APPENDIX DATED 3 SEPTEMBER 2020

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

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately send this Appendix, the Notice of AGM and the Proxy Form 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.

This Appendix was prepared by the Company with assistance from RHTLaw Asia LLP. RHTLaw Asia LLP has not independently verified the contents of this Appendix.

The Singapore Exchange Securities Trading Limited (the "SGX-ST") has not examined the contents of this Appendix. The SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Appendix.

CHASEN™

CHASEN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199906814G)

CIRCULAR TO SHAREHOLDERS

APPENDIX TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

The purpose of this Appendix is to provide information and explain to shareholders of the Company the rationale for the proposed adoption of the Share Buyback Mandate to be tabled at the Annual General Meeting of the Company to be held by way of electronic means on 25 September 2020 at 11.00 a.m.

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DEFINITIONS

In this Appendix, the following definitions apply throughout unless otherwise stated:

"Appendix"	This appendix dated 3 September 2020
"AGM"	An annual general meeting of the Company
"Annual Report"	The annual report of the Company for FY2020
"Associate"	(a) In relation to any Director, CEO, Substantial Shareholder or Controlling Shareholder (being an individual) would mean his immediate family, the trustees of any trust of which he or his immediate family is a beneficiary, or in the case of a discretionary trust, is a discretionary object, or any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) would mean any company that is: (i) its subsidiary; (ii) its holding company; (iii) a subsidiary of its holding company; or (iv) a company in the equity of which the Controlling Shareholder and/or one or more of the entities listed in sub-paragraphs (i) to (iii) above taken together (directly or indirectly) have an interest of 30% or more
"Board"	The board of Directors of the Company for the time being
"CDP"	The Central Depository (Pte) Limited
"CEO"	The chief executive officer of the Company
"Companies Act"	The Companies Act (Chapter 50) of Singapore, as may be amended, supplemented or modified from time to time
"Company"	Chasen Holdings Limited

DEFINITIONS

"Constitution"	The constitution of the Company, as may be amended, supplemented or modified from time to time
"Control"	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
"Controlling Shareholder"	A person who: (a) holds directly or indirectly 15% or more of the total number of issued Shares excluding treasury shares and subsidiary holdings (unless the SGX-ST determines that such a person is not a Controlling Shareholder of the Company); or (b) in fact exercises Control over the Company
"Directors"	The directors of the Company for the time being
"FY"	The financial year for the Company ended or ending 31 March
"Group"	The Company and its subsidiaries
"Latest Practicable Date"	24 August 2020, being the Latest Practicable Date prior to the printing of this Appendix for ascertaining information included herein
"Listing Manual"	The listing manual of the SGX-ST, or the rules contained therein, as may be amended, supplemented or modified from time to time
"LPS"	Loss per Share
"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 2.4.3(a) of this Appendix
"Notice of AGM"	Notice of the forthcoming AGM
"NTA"	Net tangible assets
"Off-Market Purchase"	Has the meaning ascribed to it in section 2.4.3(b) of this Appendix

DEFINITIONS

"Ordinary Resolution"	The ordinary resolution as set out in the Notice of AGM
"Register of Members"	The principal register of members (duly registered holders of Shares)
"Regulations"	The regulations of the Company contained in the Constitution for the time being in force, as may be amended, supplemented or modified from time to time
"Relevant Period"	The period commencing from the date on which the last annual general meeting was held and expiring on the date the next annual general meeting 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 is passed
"Securities Account"	A securities account maintained by a Depositor with the CDP
"SFA"	The Securities and Futures Act (Chapter 289) of Singapore, as may be amended, supplemented or modified from time to time
"SGX-ST"	Singapore Exchange Securities Trading Limited
"Share Buyback Mandate"	A general mandate given by Shareholders to authorise the Directors to purchase Shares on behalf of the Company in accordance with the terms set out in the Appendix as well as the rules and regulations set forth in the Companies Act and the Listing Manual
"Share Plan 2017"	The Chasen Performance Share Plan 2017 approved and adopted by the Company on 28 July 2017
"Shareholders"	Persons (not being Depositors) who are registered as holders of Shares in the Register of Members of the Company and Depositors, who have Shares entered against their names in the Depository Register except where the registered holder is the CDP, the term "Shareholders" shall in relation to such Shares mean the Depositors whose Securities Accounts are credited with the Shares
"Shares"	Ordinary shares in the share capital of the Company
"SIC"	The Securities Industry Council

DEFINITIONS

"Substantial Shareholder"	A person who has an interest or interests in one 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 of the Company
"Take-over Code"	The Singapore Code on Take-overs and Mergers, as may be amended, supplemented or modified from time to time
"S$" or "$", and "cents"	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
"%"	Percentage or per centum

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

The terms **"subsidiary"** and **"treasury shares"** shall have the meanings ascribed to them respectively in the Companies Act.

The term **"subsidiary holdings"** shall have the meaning ascribed to it in the Listing Manual.

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

Any reference in this Appendix to an enactment is a reference to that enactment as for the time being amended or re-enacted.

Any word defined under the Companies Act or any statutory modification thereof and used in this Appendix shall, where applicable, have the same meaning assigned to it under the Companies Act or such modification, as the case may be, unless the context otherwise requires.

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

References to **"section"** are to the sections of this Appendix, unless otherwise stated.

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

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

LETTER TO SHAREHOLDERS

Directors:

Ng Jwee Phuan @ Frederick (Eric)
(Non-Executive Chairman and Independent Director)
Low Weng Fatt *(Managing Director and CEO)*
Siah Boon Hock *(Executive Director)*
Chew Mun Yew *(Independent Director)*
Chew Choy Seng *(Independent Director)*

Registered Office:

18 Jalan Besut
Singapore 619571

To : The Shareholders of Chasen Holdings Limited

Date : 3 September 2020

Dear Sir / Madam

THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

1. INTRODUCTION

1.1 The purpose of this Appendix is to provide Shareholders with information relating to the proposed adoption of the Share Buyback Mandate to be tabled at the AGM and to seek Shareholders' approval for the same.

1.2 This Appendix has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose.

1.3 The SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Appendix.

2. THE PROPOSED SHARE BUYBACK MANDATE

2.1 Introduction

At the AGM held on 27 July 2018, Shareholders had approved the renewal of the Share Buyback Mandate to enable the Company to purchase or otherwise acquire issued Shares. The rationale for, the authority and limitations on, and the financial effects of, the Share Buyback Mandate were set out in the Company's addendum dated 12 July 2018. The renewal of Share Buyback Mandate was proposed at the AGM held on 30 July 2019 but was not approved by Shareholders.

