accordance with the terms of the SPA, HPL has on 24 March 2021 paid the Deposit to SAPL, which shall be applied to the payment of the Tranche 1 Consideration on the 1<sup>st</sup> Tranche Completion Date.

In the event that the Tranche Completion of the Tranche 1 Shares does not take place within five (5) Business Days after the Longstop Date (as defined herein), the Deposit shall be fully refunded by SAPL to HPL within three (3) further Business Days.

### 2.3.4 Conditions Precedent

Completion shall be conditional upon the following Conditions Precedent being satisfied or waived (as the case may be) on or prior to the Longstop Date (as defined herein) and remaining satisfied (unless otherwise waived) on each of the respective Tranche Completion Dates:

- (a) the entry into and valid execution of the Deed of Termination and Settlement;
- (b) the consent of JTC to the transfer of the Sale Shares to HPL having been received;
- (c) the Shareholders' Approval having been obtained, and if such approval is subject to any condition or restriction imposed by the SGX-ST, and if such conditions affect any of the parties, such conditions being acceptable to the party concerned, and if such conditions are to be fulfilled before specific dates, such conditions being fulfilled before such dates;
- (d) the shareholders of WFHPL other than SAPL and HPL having waived their rights and entitlements of pre-emption and/or rights of first refusal, if any, in respect of the sale of the Sale Shares;
- (e) the warranties provided under the SPA being true, complete and accurate in all material respects as at the relevant Tranche Completion Dates; and
- (f) all other necessary governmental or regulatory filings, permits or approvals required in connection with the SPA and the Proposed Disposal herein having been made or obtained and being in full force and effect and not having been withdrawn, suspended, amended, or revoked, and if such approval, consents, and/or waivers are granted or obtained subject to any conditions, and if such conditions affect SAPL or HPL, such conditions being reasonably acceptable to the party concerned, and if such conditions are to be fulfilled before specific dates, such conditions being fulfilled before such dates.

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## LETTER TO SHAREHOLDERS

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### 2.3.5 Longstop Date

If the Conditions Precedent are not satisfied or waived (as the case may be) by the Longstop Date, the SPA shall *ipso facto* cease and determine, and neither SAPL nor HPL shall have any claim against the other for costs, damages, compensation or otherwise, save for any claim by either party against the other arising from a breach of its undertaking to use its best endeavours to ensure the satisfaction of the Conditions Precedent or any claim by HPL against SAPL for a refund of the Deposit in accordance with the provisions of the SPA.

### 2.3.6 Tranche Completion Dates

The Tranche Completions shall take place on the respective Tranche Completion Dates unless otherwise deferred by the mutual agreement of SAPL and HPL in accordance with the SPA.

### 2.3.7 Termination of Option Deed and Settlement of Liabilities

Pursuant to the SPA, the Promoters have entered into the Deed of Termination and Settlement which provides for the termination of the Option Deed and the mutual waiver and release of claims against each other in relation to or in connection with the 2013 Agreements, WFHPL, the Property and the Joint Venture, which shall take effect from the date of the Completion.

Pursuant to the Deed of Termination and Settlement, each of the Promoters shall fully release and discharge each other from all and any claims or liabilities, whether known, unknown, past or future, in relation to or in connection with the 2013 Agreements, WFHPL, the Property and the Joint Venture, and shall not bring any future actions or proceedings against each other in connection therewith.

## 3 RATIONALE FOR THE PROPOSED DISPOSAL

The Board is of the view that the Proposed Disposal is in the best interest of the Company.

The Company had originally entered into the Joint Venture to enable the Company to continue participating in the development of the Property as part of the development envisioned for the International Furniture Park in Sungei Kadut, Singapore. The Joint Venture between the Promoters was intended to be a synergistic partnership whereby the parties may leverage on each other's strengths to respectively expand and/or strengthen their local and overseas markets and presence in, *inter alia*, the furniture industry and to add value to each other's business operations.

However, WFHPL has been loss-making since the temporary occupation permit for the Property following its redevelopment was issued on 25 August 2016, and has recorded a net loss of S\$1,006,030, S\$2,270,949, S\$1,365,742 and S\$576,170 for FY2016, FY2017, FY2018 and FY2019 respectively and a net profit after tax of S\$148,228 for FY2020. SAPL, as a minority shareholder, does not control the day-to-day operations of WFHPL. Based on the financial performance of WFPHL for the previous five (5) financial years, the Board does not expect the present operating deficit of WFHPL to materially improve or that SAPL will receive any dividends, returns or material benefits from WFHPL in the foreseeable future.

Therefore, taking into consideration, among others, the above factors, the challenging operating environment in the wood trading business faced by the Group in recent years, and the relatively low liquidity of the Sale Shares, the Board is of the view that the Proposed



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## LETTER TO SHAREHOLDERS

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Disposal is a good opportunity for the Group to dispose of a relatively illiquid loss-making asset and realise its value at a satisfactory consideration before there is further deterioration of its value.

#### 4 USE OF PROCEEDS

The proceeds will be used for general working capital purposes and/or repayment of working capital loans of the Group.

#### 5 FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The *pro forma* financial effects of the Proposed Disposal as set out below are purely for illustrative purposes only and should not be taken as an indication of the actual financial performance or position of the Company and the Group following the Completion. The *pro forma* financial effects have been prepared based on the Group's unaudited consolidated financial statements for FY2020, as announced on 1 March 2021, subject to the following assumptions:

- (a) the financial effects of the Proposed Disposal on the NTA per share of the Company for FY2020 are computed assuming that the Proposed Disposal had been completed on 31 December 2020; and
- (b) the financial effects of the Proposed Disposal on the EPS of the Company for FY2020 are computed assuming that the Proposed Disposal had been completed on 1 January 2020.

##### 5.1 Effects on NTA per share (as announced on 1 March 2021)

|                           | Before the Proposed Disposal | After the Proposed Disposal |
|---------------------------|------------------------------|-----------------------------|
| NTA (S\$)                 | 13,890,773                   | 12,590,773                  |
| Number of shares          | 1,228,300,000                | 1,228,300,000               |
| NTA per share (S\$ cents) | 1.13                         | 1.03                        |

##### 5.2 Effects on EPS (as announced on 1 March 2021)

|   | Before the Proposed Disposal | After the Proposed Disposal |
|---|------------------------------|-----------------------------|
| Net loss <sup>(1)</sup> attributable to equity holders of the Company (S\$) | 5,218,150                    | 6,518,150                   |
| Number of shares  | 1,228,300,000                | 1,228,300,000               |
| EPS (S\$ cents)   | (0.42)                       | (0.53)                      |

Notes:

## LETTER TO SHAREHOLDERS

- (1) Net profits means profit or loss including discontinued operations that have not been disposed and before non-controlling interest.
- (2) The Sale Shares are recorded as financial assets at fair value, hence the financial performance of WFHPL is not consolidated as part of the accounts of the Group. Accordingly, there is no profit attributable to the Sale Shares.
- (3) EPS has been calculated based on the 1,228,300,000 Shares in issue as at the Latest Practicable Date.

