



KLW HOLDINGS LIMITED
(Company Registration Number: 199504141D)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of KLW Holdings Limited (the "Company") will be held at 19 Senoko Loop, Singapore 758169 on 14 May 2014 at 10.00 a.m. for the purpose of considering and, if thought fit, passing (with or without amendments) the following ordinary resolutions:-

All capitalised terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the circular to the Shareholders of the Company dated 29 April 2014.

AS ORDINARY RESOLUTIONS:

ORDINARY RESOLUTION 1: THE PLACEMENT AND THE SUBSCRIPTION OPTION

That, subject to and contingent upon the passing of Ordinary Resolution 2:

- (a) entering into and execution of the Agreement be and are hereby approved, confirmed and ratified;
- (b) approval be and is hereby given for the transactions contemplated under the Agreement entered into between the Company and the Subscriber, and without prejudice to the generality of the foregoing, authority be and is hereby given for the Company to allot and issue to the Subscriber and/or the Subscriber Nominee:
 - (i) 500,000,000 Placement Shares at the Issue Price of S\$0.02 per Placement Share;
 - (ii) notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company, up to 2,000,000,000 Option Shares upon the exercise of the Subscription Option by the Subscriber and/or the Subscriber Nominee, in accordance with the terms and conditions of the Agreement between the Company and the Subscriber; and
 - (iii) notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company, such further Option Shares in the capital of the Company as may be required to be allotted and issued in accordance with the terms and conditions of the Agreement.
- (c) for the purpose of Rule 803 of the Catalyst Rules, approval be and is hereby given for the issue and allotment of the Placement Shares and the Option Shares to transfer a controlling interest to the Subscriber and/or the Subscriber Nominee; and
- (d) the Directors of the Company and each of them be and is hereby authorised to complete and do all such acts and things, including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents as they may consider necessary, desirable or expedient to give full effect to this Ordinary Resolution 1 or the transactions contemplated pursuant to or in connection with the Placement and Subscription Option.

ORDINARY RESOLUTION 2: THE WHITEWASH RESOLUTION

That, subject to and contingent upon the passing of Ordinary Resolution 1, the Shareholders other than the Obligated Parties hereby resolve, on a poll, unconditionally and irrevocably to waive their right under Rule 14 of the Singapore Code on Take-overs and Mergers to receive a mandatory general offer for all the shares in the capital of the Company in issue not already owned, controlled or agreed to be acquired by the Obligated Parties to be made by the Obligated Parties at the highest price paid or agreed to be paid by the Obligated Parties in the six (6) months prior to the Obligated Parties incurring the mandatory general offer obligation under Rule 14 of the Code, as a result of the acquisition by the Obligated Parties of more than 30% of the voting rights in the Company pursuant to the exercise of the Subscription Option and the allotment and issue of the Option Shares in connection therewith, such waiver to be on the terms imposed by the Securities Industry Council as set out in the circular to Shareholders dated 29 April 2014.

ORDINARY RESOLUTION 3: THE RIGHTS CUM WARRANTS ISSUE

That the renounceable non-underwritten rights issue of up to 2,440,278,158 new ordinary shares in the capital of the Company ("**Rights Shares**") at an issue price of S\$0.02 for each Rights Share, with up to 2,440,278,158 free detachable warrants ("**Warrants**"), each of the Warrants carrying the right to subscribe for one (1) new ordinary share in the capital of the Company ("**Warrant Share**") at an exercise price of S\$0.07 for each Warrant Share, on the basis of one (1) Rights Shares with one (1) Warrant for every one (1) existing Share held by the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, be and is hereby approved and the Board of Directors be and is hereby authorised to:-