The Share Buyback Mandate is a general mandate given by Shareholders that allows the Company to purchase or acquire Shares at any time during the duration and on the terms of the Share Buyback Mandate.

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

It is also a requirement under the Companies Act that before a company purchases or acquires its own shares, its constitution must expressly permit to do so. Regulation 17 of the Constitution permits the Company to purchase or otherwise acquire Shares.

A company that wishes to purchase or otherwise acquire its own shares should obtain approval from its shareholders to do so at a general meeting of its shareholders. Accordingly, approval is being sought from Shareholders for the adoption of the Share Buyback Mandate.

If approved by Shareholders, the Share Buyback Mandate will take effect from the date of the AGM and continue in force until the date of the next AGM is held or such date as the next AGM is required by law to be held, whichever is the earlier, unless prior thereto, purchases or acquisitions of Shares pursuant to the Share Buyback Mandate is revoked or varied by the Company in general meeting. The Share Buyback Mandate may be put to Shareholders for renewal at each subsequent AGM.

2.2 Shares Purchased or Acquired during the Previous 12 Months

As the Share Buyback Mandate was not renewed at the AGM held on 30 July 2019, no purchases or acquisitions of Shares have been made or effected by the Company in the 12 months preceding the Latest Practicable Date.

2.3 Rationale

The proposed Share Buyback Mandate will give the Company the flexibility to undertake purchases or acquisitions of its issued Shares during the period when the Share Buyback Mandate is in force, if and when circumstances permit. The Share Buyback Mandate may also be used to purchase existing Shares which may then be held in treasury, and such treasury shares may consequently be used, amongst other things, to satisfy any awards already given and/or to be given under the Share Plan 2017.

The purchases or acquisitions of Shares may, depending on market conditions and funding arrangements at the time, allow the Directors to better manage the Company's capital structure with a view to enhancing the earnings per share and/or net asset value per share of the Group. The purchases or acquisitions of Shares may, in appropriate circumstances, also help to mitigate short-term market volatility in the Company's share price, offset the effects of short-term speculation and bolster Shareholders' confidence.

The Directors will decide whether to effect the purchases or acquisitions of its Shares after taking into account the prevailing market conditions, the financial position of the Group and other relevant factors.

2.4 Terms of the Share Buyback Mandate

The authority and limitations placed on the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate (if approved at the AGM), are summarised below:

2.4.1 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 shall not exceed 10% of the total number of Shares (excluding treasury shares and subsidiary holdings) in issue as at the date of the AGM.

2.4.2 Duration of Authority

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

(a) the date on which the next AGM is held or required by law to be held;

(b) the date on which purchases or acquisitions of Shares 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 by Shareholders in general meeting.

2.4.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares by the Company may be made by way of:

(a) an on-market purchase transacted through the SGX-ST trading system through one or more duly licensed stockbrokers appointed by the Company for the purpose (**"Market Purchase"**); and/or

(b) an off-market purchase in accordance with an equal access scheme as defined in the Companies Act (**"Off-Market Purchase"**).

In an Off-Market Purchase, the Directors may impose such terms and conditions, which are not inconsistent with the Share Buyback Mandate, the Constitution, the Listing Manual, the Companies Act and other applicable laws and regulations, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme.

Under section 76C of the Companies Act, an equal access scheme must satisfy all the following conditions:

(a) the offers under the scheme are to 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 are 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 member is left with a whole number of shares.

In addition, Rule 885 of the Listing Manual provides that an issuer making an off-market acquisition in accordance with an equal access scheme must issue an offer document to all shareholders containing at least the following information:

(a) terms and conditions of the offer;

(b) period and procedures for acceptances;

(c) the reasons for the proposed share buy-back;

(d) the consequences, if any, of share purchases by the issuer that will arise under the Takeover Code or other applicable takeover rules;

(e) whether the share buy-back, if made, could affect the listing of the issuer's equity securities on the SGX-ST;

(f) details of any share buy-back made by the issuer in the previous 12 months (whether market acquisitions or off-market acquisitions in accordance with an equal access scheme), 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

(g) whether the shares purchased by the issuer will be cancelled or kept as treasury shares.

2.4.4 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, provided that such purchase price shall not exceed:

(a) in the case of a Market Purchase, 105% of the Average Closing Price; and

(b) in the case of an Off-Market Purchase, 120% of the Average Closing Price,

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

For this purpose:

"Average Closing Price" refers to the average of the closing market prices of the Shares over the last 5 Market Days, on which transactions in the Share were recorded, before the day on which the Market Purchases are made or the date of the making of

the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant 5-day period and the date of the Market Purchase, or the date of the making of the offer pursuant to the Off-Market Purchase, as the case may be; and

"date of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase or acquisition 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.

2.5 Status of Purchased or Acquired Shares: Held in Treasury or Cancelled

Any Shares purchased or acquired pursuant to the Share Buyback Mandate will be dealt with in such manner as may be permitted by the Companies Act.

Under the Companies Act, any Share purchased or acquired by the Company shall be deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share shall expire on cancellation), unless such Share is held by the Company in treasury in accordance with the Companies Act.

2.5.1 Treasury Shares

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

(a) Maximum Holding: The aggregate number of Shares held by the Company as treasury shares shall not at any time exceed 10% of the total number of Shares in issue at that time. In the event that the aggregate number of treasury shares held by the Company exceeds the aforesaid limit, the Company shall dispose of or cancel the excess treasury shares within six months from the day the aforesaid limit is first exceeded.

(b) Voting and Other Rights: The Company cannot exercise any right in respect of the treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the 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 (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members of the Company on a winding up) may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of the treasury shares is allowed. 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.

(c) Disposal or Cancellation: Where Shares are held as treasury shares, the Company may at any time:

(i) sell the shares (or any of them) for cash;

(ii) transfer the shares (or any of them) for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;

(iii) transfer the shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;

(iv) cancel the shares (or any of them); or

(v) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister may by order prescribe.

In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares, 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.