As the Group's audited consolidated financial statements for FY2020 were finalised after the entry into the SPA, the Group has recognised S\$1,300,000 of loss in relation to the disposal of the Sale Shares. Accordingly, the Proposed Disposal would not have any financial effects on the NTA per Share and EPS in relation to the Group's audited consolidated financial statements for FY2020.

### 6 RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE CATALIST RULES

Based on the latest announced unaudited consolidated financial statements of the Group for FY2020 and audited consolidated financial statements for FY2020, the relative figures in relation to the Proposed Disposal computed on the applicable bases set out in Rule 1006 of the Catalist Rules are as follows:

| Rule         | Bases of computation  | Relative figures   |   |
|--------------|---|--|---|
|              |   | Based on the Group's audited financial statements        | Based on the Group's unaudited financial statements |
| Rule 1006(a) | Net asset value (" <b>NAV</b> ") <sup>(1)</sup> of the assets to be disposed compared with the Group's NAV. This basis is not applicable to an acquisition of assets. | 29.2% <sup>(2)</sup>                                     | 36.0% <sup>(3)</sup>                                |
| Rule 1006(b) | Net profit <sup>(4)</sup> attributable to the Sale Shares to be disposed of, of S\$41,100, compared with the Group's net loss.  | (0.6%) <sup>(5)</sup>                                    | (0.8%) <sup>(6)</sup>                               |
| Rule 1006(c) | Aggregate value of the consideration received of S\$3,700,000, compared with the Company's market capitalisation <sup>(7)</sup> of approximately S\$20,881,100.       | 17.7%  | 17.7%   |
| Rule 1006(d) | Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.             | Not applicable as the transaction is not an acquisition. |   |

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## LETTER TO SHAREHOLDERS

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|              |   |  |
|--------------|---|--|
| Rule 1006(e) | The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil and gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. | Not applicable as the transaction is not an acquisition. |
|--------------|---|--|

Notes:

- (1) Under Rule 1002(3)(a) of the Catalist Rules, "net assets" means total assets less total liabilities.
- (2) Computed based on NAV of Sale Shares of S\$3.7 million compared with the Group's audited NAV of S\$12.7 million.
- (3) Computed based on NAV of Sale Shares of S\$5.0 million compared with the Group's unaudited NAV of S\$13.9 million.
- (4) Under Rule 1002(3)(b) of the Catalist Rules, "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (5) Computed based on the Group's audited loss including discontinued operations that have not been disposed and before income tax and non-controlling interests of S\$6.611 million.
- (6) Computed based on the Group's unaudited loss including discontinued operations that have not been disposed and before income tax and non-controlling interests of S\$5.218 million.
- (7) Under Rule 1002(5) of the Catalist Rules, "market capitalisation" of the Company is determined by multiplying the 1,228,300,000 shares in issue by the weighted average price of such shares transacted on 23 March 2021, being the Market Day immediately preceding the date of the SPA, of S\$0.017 per share.

As the relative figure computed under Rule 1006(b) of the Catalist Rules involves a negative figure and the Proposed Disposal does not fall within the relevant scenarios provided for in paragraphs 4.3 and 4.4 of Practice Note 10A of the Catalist Rules, pursuant to paragraph 4.6 of Practice Note 10A of the Catalist Rules, the Proposed Disposal is a "major transaction" under Rule 1014 of the Catalist Rules and is accordingly subject to the approval of the Shareholders at the EGM to be held in due course.

### **7 INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

As at the Latest Practicable Date, none of the Directors or the Controlling Shareholders of the Company has any direct or indirect interest in the Proposed Disposal, other than through their respective shareholding interests in the Company (if any).

### **8 DIRECTORS' SERVICE CONTRACTS**

No person is proposed to be appointed as a Director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

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## LETTER TO SHAREHOLDERS

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### 9 DIRECTORS' RECOMMENDATIONS

Having fully considered, amongst others, the terms and the rationale for the Proposed Disposal, the Directors are of the opinion that the Proposed Disposal is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution in respect of the Proposed Disposal, as set out in the Notice of EGM.

### 10 EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be held on Friday, 30 April 2021, at 10.00 a.m. or immediately after the AGM, by electronic means for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolution in respect of the Proposed Disposal as set out in the Notice of EGM.

### 11 ACTION TO BE TAKEN BY SHAREHOLDERS

#### 11.1 No attendance at the EGM in person

Due to the current regulatory advisories and restrictions in respect of the COVID-19 outbreak in Singapore, Shareholders will **not** be able to attend the EGM in person.

#### 11.2 Alternative arrangements

Alternative arrangements have been put in place to allow Shareholders to contemporaneously observe the EGM proceedings via (a) watching a "live" audio-visual webcast or listening to a "live" audio-only stream, (b) submitting questions in advance of the EGM, and/or (c) voting by proxy at the EGM.

Shareholders should refer to the Notice of EGM as set out in pages N-1 to N-4 of this Circular, for further information, including the steps to be taken by Shareholders to participate at the EGM.

### 12 LEGAL ADVISERS

For the purposes of the Proposed Disposal, Shook Lin & Bok LLP has been appointed as the legal adviser to the Company in respect of the Proposed Disposal.

### 13 CONSENTS

The Independent Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the Valuation Report as set out in **Appendix A** of this Circular, and all references thereto, in the form and context in which they appear in this Circular.

Shook Lin & Bok LLP, named as the legal adviser to the Company in respect of the Proposed Disposal, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto, in the form and context in which they appear in this Circular.

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## LETTER TO SHAREHOLDERS

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### 14 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 Disposal, the Company and its subsidiaries, 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 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.

### 15 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection by the Shareholders at the registered office of the Company at 15 Hillview Terrace, Singapore 669226, during normal business hours for a period of three (3) months from 24 March 2021, being the date of the announcement in respect of the Proposed Disposal:

- (a) the SPA;
- (b) the Deed of Termination and Settlement;
- (c) the Valuation Report; and
- (d) the letters of consent referred to in Section 13 of this Circular.

Yours faithfully

For and on behalf of the Board of Directors of  
**SITRA HOLDINGS (INTERNATIONAL) LIMITED**  
**Chew Hua Seng**  
Non-Executive Chairman

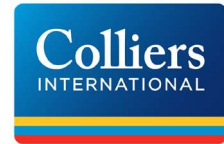
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**APPENDIX A – VALUATION REPORT**

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**APPENDIX A – VALUATION REPORT**

*Please refer to attachment*



Our Ref : 2020/C2/0163/CORP

29 January 2021

**Sitra Holdings (International) Limited**  
**15 Hillview Terrace**  
**Singapore 669226**

**Attention: Mr Michael Yong**

Dear Sirs,

**Re: Valuation Of 18 Sungei Kadut Street 2 Singapore 729236 (the "Property")**

In accordance with our terms of engagement dated 4 December 2020, we attach our report setting out our opinion of value of the Property.

