

**CIRCULAR DATED 8 April 2015**

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

**If you are in any doubt about this Circular, or the action you should take, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately.**

If you have sold or transferred all your shares in the capital of Sinwa Limited (the “**Company**”), you should at once hand this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



**SINWA LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200206542H)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE**

The purpose of this Circular is to provide Shareholders with information pertaining to, and to explain the rationale for the proposed renewal of the Share Buyback Mandate (as defined in this Circular) to be tabled at the Annual General Meeting of the Company to be held on 23 April 2015 at 10.30 a.m. at 28 Joo Koon Circle, Singapore 629057.

The Notice of the Annual General Meeting and the Proxy Form are enclosed with the Annual Report.

## TABLE OF CONTENTS

DEFINITIONS .....	2
1. INTRODUCTION.....	4
2. THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE .....	4
3. AUTHORITY AND LIMITS OF THE SHARE BUYBACK MANDATE.....	5
4. STATUS OF PURCHASED SHARES UNDER THE SHARE BUYBACK MANDATE .....	7
5. TREASURY SHARES.....	7
6. SOURCE OF FUNDS FOR SHARE BUYBACK .....	8
7. FINANCIAL EFFECTS OF THE SHARE BUYBACK MANDATE.....	8
8. LISTING RULES .....	17
9. TAKE-OVER OBLIGATIONS .....	17
10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS.....	21
11. SHARES PURCHASED BY THE COMPANY .....	21
12. ABSTINENCE FROM VOTING.....	21
13. DIRECTORS' RECOMMENDATION .....	21
14. DIRECTORS' RESPONSIBILITY STATEMENT .....	22
15. DOCUMENTS FOR INSPECTION .....	22

## DEFINITIONS

The following definitions apply throughout in this Circular except where the context otherwise requires:-

<i>“AGM”</i>	The annual general meeting of the Company
<i>“Articles”</i>	Articles of association of the Company
<i>“Board”</i>	The board of Directors of the Company
<i>“CDP” or “Depository”</i>	The Central Depository (Pte) Limited
<i>“Company”</i>	Sinwa Limited
<i>“Companies Act”</i>	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
<i>“Directors”</i>	The directors of the Company as at the date of this Circular or at any or the relevant time as the case may be
<i>“EPS”</i>	Earnings per Share
<i>“Latest Practicable Date”</i>	27 March 2015 being the latest practicable date prior to the printing of this Circular for ascertaining information included herein
<i>“Circular”</i>	This Circular to shareholders in relation to the renewal of Share Buyback Mandate dated 8 April 2015
<i>“Listing Manual”</i>	The listing manual of the SGX-ST, or the rules contained therein, as may be amended, varied or supplemented from time to time
<i>“Market Day”</i>	A day on which the SGX-ST is open for trading in securities
<i>“Market Purchase”</i>	Has the meaning ascribed to it in Paragraph 3.3 of this Circular
<i>“Memorandum”</i>	Memorandum of association of the Company
<i>“Ordinary Resolution”</i>	The ordinary resolution as set out in the Notice of AGM
<i>“Off-Market Purchase”</i>	Has the meaning ascribed to it in Paragraph 3.3 of this Circular
<i>“Relevant Period”</i>	The period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date the resolution relating to the Share Buyback Mandate has passed
<i>“Securities Account”</i>	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
<i>“SGX-ST”</i>	Singapore Exchange Securities Trading Limited
<i>“Share Buyback Mandate”</i>	A general mandate given by Shareholders to authorise the Directors to purchase, on behalf of the Company, Shares in accordance with the terms set out in the circular as well as the rules and regulations set forth in the Companies Act and the Listing Manual

<i>“Shareholders”</i>	Registered holders of shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose Securities Accounts are credited with the Shares
<i>“Shares”</i>	Ordinary shares in the share capital of the Company
<i>“SIC”</i>	The Securities Industry Council
<i>“Sinwa Group”</i>	The Company and its subsidiaries
<i>“Substantial Shareholder”</i>	A Shareholder who has an interest in not less than 5% of the total issued and voting share capital of the Company
<i>“Take-over Code”</i>	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
<i>“%” or “per cent.”</i>	Percentage or per centum
<i>“S\$”, “\$” and “cents”</i>	Singapore dollars and cents, respectively

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 130A of the Act.

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

Any reference in this Circular to an enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Act or such modification, as the case may be, unless the context otherwise requires.