2.5.2 Purchased or Acquired Shares Cancelled

Under the Companies Act, where Shares purchased or acquired by the Company are cancelled, the Company shall:

(a) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;

(b) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or

(c) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the Shares cancelled, which shall include any expenses (including brokerage or commission) incurred directly in such purchase or acquisition of Shares.

Shares which are cancelled will be automatically delisted by the SGX-ST, and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following such cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are cancelled and not held as treasury shares.

2.6 Source of Funds

In purchasing or acquiring its Shares, the Company may only apply funds legally available for such purchase or acquisition as provided in the Constitution of the Company and in accordance with applicable laws in Singapore. Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent.

The Company intends to use the Group's internal resources to finance its purchases or acquisitions of Shares pursuant to the Share Buyback Mandate.

The Directors do not propose to exercise the Share Buyback Mandate in a manner and to such an extent that would materially and adversely affect the working capital requirements, the financial position of the Group taken as a whole, the financial flexibility or the investment ability of the Group.

2.7 Financial Effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buyback Mandate will depend on, amongst others, the number of Shares purchased or acquired, the price paid for such Shares, and whether the Shares purchased or acquired are held as treasury shares or cancelled. The financial effects on the Company and the Group, based on the audited financial statements of the Group for FY2020, are based on the assumptions set out below.

2.7.1 Purchase or Acquisition of Shares made out of Capital or Profits

Where the purchase or acquisition of Shares is made out of capital, the profits available for distribution as dividends by the Company will not be reduced. Where the purchase or acquisition of Shares is made out of profits, the purchase price paid by the Company for the Shares will correspondingly reduce the profits available for distribution as dividends by the Company.

Based on the audited accounts of the Company for FY2020, the Company had retained profits of about S$3,371,000 as at 31 March 2020. In respect of the Share Buyback Mandate sought at the upcoming AGM, it is expected that any purchase or acquisition of Shares will be made out of profits and not out of capital.

For the purposes of section 2.7 of this Appendix, the purchase price paid by the Company for the Shares does not include any expenses (including brokerage or commission) incurred in such purchase or acquisition of the Shares.

2.7.2 Number of and Maximum Price paid for Shares Purchased or Acquired

Based on 387,026,748 Shares in issue and disregarding 1,841,107 Shares held in treasury as at the Latest Practicable Date and assuming that no further Shares are issued, no Shares are purchased or acquired and held by the Company as treasury shares and there are no subsidiary holdings on or prior to the forthcoming AGM, the purchase or acquisition by the Company of up to the maximum limit of 10% of the total number of its issued Shares (excluding treasury shares and subsidiary holdings) will result in the purchase or acquisition by the Company of up to 38,702,674 Shares.

The financial effects of the purchase or acquisition of Shares by the Company set out in this section are on the basis of the purchase or acquisition of 38,702,674 Shares made entirely out of the capital of the Company.

In the case of Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 38,702,674 Shares at the Maximum Price of S$0.056 for each Share (being the price equivalent to 105% of the Average Closing Price, the maximum amount of funds required for the purchase or acquisition of 38,702,674 Shares is approximately S$2,167,349.

In the case of Off-Market Purchases by the Company made entirely out of capital and assuming that the Company purchases or acquires 38,702,674 Shares at the Maximum Price of S$0.064 for each Share (being the price equivalent to 120% of the Average Closing Price), the maximum amount of funds required for the purchase or acquisition of 38,702,674 Shares is approximately S$2,476,971.

2.7.3 Illustrative Financial Effects

It is not possible for the Company to realistically calculate or quantify the financial effects of Share purchases or acquisitions that may be made pursuant to the Share Buyback Mandate as the resultant effect would depend on, amongst others, the aggregate number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Shareholders should note that the financial effects set out below, based on the respective assumptions stated below, are for illustration purposes only and are not necessarily representative of future financial performance. In addition, the actual impact will depend on, amongst others, the actual number and price of Shares that may be purchased or acquired by the Company, whether the purchase or acquisition of Shares is made out of the profits or capital of the Company and whether the Shares purchased or acquired are held in treasury or cancelled.

Although the Share Buyback Mandate would authorise the Company to purchase up to 10% of the total number of the Company's issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of the issued Shares (excluding treasury shares and subsidiary holdings) as mandated. In addition, the Company may cancel all or part of the Shares purchased or hold all or part of the Shares purchased in treasury.

The Directors would emphasise that they do not propose to exercise the Share Buyback Mandate to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Group taken as a whole, or result in the Company being delisted from the SGX-ST.

For illustrative purposes only, on the basis of 387,026,748 Shares (excluding 1,841,107 treasury shares currently held) 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 38,702,674 Shares (excluding 1,841,107 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 38,702,674 Shares (excluding 1,841,107 treasury shares currently held) by the Company pursuant to the Share Buyback Mandate by way of purchases made entirely out of distributable profits and cancelled;

(c) acquisition of 38,702,674 Shares (excluding 1,841,107 treasury shares currently held) by the Company pursuant to the Share Buyback Mandate by way of purchases made entirely out of capital and cancelled; and

(d) acquisition of 38,702,674 Shares (excluding 1,841,107 treasury shares currently held) by the Company pursuant to the Share Buyback Mandate by way of purchases made entirely out of distributable profits and held as treasury shares,

on the audited financial statements of the Group and the Company for FY2020 are set out below:

(aa) Purchases made entirely out of capital and Shares purchased held as treasury shares

For illustrative purposes only, in a Market Purchase, assuming that the Maximum Price is S$0.056, which is 5% above the Average Closing Price of a Share over the last 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 38,702,674 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 1,841,107 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S$2,167,349.

For illustrative purposes only, in an Off-Market Purchase, assuming that the Maximum Price is S$0.064, which is 20% above the Highest Last Dealt 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 38,702,674

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 1,841,107 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S$2,476,971.