We confirm that we have carried out an inspection of the Property, made relevant investigations and obtained such further information as we consider necessary as to allow us to provide you with our opinion of value for disposal of interest in the asset.

Please note this report is for your sole use and for the purpose indicated only and no liability to any third party can be accepted for the whole or any part of the contents of the document. The whole nor any part of this valuation report nor any reference thereto may not be included in any published documents, circular or statement, nor published in any way whatsoever except with the prior written approval of Colliers International Consultancy & Valuation (Singapore) Pte Ltd as to the form and context in which it may appear.

If you have any queries concerning the report, please feel free to contact Kenneth Tan, Associate Director at +65 6531 8666 (DID), who would be most pleased to help.

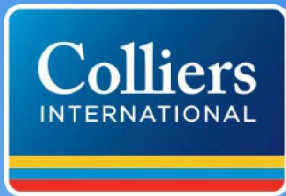
Yours faithfully,

For and on behalf of

**Colliers International Consultancy & Valuation (Singapore) Pte Ltd**

A handwritten signature in black ink, appearing to be "Yee Yeh Shiunn", written over a horizontal line.

**YEE YEH SHIUNN**  
**Licensed Appraiser No. AD041-2006553D**  
**Executive Director**  
**Valuation & Advisory Services**



Accelerating success.

## Valuation Report

18 Sungei Kadut Street 2 Singapore 729236

Prepared For Sitra Holdings (International) Limited

29 January 2021



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### APPENDICES

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## 1 EXECUTIVE SUMMARY

|                             |  |
|-----------------------------|--|
| <b>Property Address</b>     | 18 Sungei Kadut Street 2 Singapore 729236  |
| <b>Description</b>          | A purpose built 7-storey industrial development with retail shops on the 1st level.          |
| <b>Registered Lessee(s)</b> | World Furnishing Hub Pte. Ltd.   |
| <b>Interest Valued</b>      | Approximately unexpired lease of 22.6 years  |
| <b>Purpose of Valuation</b> | For disposal of interest in the asset.   |
| <b>Valuation Approach</b>   | Comparison Method  |
| <b>Inspection Date</b>      | 27 January 2021  |
| <b>Valuation Date</b>       | 31 December 2020   |
| <b>Valuation</b>            | <b>Market Value</b><br><b>S\$50,000,000/-</b><br><b>Singapore Dollars Fifty Million Only</b> |

## 2 INTRODUCTION

### 2.1 Terms of Engagement

In accordance with our terms of engagement dated 4 December 2020, we provide our valuation of the unexpired leasehold interest in the Property for disposal of interest in the asset.

### 2.2 The Property

The Property comprises a purpose built 7-storey industrial development with retail shops on the 1st level. The unexpired Jurong Town Corp (JTC) lease tenure is about 22.6 years.

### 2.3 Valuation Date

The valuation date is 31 December 2020 based upon our inspection of 27 January 2021.

### 2.4 Basis of Valuation

Our valuation is made on the basis of Market Value on As-Is basis, which we define as “the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

## 2.5 Valuation Standards Adopted

This valuation has been carried out in accordance with the Singapore Institute of Surveyors and Valuers' Valuation Standards and Practice Guidelines.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd is regulated by the Singapore Institute of Surveyors and Valuers and all necessary investigations, inspections, and other work carried out for the purpose of this valuation have been in accordance with its' valuation standards. The Singapore Institute of Surveyors and Valuers monitors regulated firms under its Conduct and Disciplinary regulations. Colliers International maintains a complaint handling procedure, a copy of which is available on request.

## 2.6 Valuer

This valuation has been prepared by Yee Yeh Shiunn and Kenneth Tan.

Yee Yeh Shiunn and Kenneth Tan are Licensed Appraisers under the Inland Revenue Authority of Singapore and Members of the Singapore Institute of Surveyors & Valuers. They are suitably qualified to carry out the valuation of this magnitude and nature and have over 30 years' and 15 years' experience respectively in the real estate industry in Singapore.

Neither the valuer nor Colliers International Consultancy & Valuation (Singapore) Pte Ltd are aware of any pecuniary interest or conflict of interest that could reasonably be regarded as being capable of affecting the ability to give an unbiased and objective, opinion of the value of the Property.

## 2.7 Caveats and Assumptions

This report is subject to and includes our Standard Caveats and Assumptions as set out in the appendices at the end of this report, as well as our agreed terms of our engagement.

Please note the report is for your sole use and for the purpose indicated only and no liability to any third party can be accepted for the whole or any part of the contents of the document. The whole nor any part of the valuation report nor any reference thereto may not be included in any published documents, circular or statement, nor published in any way whatsoever except with the prior written approval of Colliers International Consultancy & Valuation (Singapore) Pte Ltd Limited as to the form and context in which it may appear.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd will at all times keep all information relating to this valuation report confidential and not release it to third parties, without the written consent of the client.

# 3 INSPECTION AND INVESTIGATION

The valuer has carried out an internal inspections within the Property, and made independent investigations as necessary for carrying out this valuation.

All information used has been verified as far as is reasonable, and has included information and data provided by you, from government departments, in the public domain, and our own internal database.

In the absence of readily available and verifiable information from other sources for valuation purposes, and as agreed, we have relied on the information solely provided by you for the purposes of valuation. We have assumed all such information provided by you to be true and accurate.

No structural survey or environmental survey of the property has been carried out. Services and facilities have not been tested.

## 4 PROPERTY DETAILS

### 4.1 Property Address

18 Sungei Kadut Street 2 Singapore 729236

### 4.2 Property Type

A purpose built 7-storey industrial development with retail shops on the 1<sup>st</sup> level.

### 4.3 Site Area

9,919.5 sm (based on information from the JTC Customer Service Portal, provided by the owner)

### 4.4 Gross Floor Area

Approximately 27,456.3 sm (as provided and subject to survey)

### 4.5 Year of Completion

The Property was completed circa mid 2010s.

### 4.6 Building Condition

The Property is in good condition.