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

# SINWA LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200206542H)

## Directors:

Tan Lay Ling (Executive Chairperson)  
Bruce William Rann (Executive Director & CEO)  
Sim Li-Meng Timothy (Shen Liming) (Executive Director)  
Heng Lee Seng (Independent Director)  
Yeo Nai Meng (Independent Director)  
Wee Boon Chye (Independent Director)

## Registered Office:

28 Joo Koon Circle  
Singapore 629057

To : **The Shareholders of Sinwa Limited**

Date : 8 April 2015

Dear Sir / Madam,

## THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

### 1. INTRODUCTION

- 1.1 We refer to (a) the Notice of the Annual General Meeting (the “**AGM**”) of the Shareholders of the Company dated 8 April 2015 (the “**Notice of AGM**”) convening the AGM to be held on 23 April 2015 and (b) Ordinary Resolution No. 10 under the heading of “Special Business” set out in the Notice of AGM.
- 1.2 The purpose of this Circular is to provide Shareholders with information relating to the above-mentioned proposal to be tabled at the AGM.
- 1.3 The Singapore Exchange Securities Trading Limited takes no responsibility for the accuracy of any of the statements or opinions made or reports contained in this Circular.

### 2. THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

#### 2.1 Introduction

Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by the Companies Act and the rules of the Listing Manual and such other laws and regulations as may, for the time being, be applicable. It is also a requirement that a company which wishes to purchase or acquire its own shares should obtain approval from its shareholders to do so at a general meeting of its shareholders.

At the AGM of the Company held on 29 April 2014, Shareholders had approved the renewal of the Share Buyback Mandate (the “**Share Buyback Mandate**”) to enable the Company to purchase or otherwise acquire its issued Shares on the terms of that mandate. The rationale for, the authority and limitations on, and the financial effects of, the Share Buyback Mandate were set out in the Company's letter to Shareholders dated 14 April 2014. As the Share Buyback Mandate will expire on the date of the forthcoming AGM, being 23 April 2015, the Directors propose that the Share Buyback Mandate be renewed at the forthcoming AGM.

Approval is being sought from Shareholders at the AGM for the renewal of the Share Buyback Mandate. If approved, the renewed Share Buyback Mandate will take effect from the date of the AGM and continue in force until the date of the next annual general meeting of the Company or such date as the next annual general meeting is required by law or by the Articles of the Company, unless prior thereto, share buybacks are carried out to the full extent mandated or the Share Buyback Mandate is revoked or varied by the Company in a general meeting. The Share Buyback Mandate will be put to Shareholders for renewal at each subsequent annual general meeting of the Company.

## 2.2 Rationale

The Directors constantly seek to increase Shareholders' value and to improve, *inter alia*, the return on equity of the Group. A share buyback at the appropriate price level is one of the ways through which the return on equity of the Group may be enhanced. Share buybacks provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient, effective and cost-efficient manner. It will also provide the Directors with greater flexibility over the Company's share capital structure with a view to enhancing the earnings and/or net tangible asset value per Share. The Directors further believe that share buybacks by the Company will help mitigate short-term market volatility, offset the effects of short-term speculation and bolster shareholder confidence.

If and when circumstances permit, the Directors will decide whether to effect the share purchases *via* market purchases or off-market purchases, after taking into account the amount of surplus cash available, the prevailing market conditions and the most cost-effective and efficient approach. The Directors do not propose to carry out share buybacks to an extent that would, or in circumstances that might, result in a material adverse effect on the liquidity and/or the orderly trading of the Shares and/or the financial position of the Group.

## 3. **AUTHORITY AND LIMITS OF THE SHARE BUYBACK MANDATE**

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

### 3.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares that may be purchased or acquired by the Company is limited to that number of Shares representing not more than 10% of the issued ordinary share capital (excluding treasury shares) of the Company as at the date of the AGM at which the Share Buyback Mandate is approved (the "**Approval Date**"), unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time).

Purely for illustrative purposes, on the basis of the existing issued and paid-up capital of the Company as at 27 March 2015 (the "**Latest Practicable Date**"), of approximately S\$41,471,000 comprising 338,519,335 Shares (excluding 2,177,532 treasury shares), and assuming that no further Shares are issued on or prior to the AGM, not more than approximately 33,851,934 Shares (representing approximately 10% of the issued ordinary share capital of the Company as at that date excluding 2,177,532 treasury shares currently held) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate.