On these assumptions and assuming the following:

(i) the purchase of Shares took place at the beginning of the financial year on 1 April 2019;

(ii) the purchase of Shares was financed entirely by the internal resources of the Group;

(iii) the transaction costs incurred for the purchase of Shares pursuant to the Share Buyback Mandate were insignificant and have been ignored for the purpose of computing the financial effects; and

(iv) there were no issuances of Shares after the Latest Practicable Date, 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 FY2020 are as follows:

	Group			Company		
As at 31 March 2020	**Before Share Buyback**	**After Share Buyback**		**Before Share Buyback**	**After Share Buyback**	
		Market Purchase	**Off-Market Purchase**		**Market Purchase**	**Off-Market Purchase**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Share Capital	53,086	53,086	53,086	82,614	82,614	82,614
Capital Reserve	(560)	(560)	(560)	100	100	100
Currency Translation Reserve	(1,097)	(1,097)	(1,097)	-	-	-
Fair Value Reserve	(4,697)	(4,697)	(4,697)	(4,697)	(4,697)	(4,697)
Revenue Reserve	7,267	7,267	7,267	3,371	3,371	3,371
	53,999	53,999	53,999	81,388	81,388	81,388
Non-controlling Interest	4,368	4,368	4,368	-	-	-
	58,367	58,367	58,367	81,388	81,388	81,388
Treasury Shares	(145)	(2,312)	(2,621)	(145)	(2,312)	(2,621)
Total Equity	58,222	56,055	55,746	81,243	79,076	78,767
Total Equity	58,222	56,055	55,746	81,243	79,076	78,767
Less: Non-controlling Interest	(4,368)	(4,368)	(4,368)	-	-	-
Total Shareholders' Funds	53,854	51,687	51,378	81,243	79,076	78,767

As at 31 March 2020	Group			Company		
	Before Share Buyback	After Share Buyback		Before Share Buyback	After Share Buyback	
		Market Purchase	Off-Market Purchase		Market Purchase	Off-Market Purchase
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Current Assets	68,601	66,434	66,125	49,749	49,749	49,749
Current Liabilities	64,832	64,832	64,832	8,042	10,209	10,518
Cash and Cash Equivalents	5,772	3,605	3,296	307	307	307
Total Debts [1]	77,286	77,286	77,286	12,903	15,070	15,379
Net Debts [2]	71,514	73,681	73,990	12,596	14,763	15,072
Total Capital [3]	129,736	129,736	129,736	93,839	93,839	93,839
NTA [4]	43,295	41,128	40,819	81,243	79,076	78,767
Net (Loss) After Tax Attributable to Shareholders	(15,477)	(15,477)	(15,477)	(2,831)	(2,831)	(2,831)
Number of Shares ('000)	387,027	348,325	348,325	387,027	348,325	348,325
Weighted Average Number of Shares ('000)	387,027	348,325	348,325	387,027	348,325	348,325
Financial Ratios						
NTA per Share (cents) [5]	11.2	11.8	11.7	21.0	22.7	22.6
Gearing (%) [6]	55	57	57	13	16	16
Current Ratio (times) [7]	1.1	1.0	1.0	6.2	4.9	4.7
LPS (cents) [8]	(4.0)	(4.4)	(4.4)	(0.7)	(0.8)	(0.8)

Notes:

(1) Total Debts equal Total Liabilities excluding Bank Overdraft, Income Tax Payable and Deferred Tax Liabilities

(2) Net Debts equal Total Debts less Cash and Cash Equivalents (Net of Bank Overdraft and Fixed Deposit pledged)

(3) Total Capital equals Total Equity plus Net Debts

(4) NTA equals Total Shareholders' Funds less Intangible Assets

(5) NTA per Share equals NTA divided by Total Number of Shares as at the Latest Practicable Date

(6) Gearing equals Net Debts divided by Total Capital

(7) Current Ratio equals Current Assets divided by Current Liabilities

(8) LPS equals Net Loss After Tax attributable to Shareholders divided by the Weighted Average Number of Shares as at the Latest Practicable Date

(ab) Purchases made entirely out of distributable profits and Shares purchased cancelled

For illustrative purposes only, in a Market Purchase, assuming that the Maximum Price is S$0.056, which is 5% above the Average Closing Prices of a Share over the last 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 38,702,674 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 1,841,107 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S$2,167,349.

However, having regard to:

(1) the amount of the Company's distributable profits as at 31 March 2020 of approximately S$3,371,000; and

(2) the Maximum Price of S$0.056, as at the Latest Practicable Date,

the Company will be able to acquire up to 38,702,674 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 1,841,107 treasury shares currently held under and during the duration of the Share Buyback Mandate in a Market Purchase.

For illustrative purposes only, in an Off-Market Purchase, assuming that the Maximum Price is S$0.064, which is 20% above the Highest Last Dealt 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 38,702,674 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 1,841,107 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S$2,476,971.

However, having regard to:

(1) the amount of the Company's distributable profits as at 31 March 2020 of approximately S$3,371,000; and

(2) the Maximum Price of S$0.064, as at the Latest Practicable Date,

Company will be able to acquire up to 38,702,674 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 1,841,107 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:

(i) the purchase of Shares took place at the beginning of the financial year on 1 April 2019;

(ii) the purchase of Shares was financed entirely by the internal resources of the Group;

(iii) the transaction costs incurred for the purchase of Shares pursuant to the Share Buyback Mandate were insignificant and have been ignored for the purpose of computing the financial effects; and

(iv) there were no issuances of Shares after the Latest Practicable Date,

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 FY2020 are as follows:

	Group			Company		
As at 31 March 2020	**Before Share Buyback**	**After Share Buyback**		**Before Share Buyback**	**After Share Buyback**	
		Market Purchase	**Off-Market Purchase**		**Market Purchase**	**Off-Market Purchase**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Share Capital	53,086	53,086	53,086	82,614	82,614	82,614
Capital Reserve	(560)	(560)	(560)	100	100	100
Currency Translation Reserve	(1,097)	(1,097)	(1,097)	-	-	-
Fair Value Reserve	(4,697)	(4,697)	(4,697)	(4,697)	(4,697)	(4,697)
Revenue Reserve	7,267	5,100*	4,791#	3,371	1,204*	895#
	53,999	51,832	51,523	81,388	79,221	78,912
Non-controlling Interest	4,368	4,368	4,368	-	-	-
Total Equity	58,367	56,200	55,891	81,388	79,221	78,912
Total Equity	58,367	56,200	55,891	81,388	79,221	78,912
Less: Non-controlling Interest	(4,368)	(4,368)	(4,368)	-	-	-
Total Shareholders' Funds	53,999	51,832	51,523	81,388	79,221	78,912
Current Assets	68,601	66,434	66,125	49,749	49,749	49,749
Current Liabilities	64,832	64,832	64,832	8,042	10,209	10,518
Cash and Cash Equivalents	5,772	3,605	3,296	307	307	307
Total Debts [1]	77,286	77,286	77,286	12,903	15,070	15,379
Net Debts [2]	71,514	73,681	73,990	12,596	14,763	15,072
Total Capital [3]	129,881	129,881	129,881	93,984	93,984	93,984
NTA [4]	43,440	41,273	40,964	81,388	79,221	78,912
Net (Loss) After Tax Attributable to Shareholders	(15,477)	(15,477)	(15,477)	(2,831)	(2,831)	(2,831)