## 5 TITLE PARTICULARS

### 5.1 Legal Description

The land is designated as Lot 03635 of Mukim 11

*Note : The title searches relating to the above legal description was not available from Singapore Land Authority's INLIS search at the time of this valuation. We had sought out information from JTC lease documents and Customer Service Portal and floor plans of the Property*

### 5.2 Tenure

Leasehold 16 years commencing 1 March 2009 with a further term of 18 years 6 months and 3 days (based on JTC documents provided by the owner)

### 5.3 Registered Lessee

World Furnishing Hub Pte. Ltd. (based on JTC documents provided by the owner)

### 5.4 Permitted Use

According to information from the JTC Customer Service Portal, the Property is permitted for warehousing, storage, assembly, servicing and research and development of timber/wood furniture products, stone slabs/products and tiles, with ancillary regional HQ office and commercial retail activities only.

## 6 TOWN PLANNING

### 6.1 Master Plan (2019 Edition)

“Business 2 - White” with a gross plot ratio of 3.0

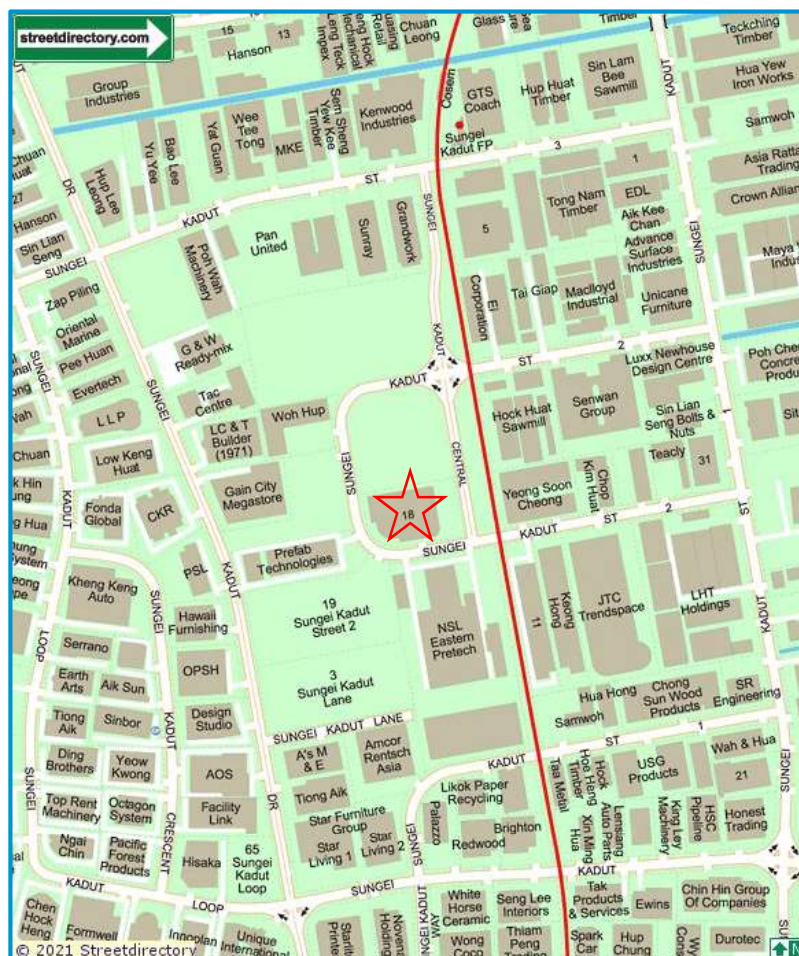
*Note : The official Master Plan Zoning, Drainage/ MRT Interpretation Plans and other legal requisitions have not been applied for and/ or made available to us.*

## 7 BUILDING DESCRIPTION

### 7.1 Location Of Property

The Property is located on the north-eastern flank of Sungei Kadut Street 2, off Sungei Kadut Street 1 and some 16 km from the City Centre.

#### Location Map Of The Subject Property



The immediate vicinity comprises mainly purpose-built factory/ warehouse buildings and logistic facilities. Similar industrial developments nearby include JTC Trendspace, Gain City Megastore, Caterpillar, etc. Other prominent developments in the vicinity include Singapore Turf Club, Singapore American School amongst others.

Labour supply, social and recreational amenities are readily available within the nearby Choa Chu Kang and Marsiling HDB estates.

Accessibility to other parts of Singapore is enhanced by its close proximity to the Bukit Timah/ Kranji Expressways and Yee Tee/ Kranji MRT Stations, all within a short drive away.

## 7.2 Development Description

The subject property stands on a rectangular-shaped plot with splayed/curved corners, and has an approximate frontage of 90 metres onto Sungei Kadut Street 2 and a maximum depth of 82 metres. The land has a flat contour and is at access road level. It is enclosed by brick wall fencing with entry via a pair of metal sliding gates.

### Site Plan



The Property comprises a purpose built 7-storey industrial development with retail shops on the 1st level. Access to the upper storeys is via reinforced concrete (r.c) staircase and passenger/ cargo lifts. There is also a ramp-up driveway connecting the ground level to the 2<sup>nd</sup> & 3<sup>rd</sup> storeys, which are used as car parking space. Other site improvements include a guard house and loading areas on the ground level.

## 7.3 Construction

The building is constructed of reinforced concrete (r.c.) framed structure with metal roofing sheets with insulation on steel rafters and purlins, pitch roof, brickwalls, concrete floors and staircase. The building is fitted with timber doors with/ without in-fill glass panel, glass doors and aluminium framed glass windows generally

#### 7.4 Accommodation

|  |   |  |
|--|---|--|
| 1 <sup>st</sup> Storey                   | : | Retail areas, food court, loading and unloading area, fire control centre, M&E rooms, passenger lift lobby and toilets generally |
| 2 <sup>nd</sup> - 3 <sup>rd</sup> Storey | : | Carparking space, storage areas, passenger lift lobby and toilets generally  |
| 4 <sup>th</sup> - 5 <sup>th</sup> Storey | : | Storage area, passenger lift lobby and toilets generally   |
| 6 <sup>th</sup> Storey                   | : | Storage area, tile layout area, showroom-cum-meeting area, passenger lift lobby and toilets generally                            |
| 7 <sup>th</sup> Storey                   | : | Storage area, display showroom, passenger lift lobby and toilets generally   |

#### 7.5 Internal Finishes

|         |   |   |
|---------|---|---|
| Floor   | : | Ceramic tiles, marble/granite slabs and cement screed generally   |
| Wall    | : | Emulsion paint, ceramic tiles and marble/ granite slabs generally |
| Ceiling | : | Emulsion paint and ceiling boards with downlights generally       |

#### 7.6 Fittings/Fixtures

The building is fitted with built-in cabinets/ pantry cabinets with solid worktop and cassette/ split-unit air-conditioners generally.

#### 7.7 Building Services

Essential public utilities and tele-communication services are connected.