### 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 Approval Date, up to the earlier of:

- (a) the date on which the next AGM is held or required by law to be held;
- (b) the date on which the share buybacks are carried out to the full extent mandated; or
- (c) the date on which the authority contained in the Share Buyback Mandate is varied or revoked.

### 3.3 Manner of Purchase of Shares

Purchases of Shares may be made by way of:

- (a) on-market purchases (the “**Market Purchase**”), transacted on the SGX-ST through the SGX-ST’s trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) off-market purchases (the “**Off-Market Purchase**”) (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Rules.

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

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

In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed share buyback;
- (d) the consequences, if any, of share buybacks by the Company that will arise under the Take-over Code or other applicable take-over rules;

- (e) whether the share buybacks, if made, could affect the listing of the Company's equity securities on the SGX-ST;
- (f) details of any share buybacks made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of the shares purchased, the purchase price per share or the highest or lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (g) whether the shares purchased by the Company will be cancelled or kept as treasury shares.

### 3.4 Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors.

However, the purchase price to be paid for a Share as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Highest Last Dealt Price (as defined hereinafter),

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

For the above purposes:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period;

"**Highest Last Dealt Price**" means the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

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

## 4. **STATUS OF PURCHASED SHARES UNDER THE SHARE BUYBACK MANDATE**

A Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share to the extent permitted under the Companies Act. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

## 5. **TREASURY SHARES**

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares.



### 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.

### 5.2 Voting and Other Rights

The Company cannot exercise any right in respect of 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 dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

### 5.3 Disposal and Cancellation

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

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

## 6. **SOURCE OF FUNDS FOR SHARE BUYBACK**

The Companies Act permits the Company to purchase or acquire its own Shares out of capital, as well as from its distributable profits.

The Company will use internal resources or external borrowings or a combination of both to fund purchases of Shares pursuant to the Share Buyback Mandate.

## 7. **FINANCIAL EFFECTS OF THE SHARE BUYBACK MANDATE**

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buyback Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Group and the Company, based on the audited financial statements of the Group for the financial year ended 31 December 2014, are based on the assumptions set out below.

### 7.1 Purchase or Acquisition out of Capital or Profits

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 (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration 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 Information as at the Latest Practicable Date

As at the Latest Practicable Date, the issued capital of the Company comprised 338,519,335 Shares (excluding 2,177,532 treasury shares). In addition, as at the Latest Practicable Date, there were no outstanding and unexercised Share options to subscribe for Shares and there are 2,560,000 Shares that were reserved for issue by the Company as at the Latest Practicable Date.

### 7.3 Illustrative Financial Effects

For illustrative purposes only, on the basis of 338,519,335 Shares in issue as at the Latest Practicable Date, and on the basis of the assumptions set out below, the financial effects of the:

- (a) acquisition of 33,851,934 Shares (excluding 2,177,532 treasury shares currently held) by the Company pursuant to the Share Buyback Mandate by way of purchases made entirely out of capital and held as treasury shares;
- (b) acquisition of 33,851,934 Shares (excluding 2,177,532 treasury shares currently held) by the Company pursuant to the Share Buyback Mandate by way of purchases made entirely out of profits and cancelled; and
- (c) acquisition of 33,851,934 Shares (excluding 2,177,532 treasury shares currently held) by the Company pursuant to the Share Buyback Mandate by way of purchases made entirely out of capital and cancelled,

on the audited financial statements of the Group and the Company for the financial year ended 31 December 2014 are set out below:

- (a) Purchases made entirely out of capital and held as treasury shares

#### ***Market Purchase***

**For illustrative purposes only**, in a market purchase, assuming that the Maximum Price is S\$0.239, which is 5% above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 33,851,934 Shares (representing approximately 10% of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is able to purchase), excluding 2,177,532 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S\$8,091,000. On these assumptions and assuming the following:

- (a) the purchase of Shares took place at the beginning of the financial year on 1 January 2014; and
- (b) the purchase of Share was financed entirely by the internal resources of the Company;

the impact of the purchase of Shares by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for financial year ended 31 December 2014 are as follows:

