

CIRCULAR DATED 12 APRIL 2019

THIS CIRCULAR TO SHAREHOLDERS (“CIRCULAR”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by GSH Corporation Limited (the “Company”, and together with its subsidiaries, the “Group”). If you are in any doubt about the contents of this Circular or the course of action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of the Company (“Shares”) 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 represented by physical share certificate(s) which are not deposited with the CDP, you should immediately forward this Circular, together with the notice of Extraordinary General Meeting and the accompanying Proxy Form (as defined herein) to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “SGX-ST”) assumes no responsibility for the contents of this Circular, including the accuracy of any of the statements made, reports contained and opinions expressed in this Circular.



GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106139K)

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED SHARE BUY-BACK MANDATE

IMPORTANT DATES AND TIMES

| | | |
|------------------------------------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Last date and time for lodgement of Proxy Form | : | 26 April 2019 at 11.30 a.m. |
| Date and time of Extraordinary General Meeting | : | 29 April 2019 at 11.30 a.m. (or as soon thereafter following the conclusion or adjournment of the annual general meeting of the Company to be held on the same day and at the same place) |
| Place of Extraordinary General Meeting | : | 20 Cecil Street #28-01 PLUS Singapore 049705 |

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DEFINITIONS

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

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| “AGM” | : | The annual general meeting of the Company |
| “Board” or “Directors” | : | The directors of the Company as at the date of this Circular |
| “CDP” | : | The Central Depository (Pte) Limited |
| “Circular” | : | This circular to Shareholders dated 12 April 2019 |
| “Companies Act” | : | The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time |
| “Company” | : | GSH Corporation Limited |
| “Constitution” | : | The constitution of the Company, as amended or modified from time to time |
| “CPF” | : | The Central Provident Fund |
| “EGM” | : | The extraordinary general meeting of Shareholders to be held on 29 April 2019, notice of which is set out on page N-1 of this Circular |
| “EPS” | : | Earnings per Share |
| “FY” | : | Financial year ended, or ending, as the case may be, on 31 December |
| “Group” | : | The Company and its subsidiaries |
| “Latest Practicable Date” | : | 31 March 2019, being the latest practicable date prior to the printing of this Circular |
| “Listing Manual” | : | The listing manual of the SGX-ST and its relevant rules, as amended, modified or supplemented from time to time |
| “Market Day” | : | A day on which the SGX-ST is open for trading in securities |
| “Market Purchase” | : | Has the meaning ascribed to it in Section 3.3(a) of this Circular |
| “Maximum Price” | : | Has the meaning ascribed to it in Section 3.4 of this Circular |
| “Notice of EGM” | : | The notice of the EGM as set out on pages N-1 to N-3 of this Circular |
| “NTA” | : | Net tangible assets |

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| “Off-Market Purchase” | : | Has the meaning ascribed to it in Section 3.3(b) of this Circular |
| “Proxy Form” | : | The proxy form in respect of the EGM as attached to this Circular |
| “Register of Members” | : | Register of members of the Company |
| “Securities Account” | : | A securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent) |
| “SFA” | : | The Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time |
| “SGX-ST” | : | Singapore Exchange Securities Trading Limited |
| “Share Buy-back” | : | The purchase or acquisition of Shares by the Company pursuant to the Share Buy-back Mandate |
| “Share Buy-back Mandate” | : | Has the meaning ascribed to it in Section 1 of this Circular |
| “Shareholders” | : | Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited |
| “Shares” | : | Ordinary shares in the capital of the Company |
| “SIC” | : | Securities Industry Council |
| “Substantial Shareholder” | : | A person who has an interest or interests in one (1) or more voting Shares in the Company, and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company |
| “Take-over Code” | : | The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time |
| “Treasury Share” | : | A share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled |
| “%” or “per cent.” | : | Percentage or per centum |
| “S\$” or “cents” | : | Singapore dollars and cents, respectively |

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

The term “**subsidiary**” shall have the same meaning ascribed to it in section 5 of the Companies Act.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

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

The words “**written**” and “**in writing**” include, where the context requires, any means of visible reproduction.

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the Listing Manual, or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual, or any statutory modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in tables included herein between the amounts in the columns of the tables and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

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

Cautionary Note on Forward-looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual results, performance and achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Company disclaims any responsibility and does not undertake any obligation to update publicly or revise any forward-looking statements contained in this Circular to reflect any change in the Group’s expectations with respect to such statements after the date of this Circular or to reflect any change in events, conditions or circumstances on which the Company based any such statements subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any regulatory or supervisory body or agency.

GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106139K)

LETTER TO SHAREHOLDERS

Board of Directors

Sam Goi Seng Hui (Executive Chairman)
Francis Lee Choon Hui (Vice Chairman and Lead Independent Director)
Gilbert Ee Guan Hui (Chief Executive Officer)
Kenneth Goi Kok Ming (Chief Operating Officer)
Michael Grenville Gray (Independent Director)
Juliette Lee Hwee Khoon (Non-Executive Director)
Huang Lui (Independent Director)
Sun Yu (Independent Director)

Registered Office:

20 Cecil Street
#28-01 PLUS
Singapore 049705

12 April 2019

To: The Shareholders of GSH Corporation Limited

Dear Sir/Madam

THE PROPOSED SHARE BUY-BACK MANDATE

1. INTRODUCTION

The Directors are convening an EGM to be held at 20 Cecil Street, #28-01 PLUS, Singapore 049705 on 29 April 2019 at 11.30 a.m. (or as soon thereafter following the conclusion or adjournment of the AGM of the Company to be held on the same day and at the same place) to seek Shareholders' approval for a general and unconditional mandate to be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares (the "**Share Buy-back Mandate**") upon and subject to the terms of the Share Buy-back Mandate, details of which are set out in this Circular.

This Circular has been prepared to provide Shareholders with information relating to, and the rationale for, the proposed Share Buy-back Mandate, and to seek Shareholders' approval for the resolutions to be proposed at the EGM, as set out in the Notice of EGM.

Shareholders are advised that the SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Circular.

2. INFORMATION ON THE PROPOSED SHARE BUY-BACK MANDATE

2.1 The proposed Share Buy-back Mandate

Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by, the Constitution, the Companies Act, the SFA, the Listing Manual, and such other laws and regulations as may, for the time being, be applicable.

Rule 881 of the Listing Manual provides that a company may purchase its own shares if it has obtained the prior specific approval of its shareholders in a general meeting. Accordingly, approval is being sought from the Shareholders at the EGM for the Share Buy-back Mandate. An ordinary resolution will be proposed, pursuant to which the Share Buy-back Mandate will be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire Shares according to the terms of the Share Buy-back Mandate.

If approved by the Shareholders at the EGM, the authority conferred by the Share Buy-back Mandate will take effect from the date of the EGM and continue in force until the date on which the next annual general meeting is held or required by law to be held, unless prior thereto, purchases or acquisitions of Shares by the Company pursuant to the Share Buy-back Mandate have been carried out to the full extent mandated, or the authority conferred by the Share Buy-back Mandate is revoked or varied by Shareholders in a general meeting.