#### 7.8 Environmental Issues

We have inspected the Property and have seen no evidence of environmental concerns such as contamination or other hazards. However our inspection does not include investigations into this type of issue, and we are not qualified to assess such environmental concerns. Should you wish or require a thorough investigation of such issues, it is recommended to seek the advice of professionals with appropriate expertise. Should subsequent investigations show evidence of contamination or the like, then our valuation may be subject to revision.

## 8 BUILDING OCCUPANCY DETAILS

We understand that the subject property is currently occupied by the registered lessee.

## 9 LAND RENT

S\$18.08 per sm per annum – as provided

## 10 PROPERTY TAX

The annual value of the subject property for Year 2020 is assessed at S\$3,972,500/- and property tax is payable at 10% per annum of the annual value.

## 11 VALUATION APPROACH

We have considered 2 valuation approaches to assess the market value of the Property. They are:

- (a) Comparison Method
- (b) Income Capitalisation Method

### 11.1 Comparison Method

The Comparison Method provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available.

By analysing such sales, which qualify as 'arms-length' transactions, between willing buyers and sellers, adjustments are made for size, location, time, amenities and other relevant factors when comparing such sales prices to assess the value of the subject asset. This approach is commonly used to value assets where reliable sales evidence of assets of a similar nature is available.

### 11.2 Income Capitalisation Method

The Income Capitalisation Approach to valuation provides an indication of value by converting future cash flows to a single current capital value.

The Income Capitalisation Approach entails an estimate of the rental income of the building after deducting all necessary outgoings and expenses, which is then capitalized at an appropriate rate of return to arrive at the market value. The adopted yield reflects the age, tenure, type, use, location together with the prevailing property market conditions.

The estimated rental income takes into account the current market rent and likely sustainable future rental. This method is used as a cross check only.



## 12 VALUATION ASSUMPTIONS

This valuation has been undertaken assuming the following:

We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated

We have assumed the Property can be freely transferred, mortgaged and let in the market without any additional fee.

We have assumed that all information, estimates and opinions furnished to us and contained in this report have been obtained from sources considered reliable and believed to be true and correct, but we can assume no responsibility for their accuracy.

We have assumed that the Property is free from any environmental problem or hazard.

We are not aware of any easements or rights - of - way affecting the Property and our valuation assumes that none exists.

We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all relevant laws, ordinances and statutory requirements except only where otherwise stated.

We have assumed that, for any use of the Property upon which this valuation report is based, any and all required licences, permits, certificates, and authorisations have been obtained, and are capable of renewal without difficulty, except only where otherwise stated.

We have assumed the Property is in a fair state of repair, management and maintenance and fit for the use to which it is put, and will continue to be managed and maintained to this standard in the future.

## 13 FINAL VALUE CONCLUSION

We are of the opinion that the Market Value of the unexpired leasehold interest in the Property subject to the contents, terms and conditions contained within and annexed to our report, as at 31 December 2020 is as follows :

**Market Value**  
**(Singapore Dollars Fifty Million Only)**

**S\$50,000,000/-**

For and on behalf of  
**Colliers International Consultancy & Valuation (Singapore) Pte Ltd**



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YEE YEH SHIUNN  
Licensed Appraiser No. AD041-2006553D  
Executive Director  
Valuation & Advisory Services

*KT/JY/at*

## CAVEATS AND ASSUMPTIONS

### 1. DEFINITIONS

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'Confidential Information' means information that:

- (a) Is by its nature confidential.
- (b) Is designed by Us as confidential.
- (c) You know or ought to know is confidential.
- (d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'Currency Date' means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'Parties' means You or Us as the context dictates.

'Quotation' means the written quote provided by Us in relation to the Services.

'Services' means the valuation services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'The Property' means the assets which are subject of our appointment as your advisor.

'We', 'Us', 'Our', 'Colliers' means Colliers International Limited.

'You', 'Your', 'Client' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'Professional Property Practice Standards' refers to RICS Valuation and Appraisal Handbook, or Singapore Institute of Surveyors & Valuers' Valuation Standards and Practice Guidelines.

### 2. PERFORMANCE OF SERVICES

2.1 We have provided the Services in accordance with:

- (a) The Terms and Conditions contained herein; or
- (b) As specifically instructed by You for the purpose of the Services; and
- (c) Within the current provisions set by the prevailing Professional Property Practice Standards.

### 3. CONDITION OF THE PROPERTY

- 3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.
- 3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.
- 3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.
- 3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements has been taken.
- 3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
- 3.6 An internal inspection has been made, unless otherwise stated.
- 3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
- 3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.
- 3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.
- 3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.

**4. ENVIRONMENT AND PLANNING**

- 4.1 We have obtained town planning information from the prevailing Master Plan available on URA website. It is your responsibility to check the accuracy of this information under the appropriate planning legislation.
- 4.2 For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.
- 4.3 No requisition on road, MRT, LRT, drainage and other government proposals has been made by us. Such information will not be tendered unless specifically requested for and we be properly reimbursed.
- 4.4 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.

**5. FLOOR/BUILDING AREAS AND LETTABLE AREAS**

- 5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.
- 5.2 If you do not provide Us with a survey, We will estimate floor/building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.
- 5.3 Where such a survey is subsequently produced which differs from the areas estimated by us then You will refer the valuation back to Us for comment or, where appropriate, amendment.

**6. OTHER ASSUMPTIONS**

- 6.1 Unless otherwise notified by You, We will assume:
  - (a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.
  - (b) All licences and permits can be renewed and We have not made any enquires in this regard.
- 6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.
- 6.3 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.
- 6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.
- 6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.
- 6.6 Our opinion about the Market Value of the property is free from any influence and/ or point of views of any other parties.
- 6.7 All Location Plans are obtained from [www.streetdirectory.com](http://www.streetdirectory.com). Whilst we do make every endeavor to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.
- 6.8 Values are reported in Singapore currency unless otherwise stated.

**7. ESTIMATED SELLING PRICE**

- 7.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:
  - (a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.
  - (b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.
  - (c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
- 7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

**8. CURRENCY OF VALUATION**

- 8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.
- 8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.
- 8.3 Without limiting the generality of 9.1, You should not rely upon Our valuation:
  - (a) After the expiry of 3 months from the Currency Date;
  - (b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

**9. MARKET PROJECTIONS**

- 9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and based on information currently available to us and not representative of what actual values of the property will be as at future date. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.
- 9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.
- 9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.
- 9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

**10. YOUR OBLIGATIONS**

- 10.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.
- 10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.
- 10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).
- 10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/ they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/ or a copy of these terms and conditions.
- 10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;
  - (a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or
  - (b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.
  - (c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.
- 10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and replying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.
- 10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made any consequential or punitive damages.
- 10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.
- 10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

**11. CONFIDENTIALITY**

- 11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose stated in our valuation report, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
- 11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.
- 11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.
- 11.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

**12. PRIVACY**

- 12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

**13. SUBCONTRACTING**

- 13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

**14. LIMITATION OF COLLIERS LIABILITY**

- 14.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.
- 14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (example being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers international. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.
- 14.3 Neither Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons/ judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billing pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.
- 14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.
- 14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.
- 14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error/ offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to held liable for an amount of three times Our contracted fee for the assignment per property.