- (A) create and issue:-
 - (i) such number of Rights Shares as the Directors may determine, subject to a maximum of 2,440,278,158 Rights Shares at an issue price of S\$0.02 for each Rights Share;
 - (ii) such number of free detachable Warrants as the Directors may determine, subject to a maximum of 2,440,278,158 Warrants to be issued together with the Rights Shares, each Warrant carrying the right to subscribe for one (1) Warrant Share at an exercise price of S\$0.07 for each Warrant Share during the period commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the third (3rd) anniversary of the date of issue of the Warrants, subject to the terms and conditions of the Deed Poll constituting the Warrants to be executed by the Company on such terms and conditions as the Directors may deem fit;
 - (iii) such further Warrants as may be required or permitted to be issued in accordance with the terms and conditions of the Deed Poll (any such further Warrants to rank *pari passu* with the Warrants and for all purposes to form part of the same series, save as may otherwise be provided in the terms and conditions of the Deed Poll);
- (B) provisionally allot and issue up to 2,440,278,158 Rights Shares with up to 2,440,278,158 Warrants, at an issue price of S\$0.02 for each Rights Share, on the basis of one (1) Rights Share with one (1) Warrant for every one (1) existing Share held by the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded, on the terms and conditions set out below and/or otherwise on such terms and conditions as the Directors may think fit:-
 - (i) the provisional allotments of the Rights Shares with Warrants under the Rights cum Warrants Issue shall be made on a renounceable basis to Entitled Shareholders whose names appear in the Register of Members of the Company or the records of CDP as at the Books Closure Date and who have, at least three (3) Market Days prior thereto, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents;
 - (ii) no provisional allotment of the Rights Shares with Warrants shall be made in favour of, and no application form or other documents in respect thereof shall be issued or sent to Shareholders with registered addresses outside Singapore (the "**Foreign Shareholders**") as at the Books Closure Date and who have not, at least three (3) Market Days prior thereto, provided to CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents;
 - (iii) the entitlements to the Rights Shares with Warrants which would otherwise accrue to Foreign Shareholders shall be disposed of or dealt with by the Company in such manner and on such terms and conditions as the Directors may, in their absolute discretion, deem fit, including without limitation to be sold "nil-paid" on SGX-Catalist and to pool and thereafter distribute the net proceeds thereof, if any (after deducting all expenses), proportionately among such Foreign Shareholders in accordance with their respective shareholdings as at the Books Closure Date provided that if the amount to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall instead be dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
 - (iv) provisional allotments of the Rights Shares with Warrants not taken up or cannot be sold or are not sold on SGX-Catalist for any reason, or which represent fractional entitlements disregarded in accordance with the terms of the Rights cum Warrants Issue, shall be used to satisfy excess applications or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
 - (v) the Rights Shares when issued and fully paid-up will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments or other distribution, the record date for which falls before the date of issue of the Rights Shares;
 - (vi) the Warrants Shares to be issued on exercise of the Warrants will rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments or other distribution, the record date for which falls before the date of issue of the Warrant Shares;
- (C) allot and issue, notwithstanding that the issue thereof may take place after the next or any ensuing annual or other general meeting of the Company:-
 - (i) up to 2,440,278,158 Warrant Shares on the exercise of the Warrants, credited as fully paid, subject to and otherwise in accordance with the terms and conditions of the Deed Poll, such Warrant Shares (when issued and paid) to rank *pari passu* in all respects with the then existing Shares (save as may otherwise be provided in the terms and conditions of the Deed Poll) save for any dividends, rights, allotments or other distributions the record date for which falls before the date of issue of the Warrant Shares;
 - (ii) on the same basis as paragraph (C)(i) above, such further new ordinary shares in the capital of the Company as may be required to be allotted and issued on the exercise of any of the Warrants referred to in paragraph (A)(iii) above; and
- (D) take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be advisable, necessary or expedient for the purposes of giving effect to the Rights cum Warrants Issue, with full power to assent to any condition, amendment, alteration, modification or variation as may be required by the relevant authorities or as such Directors or any of them may deem fit or expedient or to give effect to this Ordinary Resolution 3 or the transactions contemplated pursuant to or in connection with the Rights cum Warrants Issue.

BY ORDER OF THE BOARD

Jennifer Lee
Company Secretary
Singapore
29 April 2014

Notes:-

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting may appoint a proxy to attend and vote in his/her behalf. A proxy need not be a member of the Company.
2. If a proxy is to be appointed, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney, must be duly deposited at the registered office of the Company at 19 Senoko Loop, Singapore 758169 not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting.
3. The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of any official or attorney duly authorised.

This notice has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this notice. This notice has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice. The contact person for the Sponsor is Mr. Chew Kok Liang at RHT Capital Pte Ltd, Six Battery Road, #10-01, Singapore 049909, Telephone: 6381 6757.