<b>As at 31 December 2014</b>	<b>Group</b>		<b>Company</b>	
	<b>Before Share Purchase</b>	<b>After Share Purchase</b>	<b>Before Share Purchase</b>	<b>After Share Purchase</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Share capital	41,471	41,471	41,471	41,471
Reserve – (non distributable)	11,143	11,143	108	108
Revenue Reserves	39,951	39,951	5,993	5,993
	92,565	92,565	47,572	47,572
Treasury Shares	(961)	(9,052)	(961)	(9,052)
Total Shareholders' Equity	91,604	83,513	46,611	38,520
Current Assets	84,352	76,261	64,899	56,808
Current Liabilities	27,855	27,855	27,917	27,917
Cash and Cash Equivalents	24,804	16,713	13,389	5,298
Total Debt <sup>(1)</sup>	3,311	3,311	3,251	3,251
Net Tangible Assets (NTA) <sup>(2)</sup>	91,049	82,958	46,611	38,520
Profit/(Loss) attributable to owner of the Company	8,419	8,419	9,605	9,605
Number of Shares ('000)	338,519	304,667	338,519	304,667
<b>Financial Ratios</b>				
Net Tangible Assets per Share (cents)	26.90	27.23	13.77	12.64
Gearing (%) <sup>(3)</sup>	3.61	3.96	6.97	8.44
Current Ratio (times) <sup>(4)</sup>	3.03	2.74	2.32	2.03
EPS (cents)	2.49	2.76	2.84	3.15

**Notes:**

- (1) Total debts pertain to finance leases, term loans, bills financing and bank overdrafts
- (2) Net tangible assets equals Shareholders' Equity less intangible assets
- (3) Gearing equal total borrowings divided by Shareholders' funds
- (4) Current ratio equals current assets divided by current liabilities

**Off-Market Purchase**

**For illustrative purposes only**, in an off-market purchase, assuming that the Maximum Price is S\$0.276, which is 20% above the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 33,851,934 Shares (representing approximately 10% of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is able to purchase), excluding 2,177,532 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S\$9,343,000. On these assumptions and assuming the following:

- (a) the purchase of Shares took place at the beginning of the financial year on 1 January 2014; and
- (b) the purchase of Share was financed entirely by the internal resources of the Company;

the impact of the purchase of Shares by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for financial year ended 31 December 2014 is as follows:

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<b>As at 31 December 2014</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Share capital	41,471	41,471	41,471	41,471
Reserve – non distributable	11,143	11,143	108	108
Revenue Reserves	39,951	39,951	5,993	5,993
	92,565	92,565	47,572	47,572
Treasury Shares	(961)	(10,304)	(961)	(10,304)
Total Shareholders' Equity	91,604	82,261	46,611	37,268
Current Assets	84,352	75,009	64,899	55,556
Current Liabilities	27,855	27,855	27,917	27,917
Cash and Cash Equivalents	24,804	15,461	13,389	4,046
Total Debts <sup>(1)</sup>	3,311	3,311	3,251	3,251
Net Tangible Assets (NTA) <sup>(2)</sup>	91,049	81,706	46,611	37,268
Profit attributable to owner of the Company	8,419	8,419	9,605	9,605
Number of Shares ('000)	338,519	304,667	338,519	304,667
<b>Financial Ratios</b>				
Net Tangible Assets per Share (cents)	26.90	26.82	13.77	12.23
Gearing (%) <sup>(3)</sup>	3.61	4.02	6.97	8.72
Current Ratio (times) <sup>(4)</sup>	3.03	2.69	2.32	1.99
EPS (cents)	2.49	2.76	2.84	3.15

**Notes:**

- (1) Total debts pertain to finance leases, term loans, bills financing and bank overdrafts
- (2) Net tangible assets equals Shareholders' Equity less intangible assets
- (3) Gearing equal total borrowings divided by Shareholders' funds
- (4) Current ratio equals current assets divided by current liabilities

- (b) Purchases made entirely out of profit and cancelled

### **Market Purchases**

**For illustrative purposes only**, in a market purchase, assuming that the Maximum Price is S\$0.239, which is 5% above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 33,851,934 Shares (representing approximately 10% of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is able to purchase), excluding 2,177,532 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S\$8,091,000.