- 14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.
- 14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.
- 14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.
- 14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.

**15. ENTIRE AGREEMENT**

- 15.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.
- 15.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.
- 15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated

**16. ANTI BRIBERY AND CORRUPTION MEASURES**

- 16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.
- 16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

**Photographs of the Property**



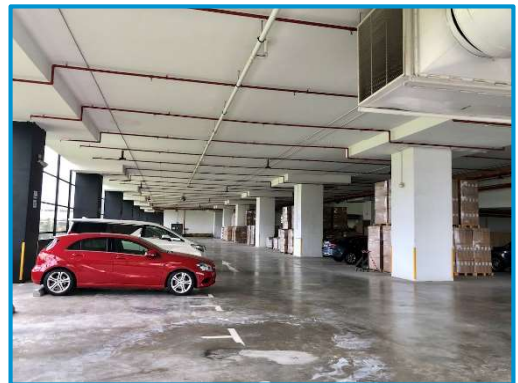
*External Shot of Development*



*Level 1 Retail Space*



*Level 1 Loading & Unloading Area*



*Level 2 Car Parking Space*



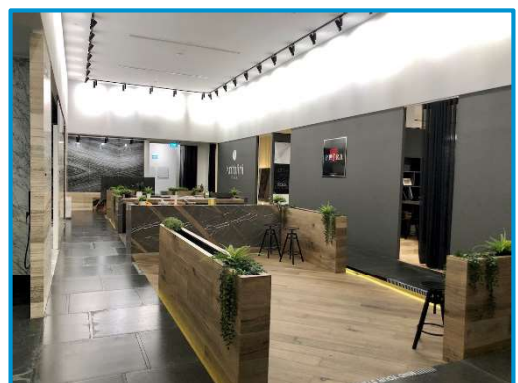
*Level 5 Storage Area*



*Level 6 Showroom-cum-Meeting Area*

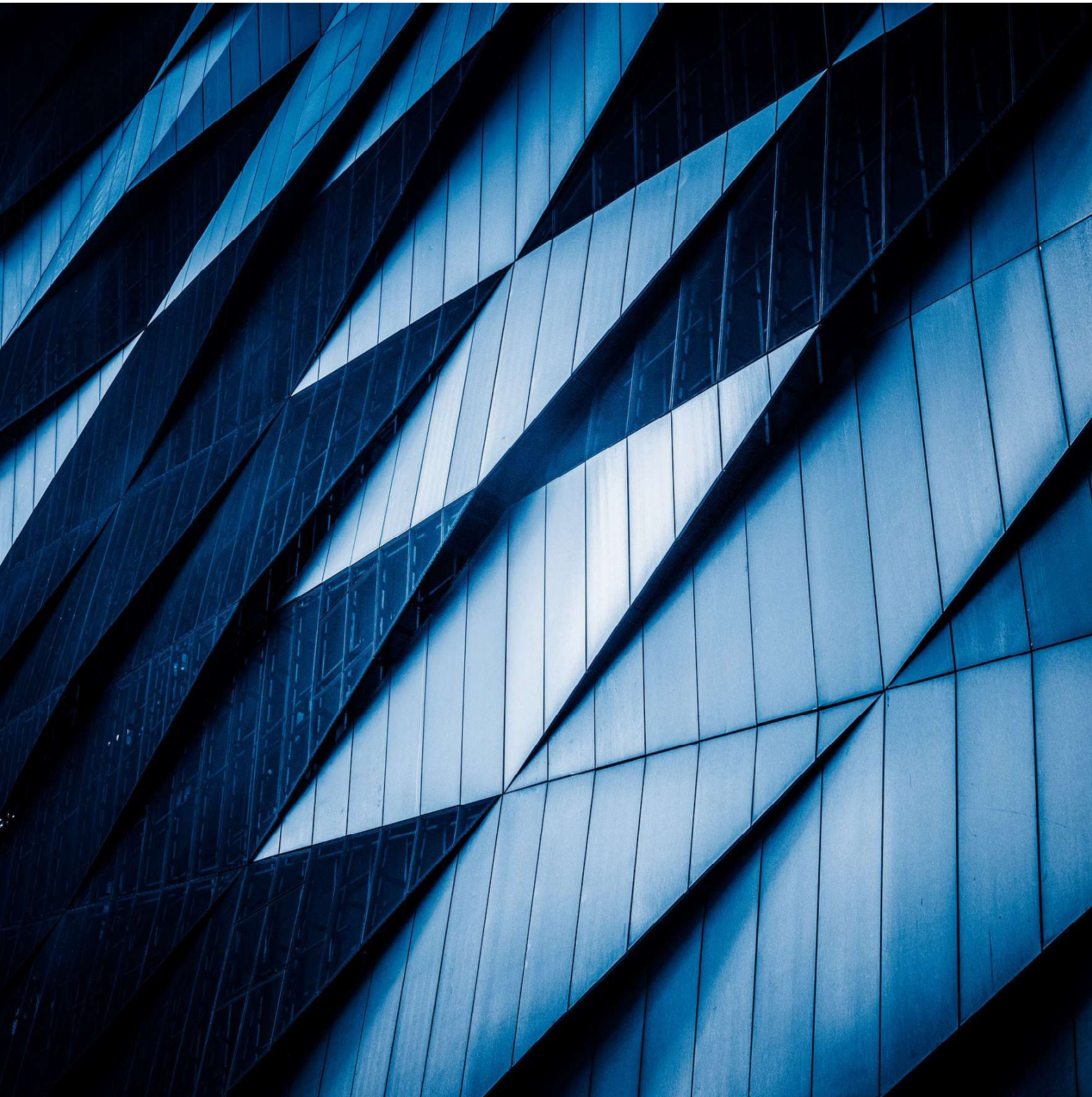


*Level 7 Storage Area*



*Level 7 Showroom Area*





Accelerating success.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### SITRA HOLDINGS (INTERNATIONAL) LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 197901237E)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (the “**EGM**”) of **SITRA HOLDINGS (INTERNATIONAL) LIMITED** (the “**Company**”) will be held on Friday, 30 April 2021, at 10.00 a.m. or immediately after the AGM, by electronic means, for the purpose of considering and, if thought fit, passing with or without any modifications, the following resolution:-

*Unless otherwise defined, all capitalised terms used in this Notice of EGM which are not defined herein shall have the same meanings ascribed to them in the circular issued by the Company to its Shareholders dated 15 April 2021 (the “**Circular**”).*