2.2 Rationale for the Share Buy-back Mandate

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

- (a) the Share Buy-back Mandate will provide the Company with greater flexibility in managing its capital and maximising returns to its Shareholders. To the extent that the Company has capital and surplus funds which are in excess of the Group's financial needs, taking into account its growth and expansion plans, the Share Buy-back Mandate will facilitate the return to Shareholders of surplus funds in an expedient, effective and cost-efficient manner;
- (b) share buy-backs are one of the ways in which the return on equity of the Company may be improved, thereby increasing shareholder value;
- (c) share buy-backs allow the Board to exercise control over the Company's Share structure with a view to enhancing the EPS and/or NTA value per Share;
- (d) share buy-backs may help mitigate short-term market volatility in the price of the Shares, offset the effects of short-term speculation and bolster Shareholders' confidence; and
- (e) the Share Buy-back Mandate will enable the Directors to utilise the Shares which are purchased or acquired thereunder and held as treasury shares to be sold for cash, transferred as consideration for the acquisition of shares in or assets of another company or assets of a person, or issued to employees as a form of compensation, which may be less dilutive than if new Shares were issued for this purpose.

The Company will only purchase or acquire Shares pursuant to the Share Buy-back Mandate if it can benefit the Company and the Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate may not be carried out to the full limit as authorised. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position of the Group as a whole and/or affect the listing status of the Company on the SGX-ST.

Nonetheless, Shareholders should note that there is no assurance that the proposed Share Buy-back will achieve the desired effect, nor is there assurance that such effect (if achieved) can be sustained in the longer term.

3. AUTHORITY AND LIMITATIONS OF THE SHARE BUY-BACK MANDATE

The authority and limitations placed on purchases or acquisitions of Shares by the Company pursuant to the Share Buy-back Mandate, if approved at the EGM, are summarised below:

3.1 Maximum number of Shares

(a) Share Buy-back limit

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. Pursuant to Rule 882 of the Listing Manual, the total number of Shares which may be purchased or acquired by the Company pursuant to the Share Buy-back Mandate is limited to that number of Shares representing not more than 10% of the total number of Shares of the Company (excluding Treasury Shares) as at the date of the EGM at which the Share Buy-back Mandate is approved. Treasury Shares will be disregarded for the purposes of computing this 10% limit. As at the Latest Practicable Date, the Company has 18,102,700 Treasury Shares.

For illustrative purposes only, on the basis that there are 1,977,036,050 issued Shares as at the Latest Practicable Date, and assuming that (i) no further Shares are issued between the Latest Practicable Date and the date of the EGM; and (ii) 18,102,700 Shares are held as Treasury Shares, the Company can purchase or acquire up to a maximum of 195,893,335 Shares (representing 10% of the total number of Shares (excluding Treasury Shares) of the Company as at that date) pursuant to the Share Buy-back Mandate during the period referred to in Paragraph 3.2 below.

However, purchases or acquisitions pursuant to the Share Buy-back Mandate need not be carried out to the full extent mandated, and in any case, will not be carried out to such an extent that would result in the Company losing the minimum public float required to maintain the listing status of the Company's Shares on the SGX-ST.

As the Company holds 18,102,700 Shares as Treasury Shares as at the Latest Practicable Date, pursuant to the Companies Act, the Company may only retain a further 179,600,905 Shares as Treasury Shares as it is only allowed to hold a maximum of 197,703,605 Treasury Shares (being 10% of the total number of issued Shares of 1,977,036,050 Shares).

(b) Listing status on the SGX-ST

The Listing Manual provides that an issuer must ensure that at least 10% of a class of the total number of issued shares in a class that is listed (excluding treasury shares, preference shares and convertible equity securities) is at all times held by the public.

In order to maintain the listing status of the Shares on the SGX-ST and pursuant to Rule 723 of the Listing Manual, the Company must ensure that there is at all times a public float of not less than 10% of the issued Shares (excluding Treasury Shares). The Company will not carry out any Share Buy-back to such extent that it would result in the number of Shares remaining in the hands of the public to fall below the minimum level required under the Listing Manual without adversely affecting the listing status of the Company.

As at the Latest Practicable Date, 431,601,630 Shares (or approximately 22.04% of the total number of issued Shares (excluding Treasury Shares)) are held in the hands of the public. In the event that the Company purchases the maximum of 10% of its issued ordinary share capital from such public Shareholders, the resultant percentage of the issued Shares (excluding Treasury Shares) held by the public Shareholders would be reduced to approximately 13.35%. Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Buy-back Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

The Company is seeking Shareholders' approval to enable the Company to purchase or acquire Shares up to a maximum of 10% of the total number of Shares (excluding Treasury Shares) for greater flexibility. **If approved, the Company will be able to purchase or acquire up to a maximum of 10% of the total number of Shares of the Company (excluding Treasury Shares).** Nevertheless, before deciding to effect a Share Buy-back, the Directors will ensure that, notwithstanding such purchase, a sufficient float in the hands of the public will be maintained to comply with Listing Manual requirements.

3.2 Duration of authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM at which the Share Buy-back Mandate is approved, up to the earliest of:

- (a) the date on which the next annual general meeting is held or is required by law to be held;
- (b) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Buy-back Mandate is revoked or varied by Shareholders in a general meeting.

The authority conferred on the Directors to purchase Shares pursuant to the Share Buy-back Mandate may be renewed by the Shareholders at each subsequent annual general meeting or other general meeting of the Company.

3.3 Manner of purchases or acquisitions of Shares

Pursuant to Rule 882 of the Listing Manual, purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases transacted through the SGX-ST's trading system ("**Market Purchase**"); and/or
- (b) off-market purchases in accordance with an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Purchase**").

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy-back Mandate, the Listing Manual, the SFA, the Companies Act, and all applicable laws and regulations as they consider fit in the interests of the Company, in connection with or in relation to any equal access scheme(s).

An Off-Market Purchase must satisfy all of the following conditions:

- (a) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (c) the terms of all the offers shall be the same except that there shall be disregarded:
 - (i) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
 - (ii) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (iii) differences in the offers introduced solely to ensure that each Shareholder is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase, the Company must issue an offer document to all Shareholders containing at least the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed Share Buy-back by the Company;
- (4) the consequences, if any, of Share purchases by the Company that will arise under the Take-over Code and/or other applicable take-over rules;
- (5) whether the proposed purchase or acquisition of Shares by the Company, if made, could affect the listing of the Company's equity securities on the SGX-ST;
- (6) details of any Share Buy-back made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (7) whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

3.4 Purchase price

The purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for the Shares will be determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares,

in each case, excluding related expenses of the purchase or acquisition (the “**Maximum Price**”).

For the purposes of determining the Maximum Price:

- (A) “**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded, before the day on which the purchases are made, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and is deemed to be adjusted for any corporate action that occurs after the relevant five (5)-day period; and
- (B) “**date of the making of the offer**” means the date on which the Company announces its intention to make an offer for the Off-Market Purchase from the holder of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

The Listing Manual restricts a listed company from purchasing Shares by way of Market Purchases at a price per Share which is more than 5% above the Average Closing Price.

Although the Listing Manual does not prescribe a maximum price in relation to purchases of Shares by way of Off-Market Purchases, the Company has set a cap of 20% above the Average Closing Price of a Share as the maximum price for a Share to be purchased or acquired by way of Off-Market Purchases.