However, having regard to:

- (i) the amount of the Company's distributable profits for the financial year ended 31 December 2014 of approximately S\$9,605,000; and
- (ii) the Maximum Price of S\$0.239 as at the Latest Practicable Date,

the Company will only be able to acquire up to 33,851,934 Shares (representing approximately 10% of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is able to purchase excluding 2,177,532 treasury shares currently held under and during the duration of the Share Buyback Mandate) in a market purchase. On these assumptions and assuming the following:

- (a) the purchase of Shares took place at the beginning of the financial year on 1 January 2014; and
- (b) the purchase of Share was financed entirely by the internal resources of the Company;

the impact of the purchase of Shares by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for financial year ended 31 December 2014 are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>Before Share Purchase</b>	<b>After Share Purchase</b>	<b>Before Share Purchase</b>	<b>After Share Purchase</b>
<b><u>As at 31 December 2014</u></b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Share capital	41,471	32,419	41,471	32,419
Reserve – non distributable	11,143	11,143	108	108
Revenue Reserves	39,951	39,951	5,993	5,993
	92,565	83,513	47,572	38,520
Treasury Shares	(961)	-	(961)	-
Total Shareholders' Equity	91,604	83,513	46,611	38,520
Current Assets	84,352	76,261	64,899	56,808
Current Liabilities	27,855	27,855	27,917	27,917
Cash and Cash Equivalents	24,804	16,713	13,389	5,298
Total Debt <sup>(1)</sup>	3,311	3,311	3,251	3,251
Net Tangible Assets (NTA) <sup>(2)</sup>	91,049	82,958	46,611	38,520

Profit attributable to owner of the Company	8,419	8,419	9,605	9,605
Number of Shares ('000)	338,519	304,667	338,519	304,667

#### **Financial Ratios**

Net Tangible Assets per Share (cents)	26.90	27.23	13.77	12.64
Gearing (%) <sup>(3)</sup>	3.61	3.96	6.97	8.44
Current Ratio (times) <sup>(4)</sup>	3.03	2.74	2.32	2.03
EPS (cents)	2.49	2.76	2.84	3.15

#### **Notes:**

- (1) Total debts pertain to finance leases, term loans, bills financing and bank overdrafts
- (2) Net tangible assets equals Shareholders' Equity less intangible assets
- (3) Gearing equal total borrowings divided by Shareholders' funds
- (4) Current ratio equals current assets divided by current liabilities

#### **Off-Market Purchase**

**For illustrative purposes only**, in an off-market purchase, assuming that the Maximum Price is S\$0.276, which is 20% above the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 33,851,934 Shares (representing approximately 10% of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is able to purchase), excluding 2,177,532 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S\$9,343,000.

However, having regard to:

- (i) the amount of the Company's distributable profits for the financial year ended 31 December 2014 of approximately S\$9,605,000; and
- (ii) the Maximum Price of S\$0.276 as at the Latest Practicable Date,

the Company will only be able to acquire up to 33,851,934 Shares (representing approximately 10% of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is able to purchase, excluding 2,177,532 treasury shares currently held under and during the duration of the Share Buyback Mandate) in an off-market purchase. On these assumptions and assuming the following:

- (a) the purchase of Shares took place at the beginning of the financial year on 1 January 2014; and
- (b) the purchase of Share was financed entirely by the internal resources of the Company;

The impact of the purchase of Shares by the Company undertaken in accordance with the Share Buyback Mandate on the Company's and the Group's audited financial statements for financial year ended 31 December 2014 is as follows:

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<b>As at 31 December 2014</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Share capital	41,471	31,167	41,471	31,167
Reserve – (non distributable)	11,143	11,143	108	108
Revenue Reserves	39,951	39,951	5,993	5,993
	92,565	82,261	47,572	37,268
Treasury Shares	(961)	-	(961)	-
Total Shareholders' Equity	91,604	82,261	46,611	37,268
Current Assets	84,352	75,009	64,899	55,556
Current Liabilities	27,855	27,855	27,917	27,917
Cash and Cash Equivalents	24,804	15,461	13,389	4,046
Total Debt <sup>(1)</sup>	3,311	3,311	3,251	3,251
Net Tangible Assets (NTA) <sup>(2)</sup>	91,049	81,706	46,611	37,268
Profit/(Loss) attributable to owner of the Company	8,419	8,419	9,605	9,605
Number of Shares ('000)	338,519	304,667	338,519	304,667
<b>Financial Ratios</b>				
Net Tangible Assets per Share (cents)	26.90	26.82	13.77	12.23
Gearing (%) <sup>(3)</sup>	3.61	4.02	6.97	8.72
Current Ratio (times) <sup>(4)</sup>	3.03	2.69	2.32	1.99
EPS (cents)	2.49	2.76	2.84	3.15