#### **ORDINARY RESOLUTION**

#### **THE PROPOSED DISPOSAL BY THE COMPANY’S SUBSIDIARY OF ITS ENTIRE SHAREHOLDING INTEREST IN WORLD FURNISHING HUB PTE. LTD.**

THAT:

- (a) approval be and is hereby given to the Company to effect and complete the Proposed Disposal and all transactions in relation thereto, on the terms and subject to the conditions set out in the SPA, such Proposed Disposal being a major transaction for the purposes of Chapter 10 of the Catalist Rules;
- (b) the Directors and any one of them be and is/are hereby authorised and empowered to approve, perform, complete and do all such acts and things (including without limitation, to approve, modify, supplement, ratify, sign, seal, execute and deliver all such documents as may be required in connection with the Proposed Disposal) as he or they may consider expedient, desirable or necessary or in the interests of the Company to give full effect to the Proposed Disposal and this resolution, and the transactions contemplated by the Proposed Disposal and/or authorised by this resolution, or for all the foregoing purposes; and
- (c) any acts, matters and things done or performed, and/or documents signed, executed, sealed and/or delivered by any Director of the Company in connection with the Proposed Disposal and this ordinary resolution be and are hereby approved, confirmed and ratified.

**BY ORDER OF THE BOARD**

**Chew Hua Seng**

Non-Executive Chairman

15 April 2021

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

1. No attendance in person

The EGM is being convened and will be held by electronic means, pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the “**COVID-19 Order**”).

The EGM will be conducted via electronic means only and Shareholders will not be able to attend the EGM in person.

2. Registration of Live Webcast

Shareholders may contemporaneously observe the EGM proceedings by watching a “live” audio-visual webcast via their mobile phones, tablets or computers, or listening to these proceedings through a “live” audio-only stream via telephone.

In order to participate in the “live” audio-visual webcast or the “live” audio-only stream, members as well as investors who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act) (the “**Relevant Intermediaries**”), including investors who hold shares under the Central Provident Fund Investment Scheme (“**CPF**”) (the “**CPF Investors**”) or the Supplementary Retirement Scheme (“**SRS**”) (as the case may be) (the “**SRS Investors**”) must pre-register on the EGM website at the URL <https://globalmeeting.bigbangdesign.co/sitra/> not later than 10.00 a.m. on 28 April 2021 (the “**Registration Deadline**”) to enable the Company to verify their status as Shareholders. Following the verification, authenticated Shareholders will receive an email not later than 10.00 a.m. on 29 April 2021 (the “**Confirmation Email**”) containing instructions on how to access the “live” audio-visual webcast or “live” audio-only stream of the EGM proceedings.

Shareholders who do not receive the Confirmation Email by 10.00 a.m. on 29 April 2021 but who have registered by the Registration Deadline, should contact our webcast service provider for assistance by email at [webcast@bigbangdesign.co](mailto:webcast@bigbangdesign.co).

Shareholders are reminded that the EGM proceedings are private. Instructions on access to the “live” audio-visual webcast or “live” audio-only stream of the EGM proceedings should therefore not be shared with anyone who is not a Shareholder of the Company or otherwise not authorised to attend the EGM. This is also to avoid any technical disruptions or overload to the “live” audio-visual webcast or “live” audio-only stream. Recording of the “live” audio-visual webcast or “live” audio-only stream in whatever form is also strictly prohibited.

3. Notice of EGM and the Circular

No printed copies of the Notice of EGM, the Circular and/or the Proxy Form will be despatched to Shareholders. The electronic copies of the Notice of EGM, the Proxy Form and the Circular will be made available on SGXNET.

4. Submission of Questions in Advance

Shareholders will not be able to ask questions at the EGM during the “live” audio-visual webcast or “live” audio-only stream. Shareholders can submit their questions to the Company not later than 10.00 a.m. on 10.00 a.m. on Friday, 23 April 2021 in the following manner:

- (i) via the pre-registration link at URL <https://globalmeeting.bigbangdesign.co/sitra/>; or
- (ii) by email to [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com); or
- (iii) by post to the Company’s Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02, Singapore 068898.

All substantial and relevant questions received by the deadline stated above will be responded to prior to, or at, the EGM.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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When sending in the questions via the EGM website, email or by post to the Company's registered address, Shareholders are also required to provide the following details, failing which the submission will be treated as invalid:

- (i) Full name;
- (ii) Contact number;
- (iii) Address;
- (iv) NRIC, passport number or company registration number;
- (v) Number of shares held; and
- (vi) The manner in which the shares in the Company are held (e.g. via scrip, CDP, CPF or SRS).

Shareholders who hold their shares through the Relevant Intermediaries and who wish to submit questions should approach their respective Relevant Intermediaries early, so that the Relevant Intermediaries may in turn submit their questions for the EGM to the Company via the EGM registration website at <https://globalmeeting.bigbangdesign.co/sitra/> or by post before the deadline stated above (i.e. no later than 10.00 a.m. on Friday, 23 April 2021).

The Company will, within one (1) month after the date of the EGM, publish the minutes of the EGM on SGXNET which will include substantial and relevant comments or queries from Shareholders relating to the agenda of the general meeting, and responses from the Board and management.

### 5. Voting

A member will not be able to vote online on the resolution to be tabled for approval during the "live" audio-visual webcast or "live" audio-only stream of the EGM. Members who wish to exercise his/her/its voting rights at the EGM, must each submit a Proxy Form to appoint the Chairman of the Meeting to act as proxy and direct the vote at the Meeting. The Proxy Form for the EGM can be accessed at SGXNET and is made available with this Notice of EGM.

In appointing the Chairman of the Meeting as proxy, a member of the Company must give specific instructions as to voting, or abstentions from voting, in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

The Chairman of the Meeting, as proxy, need not be a member of the Company.

Shareholders who wish to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting the signed Proxy Form through any one of the following means:

- (i) if submitted by post, be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02, Singapore 068898; or
- (ii) if submitted electronically, be submitted via email to the Company's Share Registrar, Tricor Barbinder Share Registration Services at [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com).

in either case, by no later than 10.00 a.m. on Wednesday, 28 April 2021 (the "**Cut-off time**"), being forty-eight (48) hours before the time appointed for holding the EGM.

CPF Investors and/or SRS Investors (as may be applicable) who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. by 10.00 a.m. on Wednesday, 21 April 2021) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a Proxy Form to appoint the Chairman of the Meeting to vote on their behalf by the Cut-off time. The Proxy Form is not valid for use by CPF Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

**In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Shareholders to submit completed Proxy Forms by post, Shareholders are strongly encouraged to submit Proxy Forms electronically via email.**

Where a Proxy Form is signed on behalf of the appointer by an attorney, the letter or the power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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Proxy Form (or if submitted electronically via email, be emailed with the Proxy Form), failing which the Proxy Form may be treated as invalid. The Proxy Form must be under the hand of the appointer or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. The dispensation of the use of common seal pursuant to the Companies Act (Chapter 50) of Singapore is applicable at this EGM.