As at 31 March 2020	Group			Company		
	Before Share Buyback	After Share Buyback		Before Share Buyback	After Share Buyback	
		Market Purchase	Off-Market Purchase		Market Purchase	Off-Market Purchase
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Number of Shares ('000)	387,027	348,325	348,325	387,027	348,325	348,325
Weighted Average Number of Shares ('000)	387,027	348,325	348,325	387,027	348,325	348,325

**Revenue reserve capped by maximum number of shares, which is 10% of the total issued share capital of the Company, amounting to 38,702,674 shares with value of S$2,167,349.*

#Revenue reserve capped by maximum number of shares, which is 10% of the total issued share capital of the Company, amounting to 38,702,674 shares with value of S$2,476,971.

Financial Ratios

NTA per Share (cents) [5]	11.2	11.8	11.8	21.0	22.7	22.7
Gearing (%) [6]	55	57	57	13	16	16
Current Ratio (times) [7]	1.1	1.0	1.0	6.2	4.9	4.7
LPS (cents) [8]	(4.0)	(4.4)	(4.4)	(0.7)	(0.8)	(0.8)

Notes:

(1) Total Debts equal Total Liabilities excluding Bank Overdraft, Income Tax Payable and Deferred Tax Liabilities

(2) Net Debts equal Total Debts less Cash and Cash Equivalents (Net of Bank Overdraft and Fixed Deposit pledged)

(3) Total Capital equals Total Equity plus Net Debts

(4) NTA equals Total Shareholders' Funds less Intangible Assets

(5) NTA per Share equals NTA divided by Total Number of Shares as at the Latest Practicable Date

(6) Gearing equals Net Debts divided by Total Capital

(7) Current Ratio equals Current Assets divided by Current Liabilities

(8) LPS equals Net Loss After Tax attributable to Shareholders divided by the Weighted Average Number of Shares as at the Latest Practicable Date

(ac) Purchases made entirely out of capital and Shares purchased cancelled

For illustrative purposes only, in a Market Purchase, assuming that the Maximum Price is S$0.056, which is 5% above the Average Closing Price of a Share over the last 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 38,702,674 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 1,841,107 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S$2,167,349.

For illustrative purposes only, in an Off-Market Purchase, assuming that the Maximum Price is S$0.064, which is 20% above the Highest Last Dealt 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 38,702,674 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 1,841,107 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S$2,476,971.

On these assumptions and assuming the following:

(i) the purchase of Shares took place at the beginning of the financial year on 1 April 2019;

(ii) the purchase of Shares was financed entirely by the internal resources of the Group;

(iii) the transaction costs incurred for the purchase of Shares pursuant to the Share Buyback Mandate were insignificant and have been ignored for the purpose of computing the financial effects; and

(iv) there were no issuances of Shares after the Latest Practicable Date,

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 FY2020 are as follows:

	Group			Company		
As at 31 March 2020	**Before Share Buyback**	**After Share Buyback**		**Before Share Buyback**	**After Share Buyback**	
		Market Purchase	**Off-Market Purchase**		**Market Purchase**	**Off-Market Purchase**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Share Capital [(1)]	52,941	50,774	50,465	82,469	80,302	79,993
Capital Reserve	(560)	(560)	(560)	100	100	100
Currency Translation Reserve	(1,097)	(1,097)	(1,097)	-	-	-
Fair Value Reserve	(4,697)	(4,697)	(4,697)	(4,697)	(4,697)	(4,697)
Revenue Reserve	7,267	7,267	7,267	3,371	3,371	3,371
	53,854	51,687	51,378	81,243	79,076	78,767
Non-controlling Interest	4,368	4,368	4,368	-	-	-
Total Equity	58,222	56,055	55,746	81,243	79,076	78,767

As at 31 March 2020	Group			Company		
	Before Share Buyback	After Share Buyback		Before Share Buyback	After Share Buyback	
		Market Purchase	Off-Market Purchase		Market Purchase	Off-Market Purchase
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Total Equity	58,222	56,055	55,746	81,243	79,076	78,767
Less: Non-controlling Interest	(4,368)	(4,368)	(4,368)	-	-	-
Total Shareholders' Funds	53,854	51,687	51,378	81,243	79,076	78,767
Current Assets	68,601	66,434	66,125	49,749	49,749	49,749
Current Liabilities	64,832	64,832	64,832	8,042	10,209	10,518
Cash and Cash Equivalents	5,772	3,605	3,296	307	307	307
Total Debts [2]	77,286	77,286	77,286	12,903	15,070	15,379
Net Debts [3]	71,514	73,681	73,990	12,596	14,763	15,072
Total Capital [4]	129,736	129,736	129,736	93,839	93,839	93,839
NTA [5]	43,295	41,128	40,819	81,243	79,076	78,767
Net (Loss) After Tax Attributable to Shareholders	(15,477)	(15,477)	(15,477)	(2,831)	(2,831)	(2,831)
Number of Shares ('000)	387,027	348,325	348,325	387,027	348,325	348,325
Weighted Average Number of Shares ('000)	387,027	348,325	348,325	387,027	348,325	348,325
Financial Ratios						
NTA per Share (cents) [6]	11.2	11.8	11.7	21.0	22.7	22.6
Gearing (%) [7]	55	57	57	13	16	16
Current Ratio (times) [8]	1.1	1.0	1.0	6.2	4.9	4.7
LPS (cents) [9]	(4.0)	(4.4)	(4.4)	(0.7)	(0.8)	(0.8)

Notes:

(1) Share Capital excludes 1,841,107 treasury shares which are "deemed" as cancelled

(2) Total Debts equal to Total Liabilities excluding Bank Overdraft, Income Tax Payable and Deferred Tax Liabilities

(3) Net Debts equal Total Debts less Cash and Cash Equivalents (Net of Bank Overdraft and Fixed Deposit pledged)

(4) Total Capital equals Total Equity plus Net Debts

(5) NTA equals Total Shareholders' Funds less Intangible Assets

(6) NTA per Share equals NTA divided by Total Number of Shares as at the Latest Practicable Date

(7) Gearing equals Net Debts divided by Total Capital

(8) Current Ratio equals Current Assets divided by Current Liabilities

(9) LPS equals Net Loss After Tax attributable to Shareholders divided by the Weighted Average Number of Shares as at the Latest Practicable Date

(ad) Purchases made entirely out of distributable profits and Shares purchased held as treasury shares

For illustrative purposes only, in a Market Purchase, assuming that the Maximum Price is S$0.056, which is 5% above the Average Closing Price of a Share over the last 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 38,702,674 Shares (representing approximately 10% of the total issued share capital of the Company (excluding 1,841,107 treasury shares) as at the Latest Practicable Date which is the maximum number of Shares the Company is able to purchase) under and during the duration of the Share Buyback Mandate, is approximately S$2,167,349.