4. STATUS OF THE PURCHASED OR ACQUIRED SHARES

The Shares purchased or acquired by the Company pursuant to the Share Buy-back Mandate shall be deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless held by the Company as Treasury Shares in accordance with Section 76H of the Companies Act. At the time of each such Share Buy-back by the Company, the Directors shall decide whether the Shares purchased will be cancelled or kept as Treasury Shares, or partly cancelled and partly kept as Treasury Shares, depending on the needs of the Company at that time.

Where Shares purchased or acquired by the Company pursuant to the Share Buy-back Mandate are cancelled, such Shares will be automatically de-listed by the SGX-ST and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as is reasonably practicable following settlement of any such purchase or acquisition, and the total number of issued Shares will be diminished by such number of Shares that are cancelled.

5. TREASURY SHARES

Under the Companies Act, Shares purchased or acquired by the Company under the Share Buy-back may be held or dealt with as Treasury Shares. Some of the provisions on Treasury Shares under the Companies Act are summarised as follows:

5.1 Maximum holdings

The number of Shares held as Treasury Shares cannot at any time exceed 10% of the total number of issued Shares of the Company. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with Section 76K of the Companies Act.

5.2 Voting and other rights

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

In addition, no dividends may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Shareholders on a winding up) may be made, to the Company in respect of Treasury Shares.

However, the Company may allot fully-paid bonus Shares in respect of the Treasury Shares and the Treasury Shares may be subdivided or consolidated so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before the subdivision or consolidation, as the case may be. Any Shares allotted as fully-paid bonus Shares in respect of the Treasury Shares shall be treated for the purposes of the Companies Act as if they were purchased by the Company at the time they were allotted, in circumstances in which Section 76H of the Companies Act applied.

5.3 Disposal and cancellation

When Shares purchased or acquired are held as Treasury Shares, the Company may at any time but subject always to the Take-over Code:

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

In addition, under Rule 704(28) of the Listing Manual, the Company must immediately announce any sale, transfer, cancellation and/or use of Treasury Shares held by it, stating the following:

- (a) date of the sale, transfer, cancellation and/or use;
- (b) purpose of such sale, transfer, cancellation and/or use;
- (c) number of Treasury Shares sold, transferred, cancelled and/or used;
- (d) number of Treasury Shares before and after such sale, transfer, cancellation and/or use;
- (e) percentage of the number of Treasury Shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (f) value of the Treasury Shares if they are used for a sale or transfer, or cancelled.

6. SOURCE OF FUNDS

Any purchase or acquisition of Shares (including any expenses such as brokerage or commission incurred directly in the purchase or acquisition of such Shares) may be made out of the Company's capital or profits so long as the Company is solvent. Under the Companies Act, it is an offence for a Director or chief executive officer of the Company to approve or authorise the purchase or acquisition of Shares, knowing that the Company is not solvent. For this purpose, pursuant to the Companies Act, a company is solvent if at the date of the payment the following conditions are satisfied:

- (a) there is no ground on which the company could be found to be unable to pay its debts;
- (b) if –
 - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the payment, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or
 - (ii) it is not intended to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase or acquisition, become less than the value of its liabilities (including contingent liabilities).

The Company intends to use internal resources of funds and/or external borrowings to finance the purchase or acquisition of Shares pursuant to the Share Buy-back Mandate. The Board will principally consider the availability of internal resources and the availability of external financing. However, in considering the option of external financing, the Board will particularly consider the prevailing gearing level of the Group. The Board will only make purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate in circumstances which they believe will not result in any material adverse effect on the financial condition of the Company or the Group. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions.

7. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK MANDATE

The financial effects arising from a purchase or acquisition of Shares pursuant to the Share Buy-back Mandate on the Company and the Group will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the consideration paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effect on the audited financial statements of the Group and the Company will depend, *inter alia*, on the factors set out below:

7.1 Purchase or acquisition out of profits and/or capital

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent.

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

Where the consideration is paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

7.2 Number of Shares acquired or purchased

Based on 1,958,933,350 issued Shares (excluding Treasury Shares) as at the Latest Practicable Date, the purchase or acquisition of Shares by the Company up to the maximum limit of 10% of its issued Shares (excluding Treasury Shares) will result in the purchase or acquisition of 195,893,335 Shares.

7.3 Maximum price paid for Shares acquired or purchased

In the case of a Market Purchase by the Company and assuming that the Company purchases or acquires 195,893,335 Shares at the Maximum Price of S\$0.310 per Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 195,893,335 Shares is approximately S\$60,726,934 (excluding brokerage, commission, applicable goods and services tax, and other related expenses).

In the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires 195,893,335 Shares at the Maximum Price of S\$0.354 per Share (being the price equivalent to 20% above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 195,893,335 Shares is approximately S\$69,346,241 (excluding brokerage, commission, applicable goods and services tax, and other related expenses).

7.4 Illustrative financial effects

For illustrative purposes only, based on the assumptions set out in Section 7.3 and assuming that (i) the purchase or acquisition of Shares are made to the extent aforesaid; (ii) such Shares are funded wholly by internal resources within the Group; and (iii) the Company had purchased 195,893,335 Shares (representing 10% of the issued Shares (excluding Treasury Shares) as at the Latest Practicable Date) on 1 January 2018, the financial effects of the purchase of 195,893,335 Shares by way of:

- (a) purchases made entirely out of capital and held as Treasury Shares;
- (b) purchases made entirely out of capital and cancelled;
- (c) purchases made entirely out of profits and held as Treasury Shares; and
- (d) purchases made entirely out of profits and cancelled,

on the audited financial statements of the Group for FY2018 pursuant to the Share Buy-back Mandate are as follows:

7.4.1 Purchases made entirely out of capital and held as Treasury Shares

| | Group | | | Company | | |
|--------------------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| | Before Share Buy-back (\$S'000) | After Share Buy-back by way of Market Purchase (\$S'000) ⁽⁶⁾ | After Share Buy-back by way of Off-Market Purchase (\$S'000) ⁽⁷⁾ | Before Share Buy-back (\$S'000) | After Share Buy-back by way of Market Purchase (\$S'000) ⁽⁶⁾ | After Share Buy-back by way of Off-Market Purchase (\$S'000) ⁽⁷⁾ |
| As at 31 December 2018 | | | | | | |
| Share capital | 343,458 | 343,458 | 343,458 | 343,458 | 343,458 | 343,458 |
| Retained earnings | 77,267 | 77,267 | 77,267 | (260) | (260) | (260) |
| Other reserves | (38,781) | (38,781) | (38,781) | (4,580) | (4,580) | (4,580) |
| Treasury Shares | (5,131) | (65,858) | (74,477) | (5,131) | (65,858) | (74,477) |
| Total Shareholders' funds | 376,813 | 316,086 | 307,467 | 333,487 | 272,760 | 264,141 |
| Non-controlling interests | 77,927 | 77,927 | 77,927 | – | – | – |
| Total equity | 454,740 | 394,013 | 385,394 | 333,487 | 272,760 | 264,141 |
| NTA ⁽¹⁾ | 376,813 | 316,086 | 307,467 | 333,487 | 272,760 | 264,141 |
| Current assets | 490,284 | 429,557 | 420,938 | 515,233 | 454,506 | 445,887 |
| Current liabilities | 224,087 | 224,087 | 224,087 | 145,055 | 145,055 | 145,055 |
| Working capital | 266,197 | 205,470 | 196,851 | 370,178 | 309,451 | 300,832 |
| Total borrowings | 453,366 | 453,366 | 453,366 | 269,036 | 269,036 | 269,036 |
| Cash and cash equivalents | 126,676 | 65,949 | 57,330 | 83,138 | 22,411 | 13,792 |
| Net profit after tax attributable to Shareholders | 5,940 | 5,940 | 5,940 | (9,413) | (9,413) | (9,413) |
| Number of Shares (excluding Treasury Shares) (in '000) | 1,958,933 | 1,763,040 | 1,763,040 | 1,958,933 | 1,763,040 | 1,763,040 |
| Financial Ratios | | | | | | |
| NTA per Share ⁽²⁾ (cents) | 19.24 | 17.93 | 17.44 | 17.02 | 15.47 | 14.98 |
| Net gearing ratio ⁽³⁾ (times) | 0.72 | 0.98 | 1.03 | 0.56 | 0.90 | 0.97 |
| Current ratio ⁽⁴⁾ (times) | 2.19 | 1.92 | 1.88 | 3.55 | 3.13 | 3.07 |
| EPS ⁽⁵⁾ (cents) | 0.303 | 0.337 | 0.337 | (0.481) | (0.534) | (0.534) |