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument appointing Chairman of the Meeting as proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing Chairman of the Meeting as proxy lodged if the members, being the appointer, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

### **Further developments**

Shareholders should note that the manner of conduct of the EGM may be subject to further changes based on the evolving COVID-19 situation, any legislative amendments and any directives or guidelines from government agencies or regulatory authorities. Any changes to the manner of conduct of the EGM will be announced by the Company on SGXNET. Shareholders are advised to check SGXNET and the Company's website regularly for further updates.

The Company seeks the understanding and co-operation of all members in enabling the Company to hold and conduct the EGM in compliance with the safe distancing measures to stem the spread of COVID-19 infections.

### **Personal data privacy:**

By submitting (a) a Proxy Form appointing the Chairman of the Meeting as the proxy to attend, speak and vote at the EGM and/or any adjournment thereof, or (b) Shareholder's particulars for pre-registration to contemporaneously observe the EGM proceedings via "live" audio-visual webcast or "live" audio-only stream, or (c) any questions prior to the EGM in accordance with this Notice of EGM, a member consents to the collection, use and disclosure of the member's personal data by the Company (or its agents, advisers or service providers, as the case may be) for the following purposes:

- (a) processing and administration by the Company (or its agents, advisers or service providers, as the case may be) of the Proxy Form appointing the Chairman of the Meeting as the proxy for the EGM (including any adjournment thereof);
- (b) preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof);
- (c) processing of pre-registration for participation at the EGM for purpose of granting access to members to the "live" audio-visual webcast or "live" audio-only stream and providing them with any technical assistance when necessary;
- (d) addressing relevant and substantial questions related to the resolutions to be tabled for approval at the EGM from members received before the relevant time prior to the EGM and if necessary, following up with the relevant members in relation to such questions; and
- (e) enabling the Company (or its agents, advisers or service providers, as the case may be) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes of the EGM. Accordingly, the personal data of a member (such as name, presence at the EGM and any questions raised or motions proposed/seconded) may be recorded by the Company for such purposes.

## PROXY FORM

### SITRA HOLDINGS (INTERNATIONAL) LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 197901237E)

### EXTRAORDINARY GENERAL MEETING PROXY FORM

**IMPORTANT:**

1. Due to the current COVID-19 situation in Singapore, members will not be able to attend the EGM in person. Members (whether individuals or corporates) must appoint the Chairman of the Meeting as their proxy to attend, speak and vote on their behalf at the EGM if such members wish to exercise their voting rights at the EGM.
2. Please read the notes to this Proxy Form.

I/We\*, \_\_\_\_\_ (Name) with  
NRIC/Passport/Company Registration Number\* \_\_\_\_\_ of  
\_\_\_\_\_ (Address)

being a member/members\* of **SITRA HOLDINGS (INTERNATIONAL) LIMITED** ("**Company**"), hereby appoint the Chairman of the Meeting as my/our\* proxy, to attend and vote for me/us\* on my/our\* behalf at the Extraordinary General Meeting ("**EGM**") of the Company to be held by electronic means on 30 April 2021 at 10.00 a.m. or immediately after the Annual General Meeting and at any adjournment thereof.

I/We\* direct the Chairman of the Meeting as my/our\* proxy to vote for, against, or to abstain from voting on the resolution proposed at the EGM as indicated hereunder. **If no specific direction as to voting is given in respect of a resolution, the appointment of the Chairman of the Meeting as my/our proxy for that resolution will be treated as invalid.**

| Ordinary Resolution  | For | Against | Abstain |
|--|-----|---------|---------|
| To approve the Proposed Disposal by the Company's subsidiary of its entire shareholding interest in World Furnishing Hub Pte. Ltd. |     |         |         |

**Note:** If you wish to exercise all your votes "For", "Against" or to "Abstain" from voting, please indicate with a tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

\* Please delete as appropriate

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2021

| Total number of Shares in: | No. of Shares |
|----------------------------|---------------|
| (a) CDP Register           |               |
| (b) Register of Members    |               |

Signature of Member(s) / Common Seal of Corporate Shareholder

\* Delete where inapplicable

**IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM**

All capitalised terms used in this Proxy Form which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the circular issued by the Company to the Shareholders dated 15 April 2021 (the "**Circular**"), including supplements and modifications thereto.

**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 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the register of members of the Company (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 the Chairman of the Meeting as a proxy (the "**Proxy Form**") shall be deemed to relate to all the shares held by you.
2. Due to the current COVID-19 restriction orders in Singapore, members will not be able to attend the EGM in person. **A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.**
3. The Chairman of the Meeting, as proxy, need not be a member of the Company.
4. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
5. Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act), including investors who have used their CPF monies and/or the Supplementary Retirement Scheme monies to buy shares ("**CPF Investors**" and "**SRS Investors**" respectively), who wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their respective relevant intermediaries (which would include, in the case of CPF Investors and SRS Investors, CPF Agent Banks and SRS Operators) through which they hold such shares in order to submit their voting instructions at least seven (7) working days before the time appointed for the holding of the EGM, that is, by 10.00 a.m. on Wednesday, 21 April 2021.

*Fold along this line*

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**Affix  
Postage  
Stamp  
Here**

**SITRA HOLDINGS (INTERNATIONAL) LIMITED**  
c/o Tricor Barbinder Share Registration Services  
80 Robinson Road, #11-02 Singapore 068898

*Fold along this line*

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6. The instrument appointing the Chairman of the Meeting as proxy must be duly executed and submitted to the Company in the following manner:
  - (a) if submitted by post, be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02, Singapore 068898; or
  - (b) if submitted electronically, be submitted via email to the Company's Share Registrar, Tricor Barbinder Share Registration Services at [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com).in either case, by no later than 10.00 a.m. on Wednesday, 28 April 2021, being forty-eight (48) hours before the time appointed for holding the EGM. **In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.**
7. Where a Proxy Form is signed on behalf of the appointer by an attorney, the letter or the power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form (or if submitted electronically via email, be emailed with the Proxy Form), failing which the Proxy Form may be treated as invalid.
8. The Proxy Form must be under the hand of the appointer or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. The dispensation of the use of common seal pursuant to the Companies Act (Chapter 50) of Singapore is applicable at this EGM.

**GENERAL:**

The Company shall be entitled to reject the instrument appointing Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument appointing Chairman of the Meeting as proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing Chairman of the Meeting as proxy lodged if the members, being the appointer, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

**PERSONAL DATA PRIVACY:**

By submitting an instrument appointing a proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 15 April 2021.