**Notes:**

- (1) Total debts pertain to finance leases, term loans, bills financing and bank overdrafts
- (2) Net tangible assets equals Shareholders' Equity less intangible assets
- (3) Gearing equal total borrowings divided by Shareholders' funds
- (4) Current ratio equals current assets divided by current liabilities

(c) Purchases made entirely out of capital and cancelled

**Market Purchases**

**For illustrative purposes only**, in a market purchase, assuming that the Maximum Price is S\$0.239, which is 5% above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 33,851,934 Shares (representing approximately 10% of the total issued share capital of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is able to purchase), excluding 2,177,532 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S\$8,091,000. On these assumptions and assuming the following:

(a) the purchase of Shares took place at the beginning of the financial year on 1 January 2014; and

(b) the purchase of Share was financed entirely by the internal resources of the Group;

the impact of the purchase of Shares by the Company undertaken in accordance with the Share Buyback Mandate on the Company's and the Group's audited financial statements for financial year ended 31 December 2014 are as follows:

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<u>As at 31 December 2014</u>	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	41,471	32,419	41,471	32,419
Reserve – (non distributable)	11,143	11,143	108	108
Revenue Reserves	39,951	39,951	5,993	5,993
	92,565	83,513	47,572	38,520
Treasury Shares	(961)	-	(961)	-
Total Shareholders' Equity	91,604	83,513	46,611	38,520
Current Assets	84,352	76,261	64,899	56,808
Current Liabilities	27,855	27,855	27,917	27,917
Cash and Cash Equivalents	24,804	16,713	13,389	5,298
Total Debts <sup>(1)</sup>	3,311	3,311	3,251	3,251
Net Tangible Assets (NTA) <sup>(2)</sup>	91,049	82,958	46,611	38,520
Profit/(Loss) attributable to owner of the Company	8,419	8,419	9,605	9,605
Number of Shares ('000)	338,519	304,667	338,519	304,667
<b>Financial Ratios</b>				
Net Tangible Assets per Share (cents)	26.90	27.23	13.77	12.64
Gearing (%) <sup>(3)</sup>	3.61	3.96	6.97	8.44
Current Ratio (times) <sup>(4)</sup>	3.03	2.74	2.32	2.03
EPS (cents)	2.49	2.76	2.84	3.15

**Notes:**

- (1) Total debts pertain to finance leases, term loans, bills financing and bank overdrafts
- (2) Net tangible assets equals Shareholders' Equity less intangible assets
- (3) Gearing equal total borrowings divided by Shareholders' funds
- (4) Current ratio equals current assets divided by current liabilities

**Off-Market Purchase**

**For illustrative purposes only**, in an off-market purchase, assuming that the Maximum Price is S\$0.276, which is 20% above the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 33,851,934 Shares (representing approximately 10% of the total issued share capital of the



Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is able to purchase), excluding 2,177,532 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S\$9,343,000. On these assumptions and assuming the following:

- (a) the purchase of Shares took place at the beginning of the financial year on 1 January 2014; and
- (b) the purchase of Share was financed entirely by the internal resources of the Company;

the impact of the purchase of Shares by the Company undertaken in accordance with the Share Buyback Mandate on the Company's and the Group's audited financial statements for financial year ended 31 December 2014 are as follows:

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<b>As at 31 December 2014</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Share capital	41,471	31,167	41,471	31,167
Reserve – (non distributable)	11,143	11,143	108	108
Revenue Reserves	39,951	39,951	5,993	5,993
	92,565	82,261	47,572	37,268
Treasury Shares	(961)	-	(961)	-
Total Shareholders' Equity	91,604	82,261	46,611	37,268
Current Assets	84,352	75,009	64,899	55,556
Current Liabilities	27,855	27,855	27,917	27,917
Cash and Cash Equivalents	24,804	15,461	13,389	4,046
Total Debt <sup>(1)</sup>	3,311	3,311	3,251	3,251
Net Tangible Assets (NTA) <sup>(2)</sup>	91,049	81,706	46,611	37,268
Profit/(Loss) attributable to owner of the Company	8,419	8,419	9,605	9,605
Number of Shares ('000)	338,519	304,667	338,519	304,667
<b>Financial Ratios</b>				
Net Tangible Assets per Share (cents)	26.90	26.82	13.77	12.23
Gearing (%) <sup>(3)</sup>	3.61	4.02	6.97	8.72
Current Ratio (times) <sup>(4)</sup>	3.03	2.69	2.32	1.99
EPS (cents)	2.49	2.76	2.84	3.15