Notes:

- (1) NTA refers to Shareholders' funds less intangible assets.
- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares (excluding Treasury Shares).
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Total equity.
- (4) Current ratio equals to current assets divided by current liabilities.
- (5) EPS equals net profit after tax attributable to Shareholders divided by the total number of issued Shares (excluding Treasury Shares) as at 31 December 2018.

- (6) Assumes that the Company undertakes a Market Purchase of 195,893,335 Shares at the Maximum Price of approximately S\$0.310 for one (1) Share which is 5% above the Average Closing Price of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$60,726,934. However, the Company will not be making any purchases of Shares which results in the number of Shares held by the Company as Treasury Shares exceeding 10% of the total number of issued Shares.
- (7) Assumes that the Company undertakes an Off-Market Purchase of 195,893,335 Shares at the Maximum Price of approximately S\$0.354 for one (1) Share which is 20% above the Average Closing Price of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$69,346,241. However, the Company will not be making any purchases of Shares which results in the number of Shares held by the Company as Treasury Shares exceeding 10% of the total number of issued Shares.

7.4.2 Purchases made entirely out of capital and cancelled

| | Group | | | Company | | |
|--------------------------------------------------------|-----------------------|----------------------------------------------------|--------------------------------------------------------|-----------------------|----------------------------------------------------|--------------------------------------------------------|
| | Before Share Buy-back | After Share Buy-back | After Share Buy-back | Before Share Buy-back | After Share Buy-back | After Share Buy-back |
| As at 31 December 2018 | (S\$'000) | by way of Market Purchase (S\$'000) ⁽⁶⁾ | by way of Off-Market Purchase (S\$'000) ⁽⁷⁾ | (S\$'000) | by way of Market Purchase (S\$'000) ⁽⁶⁾ | by way of Off-Market Purchase (S\$'000) ⁽⁷⁾ |
| Share capital | 343,458 | 282,731 | 274,112 | 343,458 | 282,731 | 274,112 |
| Retained earnings | 77,267 | 77,267 | 77,267 | (260) | (260) | (260) |
| Other reserves | (38,781) | (38,781) | (38,781) | (4,580) | (4,580) | (4,580) |
| Treasury Shares | (5,131) | (5,131) | (5,131) | (5,131) | (5,131) | (5,131) |
| Total Shareholders' funds | 376,813 | 316,086 | 307,467 | 333,487 | 272,760 | 264,141 |
| Non-controlling interests | 77,927 | 77,927 | 77,927 | – | – | – |
| Total equity | 454,740 | 394,013 | 385,394 | 333,487 | 272,760 | 264,141 |
| NTA ⁽¹⁾ | 376,813 | 316,086 | 307,467 | 333,487 | 272,760 | 264,141 |
| Current assets | 490,284 | 429,557 | 420,938 | 515,233 | 454,506 | 445,887 |
| Current liabilities | 224,087 | 224,087 | 224,087 | 145,055 | 145,055 | 145,055 |
| Working capital | 266,197 | 205,470 | 196,851 | 370,178 | 309,451 | 300,832 |
| Total borrowings | 453,366 | 453,366 | 453,366 | 269,036 | 269,036 | 269,036 |
| Cash and cash equivalents | 126,676 | 65,949 | 57,330 | 83,138 | 22,411 | 13,792 |
| Net profit after tax attributable to Shareholders | 5,940 | 5,940 | 5,940 | (9,413) | (9,413) | (9,413) |
| Number of Shares (excluding Treasury Shares) (in '000) | 1,958,933 | 1,763,040 | 1,763,040 | 1,958,933 | 1,763,040 | 1,763,040 |
| Financial Ratios | | | | | | |
| NTA per Share ⁽²⁾ (cents) | 19.24 | 17.93 | 17.44 | 17.02 | 15.47 | 14.98 |
| Net gearing ratio ⁽³⁾ (times) | 0.72 | 0.98 | 1.03 | 0.56 | 0.90 | 0.97 |
| Current ratio ⁽⁴⁾ (times) | 2.19 | 1.92 | 1.88 | 3.55 | 3.13 | 3.07 |
| EPS ⁽⁵⁾ (cents) | 0.303 | 0.337 | 0.337 | (0.481) | (0.534) | (0.534) |

Notes:

- (1) NTA refers to Shareholders' funds less intangible assets.
- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares (excluding Treasury Shares).
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Total equity.
- (4) Current ratio equals to current assets divided by current liabilities.
- (5) EPS equals net profit after tax attributable to Shareholders divided by the total number of issued Shares (excluding Treasury Shares) as at 31 December 2018.
- (6) Assumes that the Company undertakes a Market Purchase of 195,893,335 Shares at the Maximum Price of approximately S\$0.310 for one (1) Share which is 5% above the Average Closing Price of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$60,726,934.
- (7) Assumes that the Company undertakes an Off-Market Purchase of 195,893,335 Shares at the Maximum Price of approximately S\$0.354 for one (1) Share which is 20% above the Average Closing Price of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$69,346,241.