However, having regard to:

(1) the amount of the Company's distributable profits as at 31 March 2020 of approximately S$3,371,000; and

(2) the Maximum Price of S$0.056, as at the Latest Practicable Date,

the Company will be able to acquire up to 38,702,674 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 1,841,107 treasury shares currently held under and during the duration of the Share Buyback Mandate) in a Market Purchase.

For illustrative purposes only, in an Off-Market Purchase, assuming that the Maximum Price is S$0.064, which is 20% above the Highest Last Dealt 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 38,702,674 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 1,841,107 treasury shares currently held under and during the duration of the Share Buyback Mandate, is approximately S$2,476,971.

However, having regard to:

(1) the amount of the Company's distributable profits as at 31 March 2020 of approximately S$3,371,000; and

(2) the Maximum Price of S$0.064, as at the Latest Practicable Date,

the Company will be able to acquire up to 38,702,674 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 1,841,107 treasury shares currently held under and during the duration of the Share Buyback Mandate) in an Off-Market Purchase.

On these assumptions and further assuming:

(i) the purchase of Shares took place at the beginning of the financial year on 1 April 2019;

(ii) the purchase of Shares was financed entirely by the internal resources of the Group;

(iii) the transaction costs incurred for the purchase of Shares pursuant to the Share Buyback Mandate were insignificant and have been ignored for the purpose of computing the financial effects; and

(iv) there were no issuances of Shares after the Latest Practicable Date,

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 FY2020 are as follows:

	Group			Company		
As at 31 March 2020	**Before Share Buyback**	**After Share Buyback**		**Before Share Buyback**	**After Share Buyback**	
		Market Purchase	**Off-Market Purchase**		**Market Purchase**	**Off-Market Purchase**
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Share Capital	53,086	53,086	53,086	82,614	82,614	82,614
Capital Reserve	(560)	(560)	(560)	100	100	100
Currency Translation Reserve	(1,097)	(1,097)	(1,097)	-	-	-
Fair Value Reserve	(4,697)	(4,697)	(4,697)	(4,697)	(4,697)	(4,697)
Revenue Reserve	7,267	7,267	7,267	3,371	3,371	3,371
	53,999	53,999	53,999	81,388	81,388	81,388
Non-controlling Interest	4,368	4,368	4,368	-	-	-
	58,367	58,367	58,367	81,388	81,388	81,388
Treasury Shares	(145)	(2,312)[*]	(2,621)[#]	(145)	(2,312)[*]	(2,621)[#]
Total Equity	58,222	56,055	55,746	81,243	79,076	78,767
Total Equity	58,222	56,055	55,746	81,243	79,076	78,767
Less: Non-controlling Interest	(4,368)	(4,368)	(4,368)	-	-	-
Total Shareholders' Funds	53,854	51,687	51,378	81,243	79,076	78,767
Current Assets	68,601	66,434	66,125	49,749	49,749	49,749
Current Liabilities	64,832	64,832	64,832	8,042	10,209	10,518
Cash and Cash Equivalents	5,772	3,605	3,296	307	307	307

As at 31 March 2020	Group			Company		
	Before Share Buyback	After Share Buyback		Before Share Buyback	After Share Buyback	
		Market Purchase	Off-Market Purchase		Market Purchase	Off-Market Purchase
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Total Debts [1]	77,286	77,286	77,286	12,903	15,070	15,379
Net Debts [2]	71,514	73,681	73,990	12,596	14,763	15,072
Total Capital [3]	129,736	129,736	129,736	93,839	93,839	93,839
NTA [4]	43,295	41,128	40,819	81,243	79,076	78,767
Net (Loss) After Tax Attributable to Shareholders	(15,477)	(15,477)	(15,477)	(2,831)	(2,831)	(2,831)
Number of Shares ('000)	387,027	348,325	348,325	387,027	348,325	348,325
Weighted Average Number of Shares ('000)	387,027	348,325	348,325	387,027	348,325	348,325

**Revenue reserve capped by maximum number of shares, which is 10% of the total issued share capital of the Company, amounting to 38,702,674 shares with value of S$2,167,349.*

#Revenue reserve capped by maximum number of shares, which is 10% of the total issued share capital of the Company, amounting to 38,702,674 shares with value of S$2,476,971.

Financial Ratios

NTA per Share (cents) [5]	11.2	11.8	11.7	21.0	22.7	22.6
Gearing (%) [6]	55	57	57	13	16	16
Current Ratio (times) [7]	1.1	1.0	1.0	6.2	4.9	4.7
LPS (cents) [8]	(4.0)	(4.4)	(4.4)	(0.7)	(0.8)	(0.8)

Notes:

(1) Total Debts equal Total Liabilities excluding Bank Overdraft, Income Tax Payable and Deferred Tax Liabilities

(2) Net Debts equal Total Debts less Cash and Cash Equivalents (Net of Bank Overdraft and Fixed Deposit pledged

(3) Total Capital equals Total Equity plus Net Debts

(4) NTA equals Total Shareholders' Funds less Intangible Assets

(5) NTA per Share equals NTA divided by Total Number of Shares as at the Latest Practicable Date

(6) Gearing equals Net Debts divided by Total Capital

(7) Current Ratio equals Current Assets divided by Current Liabilities

(8) LPS equals Net Loss After Tax attributable to Shareholders divided by the Weighted Average Number of Shares as at the Latest Practicable Date

Shareholders should note that the financial effects set out above are based on the abovementioned assumptions and are purely 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. The above analysis is based on historical figures for FY2020 and is not necessarily representative of the Company's or the Group's future financial performance.