**Notes:**

- (1) Total debts pertain to finance leases, term loans, bills financing and bank overdrafts
- (2) Net tangible assets equals Shareholders' Equity less intangible assets
- (3) Gearing equal total borrowings divided by Shareholders' funds
- (4) Current ratio equals current assets divided by current liabilities

Shareholders should note that the financial effects set out above are for illustrative purposes only. Although the Share Buyback 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 Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

## **8. LISTING RULES**

The Listing Manual specifies that a listed company shall announce all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such announcement currently requires the inclusion of details, including but not limited to, of the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Buyback Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in line with Rule 1207(19)(c) of the Listing Manual which provides that a listed issuer and its officers should not deal in the listed issuer’s securities during the period commencing two weeks before the announcement of the company financial statements for each of the first three quarters of its financial year and one month before the announcement of the company’s full year financial statements (if required to announce quarterly financial statements), or one month before the announcement of the company’s half year and full year financial statements (if not required to announce quarterly financial statements).

The Listing Manual requires a listed company to ensure that at least 10% of the total number of any class of its listed securities must be held by public shareholders. As at the Latest Practicable Date, approximately 47.76% of the issued Shares are held by public Shareholders. Accordingly, the Company is of the view that there is a sufficient number of the 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 Buyback Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

## **9. TAKE-OVER OBLIGATIONS**

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

### Obligation to make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, a Shareholder’s proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a mandatory take-over offer for the Company under Rule 14 of the Take-over Code.

### Persons Acting in Concert

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

Unless the contrary is established, the following individuals will, *inter alia*, be presumed to be acting in concert:

- (a) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trust;
- (b) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and 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;
- (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 in respect of the investment account which such person manages on a discretionary basis;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, 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 of the Company, 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.

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

In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors of the Company and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 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, and the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months.

Under Appendix 2, a Shareholder not acting in concert with the Directors of the Company will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its own Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

**Shareholders are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any share purchases by the Company.**

Based on 338,519,335 Shares (excluding 2,177,532 treasury shares) in issue as at the Latest Practicable Date, the exercise in full of the Share Buyback Mandate would result in the purchase or acquisition of 33,851,934 Shares (excluding 2,177,532 treasury shares) and consequently the resultant shareholding of Evenstar Investment Pte Ltd ("**Evenstar**") would increase approximately from 41.40% to 46.00%. The aggregate shareholding of Sim Yong Teng would consequently increase from 43.16% to 47.95% and the aggregate shareholding of Sim Li-Meng, Timothy before and after the exercise of the full Share Buyback mandate remain at approximately 0.0001%.

Accordingly, under the Take-over Code, Sim Li-Meng, Timothy and his concert parties Sim Yong Teng and Evenstar (the "**Relevant Parties**") would, unless exempted, become obliged to make a general offer under the Take-over Code for the Shares not owned by them, if as a result of the exercise of the Share Buyback Mandate, their interest in the voting rights of the Company increase by more than 1% within a six (6) month period.

The Relevant Parties will be exempted under Appendix 2, from the requirement under Rule 14.1(a) of the Take-over Code to make a general offer for the Company if their aggregate percentage of total voting rights in the Company is increased by more than 1% or more within a six (6) month period as a result of the Share Buyback Mandate, subject to the following conditions:

- (i) the circular to shareholders on the resolution to authorise the renewal of the Share Buyback Mandate contains advice to the effect that by voting for the approval of the Share Buyback Mandate, shareholders of the Company are waiving their rights to a general offer at the required price from the Relevant Parties who, as a result of the company buying back its Shares, would increase their voting rights by more than 1% in any period of 6 months; and the names of the Relevant Parties their voting rights at the time of the resolution and after the share buyback are disclosed in the same circular;
- (ii) the resolution to authorise the renewal of the Share Buyback Mandate is 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;
- (iii) the Relevant Parties abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the renewal of the Share Buyback Mandate;

- (iv) within seven (7) days after the passing of the resolution to authorise the renewal of the Share Buyback Mandate, the Relevant Parties those of whom are also directors of the Company, are to each submit to the SIC a duly signed form as prescribed by the SIC; and
- (v) the Relevant Parties 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:
  - (a) the date on which the authority of the renewed Share Buyback Mandate expires; and
  - (b) the date on which the Company announces it has bought back such number of Shares as authorised by the shareholders at the latest general meeting or the date the Company decides to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the share buyback under the renewed Share Buyback, would cause their aggregate voting rights in the Company to increase by more than 1% in the preceding six (6) months.