7.4.3 Purchases made entirely out of profits and held as Treasury Shares

| | Group | | | Company | | |
|--------------------------------------------------------|-----------------------|------------------------------------------------|----------------------------------------------------|-----------------------|------------------------------------------------|----------------------------------------------------|
| | Before Share Buy-back | After Share Buy-back by way of Market Purchase | After Share Buy-back by way of Off-Market Purchase | Before Share Buy-back | After Share Buy-back by way of Market Purchase | After Share Buy-back by way of Off-Market Purchase |
| As at 31 December 2018 | (S\$'000) | (S\$'000) ⁽⁶⁾ | (S\$'000) ⁽⁷⁾ | (S\$'000) | (S\$'000) ⁽⁶⁾ | (S\$'000) ⁽⁷⁾ |
| Share capital | 343,458 | 343,458 | 343,458 | 343,458 | 343,458 | 343,458 |
| Retained earnings | 77,267 | 77,267 | 77,267 | (260) | (260) | (260) |
| Other reserves | (38,781) | (38,781) | (38,781) | (4,580) | (4,580) | (4,580) |
| Treasury Shares | (5,131) | (65,858) | (74,477) | (5,131) | (65,858) | (74,477) |
| Total Shareholders' funds | 376,813 | 316,086 | 307,467 | 333,487 | 272,760 | 264,141 |
| Non-controlling interests | 77,927 | 77,927 | 77,927 | – | – | – |
| Total equity | 454,740 | 394,013 | 385,394 | 333,487 | 272,760 | 264,141 |
| NTA ⁽¹⁾ | 376,813 | 316,086 | 307,467 | 333,487 | 272,760 | 264,141 |
| Current assets | 490,284 | 429,557 | 420,938 | 515,233 | 454,506 | 445,887 |
| Current liabilities | 224,087 | 224,087 | 224,087 | 145,055 | 145,055 | 145,055 |
| Working capital | 266,197 | 205,470 | 196,851 | 370,178 | 309,451 | 300,832 |
| Total borrowings | 453,366 | 453,366 | 453,366 | 269,036 | 269,036 | 269,036 |
| Cash and cash equivalents | 126,676 | 65,949 | 57,330 | 83,138 | 22,411 | 13,792 |
| Net profit after tax attributable to Shareholders | 5,940 | 5,940 | 5,940 | (9,413) | (9,413) | (9,413) |
| Number of Shares (excluding Treasury Shares) (in '000) | 1,958,933 | 1,763,040 | 1,763,040 | 1,958,933 | 1,763,040 | 1,763,040 |

| | Group | | | Company | | |
|------------------------|-----------------------|------------------------------------------------|----------------------------------------------------|-----------------------|------------------------------------------------|----------------------------------------------------|
| | Before Share Buy-back | After Share Buy-back by way of Market Purchase | After Share Buy-back by way of Off-Market Purchase | Before Share Buy-back | After Share Buy-back by way of Market Purchase | After Share Buy-back by way of Off-Market Purchase |
| As at 31 December 2018 | (S\$'000) | (S\$'000) ⁽⁶⁾ | (S\$'000) ⁽⁷⁾ | (S\$'000) | (S\$'000) ⁽⁶⁾ | (S\$'000) ⁽⁷⁾ |

Financial Ratios

| | | | | | | |
|------------------------------------------|-------|-------|-------|---------|---------|---------|
| NTA per Share ⁽²⁾ (cents) | 19.24 | 17.93 | 17.44 | 17.02 | 15.47 | 14.98 |
| Net gearing ratio ⁽³⁾ (times) | 0.72 | 0.98 | 1.03 | 0.56 | 0.90 | 0.97 |
| Current ratio ⁽⁴⁾ (times) | 2.19 | 1.92 | 1.88 | 3.55 | 3.13 | 3.07 |
| EPS ⁽⁵⁾ (cents) | 0.303 | 0.337 | 0.337 | (0.481) | (0.534) | (0.534) |

Notes:

- (1) NTA refers to Shareholders' funds less intangible assets.
- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares (excluding Treasury Shares).
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Total equity.
- (4) Current ratio equals to current assets divided by current liabilities.
- (5) EPS equals net profit after tax attributable to Shareholders divided by the total number of issued Shares (excluding Treasury Shares) as at 31 December 2018.
- (6) Assumes that the Company undertakes a Market Purchase of 195,893,335 Shares at the Maximum Price of approximately S\$0.310 for one (1) Share which is 5% above the Average Closing Price of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$60,726,934. However, the Company will not be making any purchases of Shares which results in the number of Shares held by the Company as Treasury Shares exceeding 10% of the total number of issued Shares.
- (7) Assumes that the Company undertakes an Off-Market Purchase of 195,893,335 Shares at the Maximum Price of approximately S\$0.354 for one (1) Share which is 20% above the Average Closing Price of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$69,346,241. However, the Company will not be making any purchases of Shares which results in the number of Shares held by the Company as Treasury Shares exceeding 10% of the total number of issued Shares.

7.4.4 Purchases made entirely out of profits and cancelled

| | Group | | | Company | | |
|---------------------------|-----------------------|------------------------------------------------|----------------------------------------------------|-----------------------|------------------------------------------------|----------------------------------------------------|
| | Before Share Buy-back | After Share Buy-back by way of Market Purchase | After Share Buy-back by way of Off-Market Purchase | Before Share Buy-back | After Share Buy-back by way of Market Purchase | After Share Buy-back by way of Off-Market Purchase |
| As at 31 December 2018 | (S\$'000) | (S\$'000) ⁽⁶⁾ | (S\$'000) ⁽⁷⁾ | (S\$'000) | (S\$'000) ⁽⁶⁾ | (S\$'000) ⁽⁷⁾ |
| Share capital | 343,458 | 343,458 | 343,458 | 343,458 | 343,458 | 343,458 |
| Retained earnings | 77,267 | 16,540 | 7,921 | (260) | (60,987) | (69,606) |
| Other reserves | (38,781) | (38,781) | (38,781) | (4,580) | (4,580) | (4,580) |
| Treasury Shares | (5,131) | (5,131) | (5,131) | (5,131) | (5,131) | (5,131) |
| Total Shareholders' funds | 376,813 | 316,086 | 307,467 | 333,487 | 272,760 | 264,141 |
| Non-controlling interests | 77,927 | 77,927 | 77,927 | – | – | – |
| Total equity | 454,740 | 394,013 | 385,394 | 333,487 | 272,760 | 264,141 |

| | Group | | | Company | | |
|--------------------------------------------------------|-----------------------|------------------------------------------------|----------------------------------------------------|-----------------------|------------------------------------------------|----------------------------------------------------|
| | Before Share Buy-back | After Share Buy-back by way of Market Purchase | After Share Buy-back by way of Off-Market Purchase | Before Share Buy-back | After Share Buy-back by way of Market Purchase | After Share Buy-back by way of Off-Market Purchase |
| As at 31 December 2018 | (S\$'000) | (S\$'000) ⁽⁶⁾ | (S\$'000) ⁽⁷⁾ | (S\$'000) | (S\$'000) ⁽⁶⁾ | (S\$'000) ⁽⁷⁾ |
| NTA ⁽¹⁾ | 376,813 | 316,086 | 307,467 | 333,487 | 272,760 | 264,141 |
| Current assets | 490,284 | 429,557 | 420,938 | 515,233 | 454,506 | 445,887 |
| Current liabilities | 224,087 | 224,087 | 224,087 | 145,055 | 145,055 | 145,055 |
| Working capital | 266,197 | 205,470 | 196,851 | 370,178 | 309,451 | 300,832 |
| Total borrowings | 453,366 | 453,366 | 453,366 | 269,036 | 269,036 | 269,036 |
| Cash and cash equivalents | 126,676 | 65,949 | 57,330 | 83,138 | 22,411 | 13,792 |
| Net profit after tax attributable to Shareholders | 5,940 | 5,940 | 5,940 | (9,413) | (9,413) | (9,413) |
| Number of Shares (excluding Treasury Shares) (in '000) | 1,958,933 | 1,763,040 | 1,763,040 | 1,958,933 | 1,763,040 | 1,763,040 |
| Financial Ratios | | | | | | |
| NTA per Share ⁽²⁾ (cents) | 19.24 | 17.93 | 17.44 | 17.02 | 15.47 | 14.98 |
| Net gearing ratio ⁽³⁾ (times) | 0.72 | 0.98 | 1.03 | 0.56 | 0.90 | 0.97 |
| Current ratio ⁽⁴⁾ (times) | 2.19 | 1.92 | 1.88 | 3.55 | 3.13 | 3.07 |
| EPS ⁽⁵⁾ (cents) | 0.303 | 0.337 | 0.337 | (0.481) | (0.534) | (0.534) |