2.8 Tax Implications

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

2.9 Listing Manual

2.9.1 No Purchases during Price-Sensitive Developments

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 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, the Company and its officers should not and will not deal in the Company's securities during the period commencing one month before the announcement of the half year and full year financial statements, and if they are in possession of unpublished price-sensitive information of the Group.

2.9.2 Listing Status of the Shares

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

As at the Latest Practicable Date, approximately 68.39% 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.

A share buy-back will not be carried out if it will adversely affect the financial condition of the Company.

2.9.3 Reporting Requirements

Pursuant to Rule 886 of the Listing Manual, an issuer must notify the SGX-ST of any share buy-back as follows:

(a) In the case of a market acquisition, by 9.00 am on the Market Day following the day on which it purchased shares; and

(b) In the case of an off-market acquisition under an equal access scheme, by 9.00 am on the second Market Day after the close of acceptances of the offer.

Notification must be in the form of Appendix 8.3.1. Such notification must include details of 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 for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares (excluding treasury shares and subsidiary holdings) after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

2.10 Take-over Code implications arising from the Proposed Share Purchase Mandate

Certain take-over implications arising from the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are summarised below.

If, as a result of any purchase or acquisition of Shares made by the Company under the Share Purchase Mandate, the proportionate interest of a Shareholder and persons acting in concert with him 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. Consequently, a Shareholder or group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make a take-over offer for the Company under Rule 14.

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

Take-over Code presumes amongst others, the following individuals and companies to be acting in concert with each other: (i) 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) and (ii) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with each other. For this purpose, a company is an associated company of another company if the second-mentioned company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company.

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

(a) the percentage of voting rights held by such Directors and their concert parties in the Company increases to 30% or more; or

(b) if the Directors and their concert parties hold between 30% and 50% of the Company's voting rights, and their voting rights increase by more than 1% in any period of six months.

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

Any Shares held by the Company as treasury shares shall be excluded from the calculation of the percentages of voting rights under the Take-over Code referred to above.

2.11 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:

	Shareholding			
	Direct Interest	%	Deemed Interest	%
Directors				
Low Weng Fatt [1]	50,883,708	13.15	662,500	0.17
Siah Boon Hock	10,824,901	2.80	-	-
Ng Jwee Phuan @ Frederick (Eric) [2]	56,000	0.01	1,539,125	0.40
Chew Mun Yew	-	-	-	-
Chew Choy Seng	-	-	-	-
Substantial Shareholders (excluding Directors)				
Yap Koon Bee @ Louis Yap	35,002,583	9.04	-	-

Notes:

(1) Low Weng Fatt is deemed to be interested in the 662,500 Shares held by his spouse, Chua Kim Eng.

(2) Ng Jwee Phuan @ Frederick (Eric) is deemed to be interested in the 1,539,125 Shares held through Citibank Nominees Singapore Pte Ltd.

Save as disclosed in this Appendix and other than through their respective shareholdings in the Company, none of the Directors or Substantial Shareholders has any interest, direct or indirect, in the share capital of the Company or any of its subsidiaries.

2.12 Consequences of Share Purchases or Acquisitions by the Company

On 12 February 2007, pursuant to a reverse take-over, the Company acquired Chasen Logistics Services Limited from Low Weng Fatt, Siah Boon Hock, Yap Koon Bee @ Louis Yap, Yeo Seck Cheong, and Cheong Tuck Nang. Low Weng Fatt, Siah Boon Hock, Yap Koon Bee @ Louis Yap, Yeo Seck Cheong, and Cheong Tuck Nang (the "Concert Parties") are presumed to be acting in concert with each other in relation to the Company for the purposes of the Take-over Code.

As at the Latest Practicable Date, the direct shareholding interest of each of Low Weng Fatt and his concert parties, Siah Boon Hock, Yap Koon Bee @ Louis Yap, Yeo Seck Cheong and Cheong Tuck Nang are 13.15%, 2.80%, 9.04%, 3.93% and 2.05% respectively, amounting to an aggregate of approximately 30.97%. The shareholdings of the Concert Parties before and after the proposed Share Buyback Mandate (assuming for a Market Purchase (a) the Company purchases a maximum 38,702,674 Shares, being 10% of the total number of Shares in issue, (b) the 38,702,674 Shares are not held as treasury shares and are cancelled and (c) there was no change in the number of Shares held or deemed to be held by the Concert Parties and (d) there is no exercise of warrants; and for an Off-Market Purchase (a) the Company purchases a maximum 38,702,674 Shares, being 10% of the total number of Shares in issue, (b) the 38,702,674 Shares are not held as treasury shares and are cancelled and (c) there is no exercise of warrants) are set out as follows:

	Before Share Buyback [1]		After Share Buyback [2]	
	Direct Interest		Direct Interest	
		Shareholding		
MARKET PURCHASE	**No. of Shares**	**%**	**No. of Shares**	**%**
Concert Parties				
Low Weng Fatt	50,883,708	13.15	50,883,708	14.61
Siah Boon Hock	10,824,901	2.80	10,824,901	3.11
Yap Koon Bee @ Louis Yap	35,002,583	9.04	35,002,583	10.05
Yeo Seck Cheong	15,198,165	3.93	15,198,165	4.36
Cheong Tuck Nang	7,945,912	2.05	7,945,912	2.28
TOTAL	**119,855,269**	**30.97**	**119,855,269**	**34.41**

Notes:

(1) The percentages are calculated on the basis of the existing issued share capital of 387,026,748 ordinary shares (excluding 1,841,107 treasury shares).

(2) The percentages are calculated on the basis of the issued share capital of 348,324,074 after a share buyback of 38,702,674 Shares, being 10% of the existing issued share capital of the Company as at the Latest Practicable Date.

	Before Share Buyback [1]		After Share Buyback [2]	
	Direct Interest		Direct Interest	
		Shareholding		
OFF MARKET PURCHASE	**No. of Shares**	**%**	**No. of Shares**	**%**
Concert Parties				
Low Weng Fatt	50,883,708	3.15	45,795,337	13.15
Siah Boon Hock	10,824,901	2.80	9,742,411	2.80
Yap Koon Bee @ Louis Yap	35,002,583	9.04	31,502,325	9.04
Yeo Seck Cheong	15,198,165	3.93	13,678,349	3.93
Cheong Tuck Nang	7,945,912	2.05	7,151,321	2.05
TOTAL	**119,855,269**	**30.97**	**107,869,743**	**30.97**

Notes:

(1) The percentages are calculated on the basis of the existing issued share capital of 387,026,748 ordinary shares (excluding 1,841,107 treasury shares).

(2) The percentages are calculated on the basis of the issued share capital of 348,324,074 after a share buyback of 38,702,674 shares, being 10% of the existing issued share capital of the Company as at the Latest Practicable Date.

Therefore (i) the direct interests of Low Weng Fatt, (ii) the aggregate direct interests of Low Weng Fatt and one or more of Siah Boon Hock, Yeo Seck Cheong and Cheong Tuck Nang, and (iii) the aggregate direct interests of one or more Siah Boon Hock, Yeo Seck Cheong and Cheong Tuck Nang, and their concert parties will increase by more than 1% within a 6 month period.

Accordingly, under the Take-over Code, the Concert Parties and the parties acting in concert with them (collectively the "Relevant Persons"), unless exempted, will 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 6-month period.

As the present total shareholding of the Relevant Persons is not less than 30% but not more than 50%, they will be exempted from the requirement under Rule 14 and Appendix 2 of the Take-over Code to make a general offer for the Company in the event that their total shareholding increases by more than 1% in any 6-month period as a result of the Company acquiring its own shares under the Share Buyback Mandate (the "Relevant Scenario"), subject to the following conditions:

(a) the circular to Shareholders on the resolution to authorise a buy-back to contain advice to the effect that by voting for the buy-back resolution, Shareholders are waiving their rights to a general offer at the required price from the Relevant Persons who, as a result of the Company buying back its Shares, would increase their voting rights by more than 1% in any 6-month period; and the names of the Relevant Persons, 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 buy-back;

(c) the Relevant Persons abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the share buy-back;

(d) within 7 days after the passing of the resolution to authorise a buy-back, each of the Directors to submit to the SIC a duly signed form as prescribed by the SIC; and

(e) the Relevant Persons, 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:

(aa) the date on which the authority of the share buy-back expires; and

(ab) the date on which the Company announces it has brought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

(the **"relevant period"**)

if such acquisitions, taken together with the share buyback under the Share Buyback Mandate, would cause their aggregate voting rights in the Company to increase by more than 1% in the any 6-month period.

It follows that where the aggregate voting rights held by the Relevant Persons increase by more than 1% solely as a result of the Relevant Scenario and none of them has acquired any shares of the Company during the relevant period defined in paragraph (e) above, then the Relevant Persons would be eligible for an exemption from the requirement to make a general offer under Rule 14, or where already exempted, would continue to be exempted.

If the Company ceases to buy back its Shares under the Share Buyback Mandate and the increase in the aggregate voting rights held by the Relevant Persons as a result of the Company repurchasing its Shares at the time of such cessation is less than 1% in any 6 month period, the Relevant Persons will be allowed to acquire voting shares in the Company. However, any increase in the Relevant Persons' percentage of voting rights in the Company as a result of the share buyback will be taken into account together with any Shares acquired by the Relevant Persons (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 Relevant Persons in the circumstances set out above.

For the purposes of this Appendix, **"required price"** shall mean in relation to the offer required to be made under the provisions of Rule 14.1 of the Take-over Code, the offer shall be in cash or be accompanied by a cash alternative at a price in accordance with Rule 14.3 of the Take-over Code which is the highest of the highest price paid by the Relevant Persons for the Shares (i) within 6 months of the offer and during the offer period, (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) acquired through the exercise of rights to subscribe for, and options in respect of, securities which carry voting rights within 6 months of the offer and during the offer period; or at such price as determined by the SIC under Rule 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.

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

3. DIRECTORS' RECOMMENDATION

Having considered the rationale for the Share Buyback Mandate, the Directors, save for Low Weng Fatt, and Siah Boon Hock, who are members of the Relevant Persons, are of the opinion that the proposed adoption of the Share Buyback Mandate is in the best interests of the Company.

Accordingly, the Directors, save for Low Weng Fatt and Siah Boon Hock, recommend that Shareholders vote in favour of the ordinary resolution relating to the proposed adoption of the Share Buyback Mandate.

4. ABSTENTION FROM VOTING

The Relevant Persons will abstain from voting at the AGM in respect of the resolution relating to the adoption of the Share Buyback Mandate in view 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.

The Relevant Persons have also undertaken to ensure that their Associates will abstain from making any recommendation and from voting at the AGM in respect of the said resolution and would not accept nominations as proxy or otherwise for voting at the AGM relating to the adoption of the Share Buyback Mandate.

5. ANNUAL GENERAL MEETING

The AGM, notice of which is enclosed with the Annual Report, will be held on 25 September 2020 by electronic means at 11.00 a.m. for the purpose of considering and, if thought fit, passing the resolutions set out in the Notice of AGM.

6. APPROVALS AND RESOLUTIONS

Shareholders' approval for the proposed adoption of the Share Buyback Mandate is sought at the AGM. The resolution relating to the proposed adoption of the Share Buyback Mandate is contained in the Notice of AGM.

7. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders will find enclosed with the Annual Report the Notice of AGM and a Proxy Form.

Due to current movement restriction orders in Singapore, Shareholders will not be able to attend the AGM in person. A Shareholder (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy, to vote on his/her/its behalf at the AGM if such Shareholder wishes to exercise his/her/its voting rights at the AGM, in accordance with the instructions printed on the Proxy Form.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed adoption 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 Appendix misleading. Where information in the Appendix 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 Appendix in its proper form and context.

9. DOCUMENTS FOR INSPECTION

Copies of the following may be inspected by Shareholders at the registered office of the Company at 18 Jalan Besut, Singapore 619571 during normal business hours from the date of this Appendix up to the date of the AGM:

(a) the Constitution; and

(b) the Annual Report.

In view of the movement restrictions pursuant to the COVID-19 (Temporary Measures) (Control Order) Regulations 2020, access to the registered office of the Company may not be possible during this period. Shareholders who wish to inspect the above documents should contact the Company so that arrangements can be made.

Yours faithfully
For and on behalf of the Board

Low Weng Fatt
Managing Director and CEO