If the Company ceases to buy back its Shares under the renewed Share Buyback Mandate and the increase in the aggregate of total voting rights held by the Relevant Parties is less than 1% in any 6-month period, the Relevant Parties may acquire further voting rights in the Company. However, any increase in the Relevant Parties' percentage of voting rights as a result of the share buybacks will be taken into account together with any Company shares acquired by the Relevant Parties (by whatever means) in determining whether the Relevant Parties have increased their aggregate voting rights in the Company by more than 1% in any 6-month period.

**Shareholders should therefore note that by voting in favour of the resolution to approve the Share Buyback Mandate, they will be waiving their rights to a general offer at the required price by the Relevant Parties in the circumstances set out above.**

**"Required price"** means in relation to the offer required to be made under the provisions of Rule 14.1 of the Take-over Code, the highest of the highest price paid by the offerers and/or person(s) acting in concert with them for the Company's Shares (i) during the offer period and within the preceding 6 months, (ii) acquired through the exercise of instruments convertible into securities which carry voting rights within 6 months of the offer and during the offer period, or (iii) acquire through the exercise of rights to subscribe for, and options in respect of, securities which carry voting rights within 6 months of the offer or during the offer period; or at such price as determined by SIC under 14.3 of the Take-over Code.

Save as disclosed, the Directors confirm that they are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase of Shares by the Company pursuant to the Share Buyback Mandate.

## 10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date, as recorded in the Company's Register of Directors' Shareholdings and the Register of Substantial Shareholders respectively, are as follows:

	Number of ordinary shares			
	Direct Interest	%	Indirect Interest	%
<b>Directors</b>				
Tan Lay Ling	3,973,500	1.1738	-	-
Bruce William Rann	1,064,468	0.3144	-	-
Sim Li-Meng Timothy (Shen Liming)	500	0.0001	-	-
Heng Lee Seng	405,000	0.1196	-	-
Yeo Nai Meng	40,000	0.0118	-	-
Wee Boon Chye	-	-	-	-
<b>Substantial Shareholders (excluding Directors)</b>				
Sim Yong Teng	5,952,150	1.7583	140,147,928	41.4003
Evenstar Investments Pte Ltd <sup>(1)</sup>	140,147,928	41.4003	-	-
FMR LLC	-	-	23,000,000	6.7943

### Notes:

- (1) Sim Yong Teng is deemed to be interested in the 140,147,928 shares beneficially owned by Evenstar Investments Pte Ltd.

Save as disclosed above, none of the Directors have any interest in the share capital of the Company or any of its subsidiaries.

## 11. SHARES PURCHASED BY THE COMPANY

The Company has not made any Share buybacks in the twelve (12) months preceding the date of this Circular.

## 12. ABSTINENCE FROM VOTING

Sim Li-Meng Timothy and his concert parties Sim Yong Teng and Evenstar who are Shareholders, will abstain from voting at the AGM in respect of the Resolution 10 relating to the renewal of the Share Buyback Mandate in view of Note 3(iii) of Appendix 2 of the Take-over Code and would not accept nominations as proxy or otherwise for voting at the AGM in respect of the said Resolution 10.

## 13. DIRECTORS' RECOMMENDATION

Save for Sim Li-Meng Timothy who will abstain from making any recommendations to the Shareholders in respect of Resolution 10, the remaining Directors are of the opinion that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 10, being the Ordinary Resolution relating to the proposed renewal of the Share Buyback Mandate.

#### **14. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed renewal of the Share Buyback 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 this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

#### **15. DOCUMENTS FOR INSPECTION**

Copies of the following may be inspected by Shareholder at the registered office of the Company at 28 Joo Koon Circle Singapore 629057 during normal business hours from the date of this Circular up to the date of the AGM:

- (a) Memorandum and Articles of Association of the Company; and
- (b) the audited financial statements of the Company and the Group for the financial year ended 31 December 2014.

Yours faithfully  
For and on behalf of the Board

Tan Lay Ling  
Executive Chairperson