Notes:

- (1) NTA refers to Shareholders' funds less intangible assets.
- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares (excluding Treasury Shares).
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Total equity.
- (4) Current ratio equals to current assets divided by current liabilities.
- (5) EPS equals net profit after tax attributable to Shareholders divided by the total number of issued Shares (excluding Treasury Shares) as at 31 December 2018.
- (6) Assumes that the Company undertakes a Market Purchase of 195,893,335 Shares at the Maximum Price of approximately S\$0.310 for one (1) Share which is 5% above the Average Closing Price of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$60,726,934.
- (7) Assumes that the Company undertakes an Off-Market Purchase of 195,893,335 Shares at the Maximum Price of approximately S\$0.354 for one (1) Share which is 20% above the Average Closing Price of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$69,346,241.

Shareholders should note that the financial effects, based on the respective aforementioned assumptions, are for illustrative purposes only. In particular, it is important to note that it is not possible for the Company to realistically calculate or quantify the impact of the purchase or acquisition of Shares that may be made pursuant to the Share Buy-back Mandate on the NTA per Share and EPS as the resultant effect would depend on factors such as the aggregate number of Shares purchased, the purchase price paid at the relevant time and the amount (if any) borrowed by the Company to fund the purchase or acquisition of Shares. The above analysis is based on historical numbers as at 31 December 2018, and is not necessarily representative of future financial performance.

It should also be noted that the purchase or acquisition of Shares by the Company pursuant to the Share Buy-back Mandate would only be made in circumstances where it is considered to be in the best interests of the Company. Although the Share Buy-back Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares. In addition, the Directors would emphasise that they do not propose to purchase or acquire Shares pursuant to the Share Buy-back Mandate to such an extent that would, or in circumstances that might, materially and adversely affect the financial condition of the Company or the Group, or result in the Company being delisted from the SGX-ST. The Company will take into account both financial and non-financial factors (for example, share market conditions and the performance of the Shares) in assessing the relative impact of a purchase or acquisition of Shares before execution.

8. LISTING RULES

Rule 886 of the Listing Manual requires the Company to notify SGX-ST of all purchases or acquisitions of its Shares as follows:

- (a) in the case of a Market Purchase, by 9.00 a.m. on the Market Day following the day of the Share Buy-back; and
- (b) in the case of an Off-Market Purchase, by 9.00 a.m. on the second Market Day after the close of acceptances of the offer.

Such notification (which must be in the form of Appendix 8.3.1 of the Listing Manual) must include the maximum number of Shares authorised for purchase, the date of the purchase, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as Treasury Shares, the purchase price per Share or the highest and lowest prices paid per Share, as applicable, and the total consideration (including stamp duties, clearing charges, et cetera.) paid or payable for the Shares, the number of Shares purchased as at the date of notification from the date the Share Buy-back Mandate is obtained (on a cumulative basis), the number of issued Shares excluding Treasury Shares and the number of Treasury Shares held after the Share Buy-back.

The Listing Manual does not expressly prohibit a listed company from purchasing or acquiring its own Shares during any particular time or times. However, as the Company would be regarded as an “insider” in relation to any proposed purchase or acquisition of Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buy-back Mandate in any of the following circumstances:

- (A) at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of consideration and/or decision of the Board until the price-sensitive information has been publicly announced or disseminated in accordance with the requirements of the Listing Manual; and
- (B) during the period commencing two (2) weeks before the announcement of the financial statements for each of the first three (3) quarters of its financial year and one (1) month before the announcement of the Company’s full year financial statements.

As at the Latest Practicable Date, the Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of Shares through Market Purchases up to the full 10% limit pursuant to the Share Buy-back Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

9. TAKE-OVER IMPLICATIONS

Appendix 2 of the Take-over Code contains the Share Buy-back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

9.1 Obligation to make a take-over offer

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

9.2 Persons acting in concert

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

Unless the contrary is established, the following persons and companies will be presumed to be acting in concert:

- (a) the following companies: (i) a company; (ii) the parent company of (i); (iii) the subsidiaries of (i); (iv) the fellow subsidiaries of (i); (v) the associated companies of any of (i), (ii), (iii) or (iv); (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a *bona fide* offer for their company may be imminent;
- (g) partners; and

- (h) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions, companies controlled by any of the above persons, and any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above for the purchase of voting rights.

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

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

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that:

- (a) unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months; and
- (b) a Shareholder who is not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholders holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholders would increase by more than 1% in any period of six (6) months. Such a Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-back Mandate unless so required under the Companies Act.

9.4 Exemption under Appendix 2 of the Take-over Code

Section 3(a) of the Appendix 2 of the Take-over Code provides, *inter alia*, that for a Market Purchase under Section 76E of the Companies Act or an Off-Market Purchase under Section 76C of the Companies Act by a listed company, Directors and persons acting in concert with them will be exempted from the requirement to make a general offer for the Company under Rule 14.1 of the Take-over Code, subject to the following conditions:

- (a) the circular to Shareholders on the resolution to authorise a share buyback to contain advice to the effect that by voting for the buy-back resolution, Shareholders are waiving their right to a general offer at the required price from Directors and parties acting in concert with them who, as a result of the Company buying back its Shares, would increase their voting rights to 30% or more, or, if they together hold between 30% and 50% of the Company's voting rights, would increase their voting rights by more than 1% in any period of six (6) months; and the names of such Directors and persons acting in concert with them, their voting rights at the time of the resolution and after the proposed buy-back to be disclosed in the same circular;
- (b) the resolution to authorise a share buy-back to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the share buyback;

- (c) the Directors and/or persons acting in concert with them to abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the share buy-back;
- (d) within seven (7) days after the passing of the resolution to authorise a share buy-back, each of the Directors to submit to the SIC a duly signed form as prescribed by the SIC;
- (e) Directors and/or persons acting in concert with them not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the share buyback proposal is imminent and the earlier of:
 - (i) the date on which the authority of the share buy-back expires; and
 - (ii) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying its Shares, as the case may be,if such acquisitions, taken together with the share buy-back, would cause their aggregate voting rights to increase to 30% or more; and
- (f) Directors and/or persons acting in concert with them, together holding between 30% and 50% of the Company's voting rights, not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of:
 - (i) the date on which the authority of the share buy-back expires; and
 - (ii) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying its Shares, as the case may be,if such acquisitions, taken together with the share buy-back, would cause their aggregate voting rights to increase by more than 1% in the preceding six (6) months.

It follows that where aggregate voting rights held by a Director and persons acting in concert with him increase by more than 1% solely as a result of the share buy-back and none of them has acquired any Shares during the relevant period defined above, then such Director and/or persons acting in concert with him would be eligible for SIC's exemption from the requirement to make a general offer under Rule 14 of the Take-over Code, or where such exemption had been granted, would continue to enjoy the exemption.

9.5 Take-over obligations of Directors and Substantial Shareholders of the Company

Based on the interests of the Directors and Substantial Shareholders as at the Latest Practicable Date as recorded in the Register of Directors' and Substantial Shareholders' Shareholdings, none of the Directors or Substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 10% of its issued Shares (excluding Treasury Shares) as at the Latest Practicable Date.

The statements in this Circular do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in doubt as to their obligations, if any, to make a mandatory takeover offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the SIC and/or their professional advisers at the earliest opportunity.

9.6 Shares purchased by the Company

The Company has not made any share buy-back in the 12 months (whether Market Purchases or Off-Market Purchases) before the date of this Circular.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders, based on information recorded in the Register of Directors' and Substantial Shareholders' Shareholdings, respectively, maintained by the Company pursuant to Section 164 and Section 88 of the Companies Act, respectively, as at the Latest Practicable Date are as follows:

| Directors | Direct Interest | | Deemed Interest | |
|-----------------------------------------------------|------------------|------------------|------------------|------------------|
| | Number of Shares | % ⁽¹⁾ | Number of Shares | % ⁽¹⁾ |
| Sam Goi Seng Hui | 1,168,654,975 | 59.66 | – | – |
| Francis Lee Choon Hui | – | – | – | – |
| Gilbert Ee Guan Hui ⁽²⁾ | 629,478 | 0.03 | 157,913,600 | 8.06 |
| Kenneth Goi Kok Ming | – | – | – | – |
| Michael Grenville Gray | – | – | – | – |
| Juliette Lee Hwee Khoon | – | – | – | – |
| Huang Lui | – | – | – | – |
| Sun Yu | – | – | – | – |
| <u>Substantial Shareholder(s)</u> | | | | |
| <u>(other than Directors)</u> | | | | |
| Goodview Properties Pte Ltd ⁽³⁾ | 100,000,000 | 5.10 | – | – |
| Far East Organization Centre Pte Ltd ⁽³⁾ | – | – | 100,000,000 | 5.10 |
| Lippo Capital Limited ⁽⁴⁾ | – | – | 99,021,467 | 5.05 |
| Lanius Limited ⁽⁵⁾ | – | – | 99,021,467 | 5.05 |
| Ng Chee Siong ⁽⁶⁾ | – | – | 101,112,200 | 5.16 |
| Ng Chee Tat Philip ⁽⁶⁾ | – | – | 101,112,200 | 5.16 |

Notes:

- (1) Based on the issued and paid-up share capital of the Company of 1,958,933,350 Shares (excluding Treasury Shares) as at the date of this Circular.
- (2) Gilbert Ee Guan Hui is treated as having an interest in 90,913,600 Shares held through OCBC Securities Private Ltd, 52,000,000 Shares held through Raffles Nominees Pte Ltd and 15,000,000 Shares held through Florence Ee Gek Noi (his spouse).
- (3) Based on Form 3 received by the Company on 13 August 2013, Far East Organization Centre Pte Ltd has a controlling interest in Goodview Properties Pte Ltd and is therefore treated as having an interest in the 100,000,000 Shares held by Goodview Properties Pte Ltd in the Company.
- (4) Based on Form 3 received by the Company on 21 January 2015, Lippo Capital Limited is the holding company of an entity which has joint control of Lippo ASM Asia Property Limited, which is a holding company of OUE Limited. OUE Limited has a direct interest in 19,260,000 Shares. In addition, Lippo Capital Limited is the holding company of Golden Super Holdings Limited and Lippo Assets (International Limited). Golden Super Holdings Limited and Lippo Assets (International Limited) has a direct interest in 77,761,467 and 2,000,000 Shares respectively. Lippo Capital Limited is therefore treated as having an interest in 99,021,467 shares.

- (5) Based on Form 3 received by the Company on 21 January 2015, Lanius Limited holds the entire issued share capital of Lippo Capital Limited and is therefore treated as having an interest in 99,0210,467 Shares.
- (6) Based on Form 3 received by the Company on 1 June 2017, vesting of the assets of the Estate on Ng Teng Fong (the “Estate”) in Ng Chee Siong (“RN”) and Ng Chee Tat Philip (“PN”) in their capacity as beneficiaries of the Estate, pending final distribution. Goodview Properties Pte Ltd has a direct interest in 101,112,200 shares. The Estate has a controlling interest in Far East Organization Centre Pte Ltd, which in turn has a controlling interest in Goodview Properties Pte Ltd. RN and PN are a beneficiaries of the Estate and are therefore deemed to be interested in the 101,112,200 Shares in which Goodview Properties Pte Ltd has an interest.

None of the Directors or Substantial Shareholders has any interest, whether direct or indirect, in the Share Buy-back Mandate, save for their respective shareholdings in the Company as disclosed above.

11. TAX IMPLICATIONS

Shareholders who are in doubt as to their respective tax positions or the tax implications of the proposed Share Buy-back by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisors.

12. DIRECTORS’ RECOMMENDATIONS

The Directors are of the opinion that the adoption of the Share Buy-back Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the adoption of the Share Buy-back Mandate to be proposed at the EGM as set out in the Notice of EGM.

Shareholders are advised to read this Circular in its entirety and for those who may require advice in the context of their specific investment, to consult their respective bank manager, stockbroker, solicitor, accountant, tax adviser or other professional adviser.

13. EXTRAORDINARY GENERAL MEETING

An EGM, notice of which is attached to this Circular at page N-1 will be held at 20 Cecil Street, #28-01 PLUS, Singapore 049705 on 29 April 2019 at 11.30 a.m. (or as soon thereafter following the conclusion or adjournment of the AGM to be held on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without modifications, the ordinary resolution set out in the Notice of EGM.

14. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy or proxies to attend and vote on their behalf, will find enclosed with this Circular, the Proxy Form which they are requested to complete, sign and return, in accordance with the instructions printed thereon, as soon as possible and, in any event, so as to arrive at the registered office of the Company at 20 Cecil Street, #28-01 PLUS, Singapore 049705, not less than 72 hours before the time appointed for the holding of the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy or proxies if he finds that he is able to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

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

15. 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 Share Buy-back Mandate, 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 the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection by Shareholders at the registered office of the Company at 20 Cecil Street, #28-01 PLUS, Singapore 049705, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Constitution of the Company; and
- (b) the annual report of the Company for FY2018.

Yours faithfully
For and on behalf of the Board of Directors of
GSH Corporation Limited

Gilbert Ee Guan Hui
Chief Executive Officer

GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106139K)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless otherwise defined, all capitalised terms which are not defined herein shall bear the same meanings as used in the circular dated 12 April 2019 issued by GSH Corporation Limited (the "Circular").

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("EGM") of the Shareholders of GSH CORPORATION LIMITED (the "Company") will be held at 20 Cecil Street, #28-01 PLUS, Singapore 049705 on 29 April 2019 at 11.30 a.m. (or as soon thereafter following the conclusion or adjournment of the AGM to be held on the same day and at the same place) for the purposes of considering, and if thought fit, passing, with or without modifications, the following resolution, which will be proposed as an ordinary resolution:

ORDINARY RESOLUTION — THE PROPOSED SHARE BUY-BACK MANDATE

THAT:

- (a) for the purposes of Section 76C and 76E of the Companies Act (Chapter 50) of Singapore (the "**Companies Act**") and such other laws and regulations as may for the time being be applicable, the exercise of the directors of the Company ("**Directors**") of all the powers of the Company to purchase or otherwise acquire issued and paid-up ordinary shares in the share capital of the Company ("**Shares**") (excluding treasury shares) not exceeding in aggregate the Prescribed Limit (as defined herein), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined herein), whether by way of;
 - (i) on-market purchases transacted through the trading system of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), or as the case may be, any other securities exchange on which the Shares may for the time being be listed and quoted ("**Market Purchase**"); and/or
 - (ii) off-market purchases otherwise than on a securities exchange, in accordance with an equal access scheme as may be determined or formulated by the Directors as they consider fit, which scheme shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual ("**Off-Market Purchase**"),and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the Listing Manual, be and is hereby authorised and approved generally and unconditionally ("**Share Buy-back Mandate**");
- (b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buyback Mandate shall, at the discretion of the Directors, either be cancelled or held as treasury shares and dealt with in accordance with the Companies Act;
- (c) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors to purchase Shares pursuant to the Share Buy-back Mandate may be exercised by the Directors any time and from time to time, on and from the date of the passing of this resolution, up to the earliest of:
 - (i) the date on which the next annual general meeting is held or is required by law to be held;

- (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buy-back Mandate are carried out to the full extent mandated; or
 - (iii) the date on which the authority conferred by the Share Buy-back Mandate is revoked or varied by Shareholders in a general meeting;
- (d) in this resolution:

“Average Closing Price” means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded, before the day on which the purchases are made, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and is deemed to be adjusted for any corporate action that occurs after the relevant five (5)-day period;

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for the Off-Market Purchase from the holder of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for the Shares as determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors must not exceed:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares; and

“Prescribed Limit” means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this resolution (excluding any Shares which are held as treasury shares as at that date); and

- (e) the Directors and/or any of them be and are hereby authorised to do any and all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they or he may consider necessary, desirable or expedient or in the interest of the Company to give effect to the matters referred to in this resolution and the taking of any and all actions whatsoever, by any Director on behalf of the Company in connection with the proposed Share Buy-back Mandate prior to the date of the EGM be and are hereby approved, ratified and confirmed.

By Order of the Board

Lee Tiong Hock
Company Secretary
12 April 2019

Notes:

- (1) Save as provided in the Company's constitution, a member entitled to attend and vote at the EGM and who is not a relevant intermediary may appoint not more than two (2) proxies to attend and vote in his stead. A shareholder of the Company entitled to attend and vote at the EGM and who is a relevant intermediary may appoint more than two (2) proxies provided that each proxy is appointed to exercise the rights attached to different shares held by the shareholder.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act (Chapter 50) of Singapore.

- (2) A proxy need not be a member of the Company. Where a member appoints two (2) proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid.
- (3) The instrument appointing a proxy or proxies shall be in writing in any usual or common form (including the form approved from time to time by the Depository) or in any other form which the Directors may approve and: (i) in the case of an individual, shall be signed by the appointor or his attorney; (ii) in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
- (4) A Depositor's name must appear on the Depository Register maintained by CDP as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.
- (5) The instrument appointing a proxy must be deposited at the registered office of the Company at 20 Cecil Street, #28-01 PLUS, Singapore 049705, not less than 72 hours before the time appointed for holding the above EGM.
- (6) **Personal Data Privacy:** By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, or by attending the EGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the **"Purposes"**), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. In addition, by attending the EGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for any of the Purposes.

GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106139K)

PROXY FORM

Extraordinary General Meeting

IMPORTANT

1. For investors who have used their CPF monies to buy shares in the capital of GSH Corporation Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent for their information only.
2. This Proxy Form is not valid for use by such CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 12 April 2019.

I/We* _____ (Name) _____ (NRIC/Passport No.)
of _____ (Address)
being a member/members* of GSH CORPORATION LIMITED (the "Company") appoint

| Name | Address | NRIC/Passport number | Proportion of shareholdings to be represented by proxy | |
|------|---------|----------------------|--------------------------------------------------------|---|
| | | | No. of Shares | % |
| | | | | |
| | | | | |

and/or* failing him/her*

| Name | Address | NRIC/Passport number | Proportion of shareholdings to be represented by proxy | |
|------|---------|----------------------|--------------------------------------------------------|---|
| | | | No. of Shares | % |
| | | | | |
| | | | | |

or, failing him/her/them*, the Chairman of the Extraordinary General Meeting of the Company ("EGM") as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf and, if necessary, to demand a poll, at the EGM of the Company to be held 20 Cecil Street, #28-01 PLUS, Singapore 049705 on 29 April 2019 at 11.30 a.m. (or as soon thereafter following the conclusion or adjournment of the annual general meeting of the Company to be held on the same day and at the same place) and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for/against* the resolution to be passed at the EGM as indicated below. If no specific direction as to voting is given, my/our* proxy/proxies* will vote or abstain from voting at his/her/their* discretion. If no person is named in the above boxes, the Chairman of the EGM shall be my/our* proxy/proxies* to vote, for or against the resolution to be passed at the EGM as indicated below, for me/us and on my/our behalf at the EGM and at any adjournment of the EGM.

| Ordinary Resolution | No. of votes for | No. of votes against |
|---------------------------------------|------------------|----------------------|
| To approve the Share Buy-back Mandate | | |

Dated this _____ day of _____ 2019

| Total number of Shares held in: | No. of Shares |
|---------------------------------|---------------|
| CDP Register | |
| Register of Members | |

Signature(s) of Member(s) or Common Seal

* Delete accordingly

IMPORTANT: PLEASE READ NOTES OVERLEAF



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, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A shareholder of the Company who is not a relevant intermediary (as defined below) is entitled to appoint not more than two (2) proxies to attend and vote at the EGM of the Company. Where such shareholder appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. If no percentage is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid.
3. A shareholder of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the EGM of the Company, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. Where such shareholder appoints more than one (1) proxy, the number of shares in relation to which each proxy has been appointed shall be specified in the proxy form. In such event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.

"relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act (Chapter 36) of Singapore in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 20 Cecil Street, #28-01 PLUS, Singapore 049705, not less than 72 hours before the time appointed for the EGM, failing which the instrument may be treated as invalid.
 5. The instrument appointing a proxy or proxies shall be in writing in any usual or common form (including the form approved from time to time by the Depository) or in any other form which the Directors may approve and: (i) in the case of an individual, shall be signed by the appointor or his attorney; (ii) in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
 6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with section 179 of the Companies Act (Chapter 50) of Singapore.
 7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.
 8. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by CDP to the Company.
 9. Terms not defined herein have the meanings ascribed to them in the circular to the shareholders of the Company dated 12 April 2019.
 10. The submission of an instrument or form appointing a proxy or proxies by a member of the Company does not preclude him/her from attending and voting in person at the EGM if he wishes to do so.
 11. A Depositor's name must appear on the Depository Register maintained by CDP not less than 72 hours before the time appointed for holding the EGM in order for him to be entitled to attend and vote at the EGM.
 12. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM.