

CIRCULAR DATED 15 DECEMBER 2020

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

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

If you have sold or transferred all your ordinary shares in the capital of the Company (the “Shares”) held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s) which are not deposited with CDP, you should immediately forward this Circular, together with the Notice of EGM (as defined herein) and the accompanying Proxy Form (as defined herein) to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company. The Singapore Exchange Securities Trading Limited (“SGX-ST”) assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

This Circular has been made available on the SGX-ST’s website at <http://www.sgx.com> and the Company’s website at <http://shsholdings.listedcompany.com/>.

Due to the current COVID-19 outbreak in Singapore, in lieu of in person attendance at the extraordinary general meeting (“EGM”) by shareholders of the Company (“Shareholders”), alternative arrangements have been put in place to allow Shareholders to participate at the EGM by (a) watching the EGM proceedings via “live” audio-visual webcast or listening to the EGM proceedings via “live” audio-only stream, (b) submitting comments, queries and/or questions in advance of the EGM, and/or (c) voting by proxy at the EGM. Please refer to the Section entitled “Notes” in the Notice of EGM set out on pages N-1 to N-4 herein for these alternative arrangements.

With the constantly evolving COVID-19 situation, the situation is fluid and the Company may be required to change its EGM arrangements at short notice, including any precautionary measures required or recommended by government agencies, in order to curb the spread of COVID-19. Shareholders should check the SGX-ST’s website at <http://www.sgx.com> and the Company’s website at <http://shsholdings.listedcompany.com/> for updates on the EGM.



SHS HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197502208Z)

CIRCULAR TO SHAREHOLDERS

in relation to

- (I) THE PROPOSED SALE OF THE ENTIRE SHAREHOLDING INTERESTS IN SINENERGY HOLDINGS PTE. LTD.; AND**
- (II) THE PROPOSED SALE OF 10% SHAREHOLDING INTERESTS IN HDFC SINPOWER LIMITED.**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 28 December 2020 at 10.00 a.m.
Date and time of EGM : 30 December 2020 at 10.00 a.m.

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DEFINITIONS

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

- “Acquisition Documents”** : The SPA (SHS-Huadian), the letter of the same date as the SPA (SHS-Huadian) from the Company to CHDHK relating to the warranties, together with any documents annexed to it; and the letter of the same date as the completion date of the Proposed Sinenergy Divestment from the Company to CHDHK relating to the warranties, together with any documents annexed to it (if applicable), the documents, the form jointly approved by the Company and CHDHK, such approval not to be unreasonably withheld, and any other documents to be delivered on completion of the Proposed Sinenergy Divestment
- “Affiliate”** : In relation to a company, means any other company directly or indirectly controlling, controlled by or under common control with such company, and “control” for these purposes means (a) holding the majority of the voting rights or share capital of such company or (b) otherwise having the power to direct the management and policies of such company
- “Assignment Deed”** : Has the meaning ascribed in Section 2.6.1 of this Circular
- “Base Consideration”** : Has the meaning ascribed in Section 2.6 of this Circular
- “Board” or “Board of Directors”** : The board of directors of the Company, from time to time
- “BPDB”** : The Bangladesh Power Development Board
- “Call Option”** : Has the meaning ascribed in Section 2.8 of this Circular
- “CDP”** : The Central Depository (Pte) Limited
- “CEO”** : Chief Executive Officer
- “CHD”** : China Huadian Corporation Ltd
- “CHDHK”** : China Huadian Hongkong Company Limited
- “CHDHK Group”** : Each or any of (a) CHDHK and any Affiliate of CHDHK for the time being, and (b) with effect from Completion, each Group Company (and any reference to “**member of the CHDHK Group**” or, in the case of any member of the CHDHK Group, to “**its group**” shall be construed accordingly)

DEFINITIONS

“Circular”	:	This circular to Shareholders dated 15 December 2020
“Commercial Operations Date”	:	means the day following the day upon which the Project is commissioned to operate
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
“Company”	:	SHS Holdings Ltd. (formerly known as See Hup Seng Limited)
“Company Group”	:	Each or any of the Company and any Affiliate of the Company for the time being, excluding each Group Company (and any reference to “member of the Company Group” or, in the case of any member of the Company Group, to “its group” shall be construed accordingly)
“Completion”	:	Has the meaning ascribed in Section 1.2 of this Circular
“Completion Date”	:	Has the meaning ascribed in Section 1.4 of this Circular
“Conditions”	:	Has the meaning ascribed in Section 2.7 of this Circular
“Constitution”	:	The constitution of the Company, as amended, modified or supplemented from time to time
“CPF”	:	The Central Provident Fund
“Declaration of Trust”	:	Has the meaning ascribed in Section 1.4 of this Circular
“Director” or “Directors”	:	A director or directors of the Company, from time to time
“Disposal”	:	Has the meaning ascribed in Section 2.8 of this Circular
“Ditrolic”	:	Ditrolic (S) Pte. Ltd., a company incorporated in Singapore
“EGM”	:	The extraordinary general meeting of the Company to be held by electronic means on 30 December 2020, at 10.00 a.m., notice of which is set out on pages N-1 to N-4 of this Circular
“EPS”	:	Earnings per Share
“Exclusivity Period”	:	Has the meaning ascribed in Section 2.8 of this Circular

DEFINITIONS

“Extended Payment Period”	:	The period of six (6) months starting from the earlier to occur of: (a) the Completion Date; and (b) the Commercial Operations Date
“Funds Flow Deed”	:	Has the meaning ascribed in Section 2.6.1 of this Circular
“FY”	:	The financial year commenced or, as the case may be, commencing, on 1 January and ended, or as the case may be, ending 31 December
“GOB”	:	The government of the People’s Republic of Bangladesh
“Group”	:	The Company and its subsidiaries
“Group Companies”	:	Sinenergy Holdings and HDFC, and “Group Company” shall be construed accordingly
“HDFC”	:	HDFC SinPower Limited (Registration No. C-129135/2016), a company incorporated under the laws of Bangladesh and having its registered office at House 153/2, Road 2/2, 12-A, Mirpur, Dhaka
“HDFC Sale Shares”	:	Has the meaning ascribed in Section 1.3 of this Circular
“IFDC”	:	IFDC Solar Power (BD) Ltd., a company incorporated in Bangladesh
“Implementation Agreement”	:	The implementation agreement entered into between the HDFC, the Power Grid Company of Bangladesh and the GOB dated 19 October 2016 relating to the Project, as amended or supplemented from time to time
“Interim Period”	:	Has the meaning ascribed in Section 1.4 of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
“Longstop Time”	:	Has the meaning ascribed in Section 2.7 of this Circular
“MOFCOM”	:	Has the meaning ascribed in Section 2.7 of this Circular
“NAV”	:	Net asset value
“NDRC”	:	Has the meaning ascribed in Section 2.7 of this Circular

DEFINITIONS

“Notice of EGM”	:	The notice of the EGM as set out on pages N-1 to N-4 of this Circular
“NT Purchase Agreement”	:	Has the meaning ascribed in Section 2.6 of this Circular
“NTA”	:	Net tangible assets
“Ordinary Resolution”	:	The ordinary resolution to be passed by Shareholders at the EGM as set out in the Notice of EGM
“Panasonic Solar Module Purchase Agreement”	:	The purchase order (purchaser order number PO17-00002 and reference number QLOT1511001-006) issued by Sinenergy Holdings to Panasonic Eco Solutions Malaysia Sdn. Bhd. dated 16 March 2017
“Particulars of Owned Property”	:	Has the meaning ascribed in Section 2.8 of this Circular
“POAs”	:	Has the meaning ascribed in Section 2.7 of this Circular
“Power Purchase Agreement”	:	The power purchase agreement entered into between HDFC and BPDB dated 19 October 2016 relating to the Project, as amended or supplemented from time to time
“PRC”	:	The People’s Republic of China
“Project”	:	The development, design, engineering, manufacture, financing, construction, permitting, start-up, testing, completion, insurance, commissioning, ownership, operation and maintenance of the Solar Power Plant, and all activities incidental thereto
“Project Site”	:	The real property for the Project, located at Sutiakhali, Gouripur, Mymensingh, Bangladesh
“Proposed HDFC Dilution”	:	Has the meaning ascribed in Section 1.3 of this Circular
“Proposed Sales”	:	Has the meaning ascribed in Section 1.3 of this Circular
“Proposed Sinenergy Divestment”	:	Has the meaning ascribed in Section 1.1 of this Circular
“Proxy Form”	:	The proxy form in respect of the EGM as attached to this Circular
“Purchasers”	:	Has the meaning ascribed in Section 1.3 of this Circular
“Register of Members”	:	The register of members of the Company

DEFINITIONS

“Reimbursable Costs”	:	Has the meaning ascribed in Section 2.6 of this Circular
“Repurchase Shares”	:	Has the meaning ascribed in Section 2.8 of this Circular
“Sale Shares”	:	means collectively the Sinenergy Sale Shares and HDFC Sale Shares
“Securities Account”	:	A securities account maintained by a Depositor with CDP
“SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	:	The Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
“Shares”	:	Ordinary shares in the capital of the Company
“Sinenergy Holdings”	:	Sinenergy Holdings Pte. Ltd. (UEN 201542254D), a company incorporated under the laws of Singapore and having its registered office at 19 Tuas Avenue 20, Singapore 638830
“Sinenergy Sale Shares”	:	Has the meaning ascribed in Section 1.1 of this Circular
“Singapore”	:	The Republic of Singapore
“SK Islam”	:	Gp Cpt (Retd) SK M Shafiqul Islam
“Solar Power Plant”	:	Has the meaning ascribed in Section 2.2 of this Circular
“SPAs”	:	means collectively the SPA (SHS-Huadian) and SPA (SIN-Ditrolic)
“SPA (SHS-Huadian)”	:	Has the meaning ascribed in Section 1.1 of this Circular
“SPA (SHS-Huadian) Consideration”	:	Has the meaning ascribed in Section 2.6 of this Circular
“SPA (SIN-Ditrolic)”	:	Has the meaning ascribed in Section 1.3 of this Circular
“SPA (SIN-Ditrolic) Consideration”	:	Has the meaning ascribed in Section 2.6 of this Circular

DEFINITIONS

“ Transfer of the NT Companies ”	:	Has the meaning ascribed in Section 2.6 of this Circular
“ 1H2020 ”	:	The financial period commenced 1 January 2020 and ended 30 June 2020
“ S\$ ” and “ Cents ”	:	Singapore dollars and cents, respectively
“ % ” or “ per cent ”	:	Percentage or per centum

In this Circular:

- (a) The terms “**Depositor**”, “**Depository Register**”, and “**Depository Agent**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.
- (b) The terms “**subsidiary**”, “**treasury share**”, “**related company**”, and “**substantial Shareholder**” shall have the same meanings ascribed to them respectively in the Companies Act.
- (c) The term “**subsidiary holdings**” shall have the same meaning ascribed to it in the Listing Manual.
- (d) Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.
- (e) References to persons shall, where applicable, include corporations.
- (f) Unless otherwise provided, references to Sections are to sections of this Circular.
- (g) The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.
- (h) Any reference in this Circular to any enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the Listing Manual, or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, the SFA, the Listing Manual, or any statutory modification thereof, as the case may be, unless otherwise provided.
- (i) Any reference to a time of a day or date in this Circular shall be a reference to Singapore time and dates unless otherwise stated.
- (j) Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.
- (k) The words “**written**” and “**in writing**” include, where the context requires, any means of visible reproduction.

DEFINITIONS

- (l) Various names with Chinese characters have been translated into English names. These translations are provided solely for convenience. The English translations may not have been registered with the relevant authorities and should not be construed as representations that the English names actually represent the names in Chinese characters.

Cautionary Note on Forward-looking Statements

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

Dentons Rodyk & Davidson LLP has been appointed as the legal adviser to the Company as to Singapore law in respect of the Proposed Sales.

LETTER TO SHAREHOLDERS

SHS HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197502208Z)

Board of Directors:

Teng Choon Kiat (*Executive Chairman*)
Ng Han Kok, Henry (*Executive Director and Group CEO*)
Lim Siok Kwee, Thomas (*Executive Director and
CEO Corrosion Prevention Services*)
Lee Gee Aik (*Lead Independent Director*)
Oh Eng Bin, Kenneth (*Independent Non-Executive Director*)
Lee Kuo Chuen, David (*Independent Non-Executive Director*)

Registered Office:

19 Tuas Avenue 20
Singapore 638830

15 December 2020

To: The Shareholders of the Company

Dear Sir/Madam

- (I) **THE PROPOSED SALE OF THE ENTIRE SHAREHOLDING INTERESTS IN SINENERGY HOLDINGS PTE. LTD.; AND**
- (II) **THE PROPOSED SALE OF 10% SHAREHOLDING INTERESTS IN HDFC SINPOWER LIMITED.**

1. INTRODUCTION

- 1.1. As announced by the Company on 29 October 2020, the Company had on 27 October 2020 entered into a sale and purchase agreement (“**SPA (SHS-Huadian)**”) with China Huadian Hongkong Company Limited (“**CHDHK**”) for the sale of its entire shareholding interests comprising of 1,000,000 ordinary shares (“**Sinenergy Sale Shares**”) in Sinenergy Holdings Pte. Ltd. (“**Sinenergy Holdings**”) to CHDHK (“**Proposed Sinenergy Divestment**”).
- 1.2. Sinenergy Holdings is wholly owned by the Company. Upon completion of the Proposed Sales (“**Completion**”), the Company would have disposed of its entire shareholding interest in Sinenergy Holdings, and Sinenergy Holdings will cease to be a subsidiary of the Company.
- 1.3. As a requirement of the Proposed Sinenergy Divestment, Sinenergy Holdings had on 7 August 2020 entered into a share purchase agreement and a supplemental deed to such agreement dated 27 October 2020 (collectively, “**SPA (SIN-Ditrolic)**”) with Ditrolic (S) Pte. Ltd. (“**Ditrolic**”, and collectively with CHDHK, the “**Purchasers**”) for the sale of its 10% shareholding interests (“**HDFC Sale Shares**”, and together with the Sinenergy Sale Shares, the “**Sale Shares**”) comprising of 395,002 shares in HDFC Sinpower Limited (“**HDFC**”) to Ditrolic (“**Proposed HDFC Dilution**”, and collectively with the Proposed Sinenergy Divestment, the “**Proposed Sales**”). This was undertaken, as required by CHDHK and is a condition to completion of the Proposed Sinenergy Divestment under the SPA (SHS-Huadian), so that on completion of the Proposed Sinenergy Divestment, Sinenergy Holdings only holds 65% of the shareholding interests in HDFC as opposed to its current

LETTER TO SHAREHOLDERS

75% shareholding interests.¹ Please refer to the **Appendix** for a diagrammatic illustration of the Proposed HDFC Dilution.

1.4. The HDFC Sale Shares were transferred to Ditrolic under the SPA (SIN-Ditrolic) prior to full payment of the SPA (SIN-Ditrolic) Consideration (as defined below) being made. As a transitional arrangement in ensuring certainty of payment of the SPA (SIN-Ditrolic) Consideration to Sinenergy Holdings, Ditrolic had, in addition to the grant of the Call Option (as defined below) in Section 2.8 of this Circular, also entered into a declaration of trust dated 7 August 2020 in favour of Sinenergy Holdings (the “**Declaration of Trust**”), pursuant to which Ditrolic holds the HDFC Sale Shares on trust for and on behalf of Sinenergy Holdings, with effect from the date of SPA (SIN-Ditrolic), which arrangement shall terminate upon the earlier to occur of:

- (a) Sinenergy Holdings receiving the SPA (SIN-Ditrolic) Consideration in full; and
- (b) Sinenergy Holdings receiving certain documents² as prescribed in the SPA (SIN-Ditrolic) and the date of completion of the Proposed Sinenergy Divestment (“**Completion Date**”), whichever is the later,

collectively, the “**Interim Period**”.

Sinenergy Holdings shall retain beneficial ownership of the HDFC Sale Shares during the Interim Period pursuant to the Declaration of Trust. As the Proposed HDFC Dilution is a condition of the Proposed Sinenergy Divestment, CHDHK requires that the Declaration of Trust be terminated on or before the Completion Date so that on Completion, Sinenergy Holdings no longer retains beneficial ownership of the HDFC Sale Shares. Upon termination of the Declaration of Trust, Ditrolic shall be the legal and beneficial owner of the HDFC Sale Shares. In the event that the Declaration of Trust is terminated as a result of the Completion Date occurring before the full payment of the SPA (SIN-Ditrolic) Consideration, Ditrolic shall become the legal and beneficial owner of the HDFC Sale Shares, and the Company may rely on the payment mechanics under the Funds Flow Deed referred to in Section 2.6.1 of this Circular to obtain payment of the SPA (SIN-Ditrolic) Consideration from Ditrolic. Please refer to Section 2.6.1 of this Circular for details of the Funds Flow Deed.

1.5. Upon completion of the Proposed HDFC Dilution, Sinenergy Holdings will have disposed 10% of its shareholding interests in HDFC, and HDFC will only be 65% owned by Sinenergy Holdings, with the remaining 20% and 15% owned by Ditrolic and IFDC Solar Power (BD) Ltd. (“**IFDC**”) respectively.

¹ The Proposed Sinenergy Divestment and the Proposed HDFC Dilution are not inter-conditional, as the Proposed HDFC Dilution is not conditional on the Proposed Sinenergy Divestment. However, the Proposed Sinenergy Divestment is conditional on the completion of the Proposed HDFC Dilution. Please refer to Section 2.7(iv) of this Circular and the Company’s response to SGX-ST Query 2 in its announcement dated 5 November 2020.

² The other documents refer to:

- (a) a copy of the supplemental agreement to amend the services contract for project management consultancy for the Solar Power Plant entered into between HDFC as the employer and Ditrolic as the consultant in accordance with CHDHK’s requirements;
- (b) an original of the Funds Flow Deed referred to at Section 2.6.1 of this Circular; and
- (c) originals of the acknowledgements of notice of assignment duly executed by Ditrolic in respect of the assignment of the SPA (SIN-Ditrolic) by Sinenergy Holdings to the Company pursuant to the Assignment Deed referred to at Section 2.6.1 of this Circular.

LETTER TO SHAREHOLDERS

- 1.6. Please refer to the **Appendix** for an illustration of the structure of the Group before and after the Proposed Sales have been completed.
- 1.7. As:
- (a) the relative figure under Rule 1006(b) is a negative figure and the situations within paragraphs 4.3 and 4.4 of Practice Note 10.1 of the Listing Manual do not apply to the Proposed Sales; and
 - (b) the relative figure under Rule 1006(c) of the Listing Manual exceeds 20%,
- pursuant to Rule 1014 and paragraph 4.6 of Practice Note 10.1 of the Listing Manual, the Proposed Sales constitute a “major transaction” under Rule 1014 in Chapter 10 of the Listing Manual. Accordingly, the Board of Directors is convening the EGM to seek Shareholders’ approval for the Proposed Sales. Further details on the aforementioned relative figures are set out in Section 5.1 of this Circular and the financial effects of the Proposed Sales are set out in Section 5.4 of this Circular. The Conditions of SPA (SHS-Huadian) are set out in Section 2.7 of this Circular and the salient terms of the SPAs are set out in Section 2.8 of this Circular.
- 1.8. The purpose of this Circular is to provide the Shareholders with relevant information pertaining to the Proposed Sales, which will be tabled at the EGM to be convened and held by electronic means on 30 December 2020 at 10.00 a.m. The Notice of EGM is set out on pages N-1 to N-4 of this Circular.
- 1.9. The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

2. THE PROPOSED SALES

2.1. Information on Sinenergy Holdings

Sinenergy Holdings is a wholly owned subsidiary of the Company, and was incorporated on 3 December 2015 in Singapore. Sinenergy Holdings focuses on solar modules and technology ranging from solar roof systems to power plants. Sinenergy Holdings provides cutting-edge solutions, including engineering, procurement and construction of solar power projects and solar power project development, with exceptional reliability and first-class service. Sinenergy Holdings is (before the completion of the Proposed HDFC Dilution) a 75% shareholder in HDFC. Please refer to Section 1.4 of this Circular for details on the Declaration of Trust.

2.2. Information on HDFC

HDFC is a special purpose vehicle, and was incorporated on 23 February 2016 under the laws of Bangladesh. HDFC was incorporated to own, design, construct, operate and maintain the solar power plant of 50MW capacity at Sutiakhali, Mymensingh District, Bangladesh (“**Solar Power Plant**”).

LETTER TO SHAREHOLDERS

2.3. Information on CHDHK

CHDHK is a wholly owned subsidiary of China Huadian Corporation Ltd (“CHD”), and was incorporated in 2006 in Hong Kong. CHD is one (1) of the five (5) state-owned sole proprietorship power generation corporations in the People’s Republic of China (“PRC”) organised at the end of 2002, according to the national reform for electricity system. As the international investment and financing platform of CHD, CHDHK serves energy generation, coal resources development, and international trading sectors worldwide.

2.4. Information on Ditrolic

Ditrolic is one (1) of the leading provider and developer of solar power systems for commercial, industrial and large scale solar projects in South East Asia. Ditrolic is an existing 10% shareholder in HDFC.

2.5. Information on IFDC

IFDC was established in 2015 in Bangladesh for the purpose of engaging in the business of constructing, operating, managing and maintaining power plants and power grid stations and the supply of renewable energy. The management of IFDC, who collectively hold the entire shareholding of IFDC, are SK Islam and Sayed Bin Zaman, each of whom has undertaken numerous engineering and construction projects involving power plants in Bangladesh. In particular, SK Islam oversaw the engineering and construction of a 40MW heavy fuels power plant in Bangladesh. IFDC is an existing 15% shareholder in HDFC.

Please refer to Section 1.5 and the Appendix of this Circular for the respective shareholding interests of Sinenergy Holdings, Ditrolic and IFDC upon completion of the Proposed HDFC Dilution.

All information in respect of the Purchasers, IFDC and CHD are based solely on information and representations made and provided by the Purchasers, IFDC and CHD. In respect of such information, the Company has not independently verified the accuracy and correctness of the same and the Company’s responsibility is limited to ensuring that such information has been accurately and correctly extracted and reproduced in this Circular in its proper form and context.

Each of the Purchasers has further confirmed to the Company that, and to the best knowledge of the Company, saved as disclosed in this Circular and in particular in Section 2.4 in respect of Ditrolic, there is no connection (including business relationship) between the Purchasers, their respective directors and their respective controlling shareholders as well as with the Company or the Group, their respective Directors and their respective controlling Shareholders.

2.6. Base Consideration of the Sale Shares

The aggregate consideration for the Proposed Sales (“**Base Consideration**”) is US\$16,532,000 (approximately S\$22,484,000), based on the aggregate sales proceed of US\$14,400,000 (approximately S\$19,584,000), consisting of US\$12,480,000 (approximately S\$16,972,800) from the Proposed Sinenergy Divestment and US\$1,920,000 (approximately S\$2,611,200) from the Proposed HDFC Dilution, and an aggregate reimbursable costs of US\$2,132,000 (approximately S\$2,900,000), based on an exchange rate of US\$1 : SG\$1.36 as at 27 October 2020.

LETTER TO SHAREHOLDERS

SPA (SHS-Huadian)

The consideration under the SPA (SHS-Huadian) (“SPA (SHS-Huadian) Consideration”) comprise of:

- (i) US\$12,480,000 which shall be paid by CHDHK in cash, in the following manner:
 - (a) US\$9,984,000 to the Company on Completion on account of the SPA (SHS-Huadian) Consideration;
 - (b) US\$1,902,875 within thirty (30) days after the Company’s delivery of documentary evidence with respect to the completion of the Company’s disposal of shares in Sinenergy Ninh Thuan Power LLC and Solar NT Holdings Pte. Ltd. (“**Transfer of the NT Companies**”) pursuant to the share purchase agreements dated 29 March 2019 in respect of the Transfer of the NT Companies (“**NT Purchase Agreement**”)¹; and
 - (c) US\$593,125 which shall be paid on the later to occur of:
 - I. the date falling six (6) months after Completion; and
 - II. the same date on which CHDHK² makes the payment pursuant to Section 2.6(i)(b) above; and
- (ii) within five (5) days after Completion (or such other date agreed between the Company and CHDHK), CHDHK shall pay to the Company all documented costs and expenses (without double counting), including those listed in the SPA (SHS-Huadian), and all other documented costs and expenses reasonably incurred or funded by the Company for the Project (including without limitation for the purpose of procuring the mutation of all required Project Site³) between 30 June 2019 and the Completion Date, and as approved by CHDHK (such approval not to be unreasonably withheld) (“**Reimbursable Costs**”) provided such Reimbursable Costs does not exceed the cap

¹ The Company (through Sinenergy Holdings) had previously entered into an amended and restated investment agreement dated 26 December 2018 with Solar NT Holdings Pte. Ltd., Super Solar Energy Company Limited and Super Energy Group (Hong Kong) Co., Ltd. for the divestment of its interests in the solar power plant named Sinenergy Ninh Thuan I held by Sinenergy Ninh Thuan Power LLC to Super Energy Group (Hong Kong) Co., Ltd., via the transfer by Sinenergy Holdings of, first, the entire charter capital of Sinenergy Ninh Thuan Power LLC to Solar NT Holdings Pte. Ltd., and second, all of Sinenergy Holding’s shares in Solar NT Holdings Pte. Ltd. to Super Energy Group (Hong Kong) Co., Ltd. Sinenergy Ninh Thuan Power LLC and Solar NT Holdings Pte. Ltd. will cease to be subsidiaries of the Company post-divestment. As of 28 May 2020, Sinenergy Holdings had executed the transfer of 90% of the shareholding of Solar NT Holdings Pte. Ltd. to Super Energy Group (Hong Kong) Co., Ltd. The remaining 10% of the shareholding of Solar NT Holdings Pte. Ltd. is scheduled to be transferred to Super Energy Group (Hong Kong) Co., Ltd. by the end of December 2020, based on latest discussions with the relevant authorities. The transfer of the NT Companies is a wholly unrelated transaction to the Proposed Sales, and to different entities. For further information on the Transfer of the NT Companies, please refer to the announcements of the Company dated 26 December 2018 and 28 May 2020 as well as the Company’s response to SGX-ST Queries 3 and 6 in its announcement dated 5 November 2020.

² Please refer to the Company’s response to SGX-ST Query 4 in its announcement dated 5 November 2020.

³ The term “mutation” refers to the legal process of recording the new owner’s name in the Khatiyon (the land records), who have become the owner of the land by way of transfer. The owner-on-record on the Khatiyon will be responsible for paying the relevant land taxes to the government. Updating of the Khatiyon does not confer title, but is used as evidence of present possession.

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of US\$2,300,000 for such costs incurred or funded between 30 June 2019 and 30 November 2020. The Reimbursable Costs cap will be automatically increased from time to time between 1 December 2020 and the Completion Date by amounts equal to additional Reimbursable Costs incurred or funded and as approved by CHDHK.

SPA (SIN-Ditrolic)

The consideration under the SPA (SIN-Ditrolic) (“**SPA (SIN-Ditrolic) Consideration**”) comprise of:

- (i) the aggregate of US\$1,920,000; and
- (ii) reimbursement costs which is an amount equal to 1/6.5 of the Reimbursable Costs payable to the Company under the SPA (SHS-Huadian), provided such reimbursable costs under the SPA (SIN-Ditrolic) does not exceed 1/6.5 of the Reimbursable Costs cap under the SPA (SHS-Huadian),

payable within the two (2) months period commencing from the earlier of the completion of the Proposed Sinenergy Divestment and the Commercial Operations Date, to Sinenergy Holdings.

2.6.1. Assignment of SPA (SIN-Ditrolic) Consideration and Funds Flow Deed

Sinenergy Holdings had entered into a deed of assignment dated 27 October 2020 (the “**Assignment Deed**”) to assign absolutely to the Company the SPA (SIN-Ditrolic) Consideration, the Call Option and all related rights in relation to the SPA (SIN-Ditrolic) Consideration. This arrangement will result in Ditrolic paying the SPA (SIN-Ditrolic) Consideration to the Company instead of Sinenergy Holdings, and the Company shall be the holder of the Call Option.

Further, the Company, Sinenergy Holdings, Ditrolic and HDFC had entered into a funds flow deed dated 27 October 2020 (the “**Funds Flow Deed**”) pursuant to which, HDFC agrees to pay all the consideration due to Ditrolic for services rendered in relation to project management consultancy of the Solar Power Plant directly to the Company, with such payment arrangement to be discharged upon the full and final satisfaction of the SPA (SIN-Ditrolic) Consideration.

2.6.2. Determination of Consideration

The Base Consideration was arrived at after arm’s length negotiations between the Group and the Purchasers and on a willing-buyer and willing-seller basis, taking into account, *inter alia*, the rationale for and benefits to the Group arising from the Proposed Sales, details of which are set out in Section 3 of this Circular.

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2.7. Conditions of SPA (SHS-Huadian)

Completion is conditional on certain conditions (“**Conditions**”) being satisfied or waived (if permitted by applicable laws) by five (5) pm on the date falling six (6) months following the date of the SPA (SHS-Huadian), or such other time and date as may be agreed in writing between the Company and CHDHK (“**Longstop Time**”), which includes, amongst others, the following:

- (i) the provision of the certified true copies of the following documents from the relevant PRC authorities:
 - (a) Notice of the Foreign Investment Project Record-filing (境外投资项目备案通知) issued by the National Development and Reform Commission of the PRC (“**NDRC**”) as evidence of successful filing with the NDRC in relation to the acquisition of the Sinenergy Sale Shares;
 - (b) Certificate of Outbound Investment by Enterprises (企业境外投资证书) issued by the Ministry of Commerce of the PRC (“**MOFCOM**”) as evidence of successful filing with the MOFCOM in relation to the acquisition of the Sinenergy Sale Shares; and
 - (c) written evidence of successful foreign exchange registration with State Administration of Foreign Exchange of the PRC or with the relevant foreign exchange remitting bank in relation to the registration of CHDHK for foreign exchange control purposes in relation to the acquisition of the Sinenergy Sale Shares, or, where such registration is not applicable, a certificate issued by an authorised representative of CHDHK describing such non-applicability under the applicable laws of the PRC;
- (ii) the Company having obtained its Shareholders’ approval and approvals from the SGX-ST in connection with the transfer of the Sinenergy Sale Shares, and HDFC having entered into an indemnity deed (in form and substance satisfactory to the Company and CHDHK) in favour of the Company in respect to the indemnity contemplated at Section 2.8(f)(iii) below;
- (iii) the Company having procured the convening of an EGM for the purpose of approving the Proposed Sinenergy Divestment by its Shareholders, and having procured each of Teng Choon Kiat and Ng Han Kok¹ to sign and deliver to CHDHK a letter in form and substance reasonably satisfactory to it, undertaking that he will, either personally or through his representative, attend the EGM and exercise all his voting rights attaching to his shares in the Company at the time of the EGM to vote in favour of the Proposed Sinenergy Divestment;
- (iv) the Company having provided written evidence to the reasonable satisfaction of CHDHK that the transfer of the HDFC Sale Shares has been completed or will be completed upon Completion;
- (v) the Company having provided written evidence to the reasonable satisfaction of CHDHK that HDFC has obtained an extension of the Required Commercial Operations Date (as defined in the Power Purchase Agreement) from BPDB to 30 June 2020;

¹ Please refer to Section 7.1 of this Circular on the direct and deemed shareholding interests of Teng Choon Kiat and Ng Han Kok.

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- (vi) the Company having provided written evidence to the reasonable satisfaction of CHDHK that¹:
- (a) Sinenergy Holdings has paid up and discharged all of Sinenergy Holdings' outstanding liabilities under the S\$5,000,000 line of credit granted by United Overseas Bank Limited to the Company for the purpose of, among others, maintaining the Performance Security Deposit (as defined in the Power Purchase Agreement) and the intercompany loans listed in the SPA (SHS-Huadian) extended by the Company; and
 - (b) HDFC has paid up and discharged all of its and Sinenergy Holdings' outstanding liabilities under the Power Purchase Agreement demanded by BPDB before Completion, provided that this Condition is deemed satisfied if HDFC does not receive any written demand from BPDB in respect of any amount for which HDFC has not settled, by the date on which all other Conditions (other than this Condition) have been satisfied or waived (if permitted)²;
- (vii) the Company having procured an extension of the Performance Security Deposit (as defined in the Power Purchase Agreement) provided by Sinenergy Holdings to BPDB under and in accordance with the Power Purchase Agreement until at least 30 November 2020;
- (viii) where the Transfer of the NT Companies is not completed by the date on which all other Conditions (other than this Condition and the Condition in sub-paragraph (vi)(b) above) have been satisfied or waived (if permitted):
- (a) the Company having delivered a certified true copy of the NT Purchase Agreement fully executed by parties thereto in respect of the Transfer of the NT Companies (to the extent still pending completion) evidencing that the Transfer of the NT Companies is intended to be completed by 31 December 2020 and a copy of all regulatory approvals as may be required in Vietnam for the completion of the Transfer of the NT Companies; and
 - (b) Sinenergy Holdings having entered into, and granted an irrevocable power of attorney ("**POAs**") to individuals nominated by the Company to fully represent Sinenergy Holdings in all matters and acts relating to the Transfer of the NT Companies after Completion, in form and substance satisfactory to CHDHK,

¹ The outstanding liabilities are set out below. Please also refer to the Company's response to SGX-ST Query 5 in its announcement dated 5 November 2020.

- UOB line of credit: Sinenergy Holdings' outstanding liabilities under the UOB line of credit are US\$900,000, contingent on the Performance Security Deposit being called upon by BPDB. Further, any liabilities of the Company under the Company's UOB line of credit will be equivalent to the amount called under the Performance Security Deposit. To date, the Performance Security Deposit has not been called, so there is currently no outstanding liability under the Company's UOB line of credit; and
- Power Purchase Agreement: Sinenergy Holdings does not have any direct liability under the Power Purchase Agreement. Only HDFC is directly liable under the Power Purchase Agreement. Following previous delays in achieving the Commercial Operations Date, BPDB may impose on HDFC up to US\$912,500 of delay liquidated damages under the Power Purchase Agreement. To date, BPDB has not issued any claim or demand against HDFC for delay liquidated damages.

² The Performance Security Deposit is required to be maintained in accordance with the Power Purchase Agreement even after the Completion Date. Liabilities under the Power Purchase Agreement which are discharged by BPDB drawing on the Performance Security Deposit will not be considered outstanding liabilities under the Power Purchase Agreement for the purpose of sub-paragraph (b).

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and if the Transfer of the NT Companies is completed before the date on which all other Conditions (other than this Condition and the Condition in sub-paragraph (vi)(b) above) have been satisfied or waived (if permitted), documentary evidence with respect to the completion of the Transfer of the NT Companies;

- (ix) the Company having procured the GOB to issue a letter to HDFC consenting to Sinenergy Holdings being the Lead Shareholder (as defined in the Implementation Agreement);
- (x) the Company having provided written evidence of amendment to the Articles of Association of HDFC and its share certificates to include the appropriate legends evidencing certain restrictions contained in the Implementation Agreement;
- (xi) the Company having procured that HDFC has entered into agreements of termination and mutual release with Bark Engineering & Construction Ltd., Sterling and Wilson Pvt. Ltd., DEVCONSULTANTS Ltd., M/S S.ALAM Construction and EQMS Consulting Limited with respect to the interim agreement and/or contract agreements previously signed with them¹;
- (xii) the Company having procured that Sinenergy Holdings has entered into an agreement of termination and mutual release with Ditrolic with respect to the services contract entered into between Ditrolic and Sinenergy Holdings dated 1 November 2016 for consultancy work for the Project;
- (xiii) the Company having procured that HDFC has renewed the no objection certificates for the Project and consents for Project Site clearance and Environmental Clearance Certificate pursuant to the Local Government (Thana Parishads and Thana Administration, Reorganization) Ordinance, 1982 (Order No. LIX of 1982), as amended;
- (xiv) the Company having procured that HDFC has obtained amendment to the Registration of Proposed Industrial Project amending the required date of project implementation to 30 June 2020;
- (xv) the Company having procured HDFC or its legal counsel to issue to GOB a letter requesting GOB's confirmation that the shareholder loan agreements to be entered into between HDFC and its shareholders are Financing Documents and the shareholders to such shareholder loan agreements are Lenders (each as defined in the Implementation Agreement);
- (xvi) the Company delivering evidence to CHDHK's reasonable satisfaction of HDFC's ownership and leasehold interest of all rights to use the Project Site, free from all encumbrances and with no pending or unresolved litigation, and all purchased Project Site has been mutated into the name of HDFC at the office of Assistant Commissioner of Land;

¹ These interim agreement and contract agreements were in relation to contracts previously entered into for previous works done for the project, including interim construction works. The Company does not expect to be exposed to any liability arising from the terminations and/or mutual releases.

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- (xvii) the Company having provided written evidence to the reasonable satisfaction of CHDHK that the Company's disposal of shares in Sinenergy Pte Ltd, Sinenergy Engineering Pte Ltd, Hua Sheng Energy Pte Ltd and Sinenergy TL Energy Joint Stock Company has been completed¹;
- (xviii) if and to the extent that the entry into and performance of such tripartite agreement is permitted under Bangladesh laws, the Company having procured that HDFC and Sinenergy Holdings enters into a tripartite agreement with IFDC, which shall be in full force and effect on or before the Completion Date, so as to (i) transfer IFDC's obligation to pay US\$1,500,000 to Sinenergy Holdings, from IFDC to HFDC, and (ii) at the same time set off HDFC's obligation to pay US\$1,500,000 to IFDC, subject to certain conditions under the tripartite agreement being met; and
- (xix) if and to the extent that the entry into and performance of such tripartite agreement is permitted under Bangladesh laws, the Company having procured that HDFC and Sinenergy Holdings have entered into a tripartite agreement with Ditolric, which shall be in full force and effect on or before the Completion Date, to transfer Sinenergy Holding's obligation to pay Ditolric US\$176,470, from Sinenergy Holdings to HDFC.

These Conditions were requested by CHDHK largely to ensure that sale assets under the SPA (SHS-Huadian) are in a state and condition required by CHDHK before Completion takes place, following CHDHK's internal due diligence and approval processes. These largely relate to obtaining necessary approvals, restructuring of the Company and its contractual arrangements as required by CHDHK, terminating unnecessary contracts and following through with administrative procedures in relation to the Project.

2.8. Salient terms of the SPAs

The other salient terms of the SPAs are as follows:

SPA (SHS-Huadian)

(a) Operation of Group Companies

Pending Completion, the Company shall procure that (subject to certain permitted actions in the SPA (SHS-Huadian) and to the extent permitted by applicable laws) each Group Company shall continue to operate in the ordinary course of business consistent with past practice, while preserving the value of its assets, goodwill and current business relationships and maintaining its trading and financial position, and in accordance with all applicable laws.

¹ The disposal of shares in Sinenergy Pte Ltd, Hua Sheng Energy Pte Ltd and Sinenergy TL Energy Joint Stock Company are part of an internal restructuring of the Group, undertaken such that at completion of the Proposed Sinenergy Divestment, Sinenergy Holdings holds only HDFC and (pending completion of the Transfer of the NT Companies) the NT Companies. None of the shares of these entities are transferred to any entity outside the Group. As disclosed in the Company's announcement dated 5 November 2020, the shares of Sinenergy Pte Ltd and Hua Sheng Energy Pte Ltd have already been transferred to Sinenergy Power International Pte Ltd, which is a wholly owned subsidiary of the Company. Separately, pursuant to the Company's announcement dated 12 May 2020, Sinenergy Engineering Pte Ltd has been struck off from the Register of Companies pursuant to Section 344A of the Companies Act with effect from 4 May 2020.

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(b) Restrictions on Group Companies

From the date of SPA (SHS-Huadian) and until Completion, the Company shall procure that, subject to certain permitted actions in the SPA (SHS-Huadian) and to the extent permitted by applicable competition laws) no Group Company shall or shall agree to (whether conditionally or not), undertake certain actions customary of pre-Completion undertakings in transactions of such nature, including the following:

- (i) change its issued share capital in any way (including the creation of new shares, the redemption or repurchase of shares or any reduction of capital) or grant any option or right to subscribe for any shares or other securities convertible into shares;
- (ii) change any rights attached to any of its shares;
- (iii) declare, pay or make any dividend or other distribution or capitalise any reserves;
- (iv) change its constitutional or governing documents;
- (v) pass any resolution of its shareholders or any class of its shareholders that is inconsistent with the purposes and objectives of SPA (SHS-Huadian);
- (vi) change its auditors, the date to which its annual accounts are prepared or its accounting principles, procedures or practices;
- (vii) enter into any kind of insolvency process or any arrangement with its creditors generally;
- (viii) undertake any merger, demerger or any other kind of business combination or reorganisation;
- (ix) acquire or dispose of:
 - a. any shares or any other interest in any company, business or partnership;
 - b. any real property or interest in real property;
 - c. any intellectual property; or
 - d. any other asset (except current assets in the ordinary course of business);
- (x) grant any interest in any real property or vary the terms of, or waive any rights under, any lease of real property;
- (xi) grant any interest in any intellectual property it owns (except in the ordinary course of business), or cancel or fail to renew any registration of any registered intellectual property it owns;
- (xii) create any encumbrance over any of its assets or undertaking (except in the ordinary course of business);

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- (xiii) enter into, amend or terminate any agreement or arrangement with the Company Group (other than in the ordinary course of business on arm's length terms);
- (xiv) waive any amounts owed to it by, or any rights it has against, the Company Group;
- (xv) enter into, amend or terminate any joint venture or partnership arrangement;
- (xvi) enter into, amend or terminate any agreement, contract, instrument, invoice, purchaser order, warranty or legally binding commitment or undertaking of any nature to which any Group Company is a party or subject and under which such Group Company or any other person has a continuing right, obligation or liability except those relating to employment, insurance policies and leases or sub-leases for land and buildings owned or leased by any Group Company, other than for the purpose of fulfilling the Conditions;
- (xvii) incur any expenditure, make any payment or transfer any fund which, when aggregated with all expenditure incurred, payment made or fund transferred by it and all other Group Companies since the date of this agreement, exceeds US\$100,000;
- (xviii) incur any borrowings or make any loans (except for certain permitted exceptions);
- (xix) give any guarantee or indemnity in relation to the obligations or liabilities of any other person (except another Group Company);
- (xx) cancel or fail to renew any of its insurance policies or do or omit to do anything which would make any such policy void or voidable;
- (xxi) commence or settle any dispute or legal or arbitral proceedings involving an amount in excess of US\$100,000 (except when required by insurers), or waive any right in relation to any such dispute or proceedings;
- (xxii) appoint or remove any officer;
- (xxiii) engage, or (except for serious misconduct) dismiss or give notice of dismissal to, any employee (except as a result of any engagement or dismissal process that had commenced before the date of this agreement);
- (xxiv) make any changes to the terms and conditions of employment (including remuneration and benefits) of any of its officers or employees;
- (xxv) enter into, amend or terminate any collective agreements or other arrangements with any trade union, works council or other employees' representative body; or
- (xxvi) establish, participate in or contribute to any new pension scheme or grant any new retirement, death or disability benefit.

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Permitted Actions

- (i) Sections 2.8(a) and (b) shall not restrict or prevent a Group Company from doing anything:
 - a. required by, or to give effect to, any Acquisition Document;
 - b. to give effect to the Transfer of the NT Companies;
 - c. with CHDHK's prior written consent; or
 - d. to comply with any applicable law or requirements of any authority.
- (ii) For the purpose of Section 2.6(ii), CHDHK consents to and approves payments by Sinenergy Holdings and HDFC in respect of matters detailed in SPA (SHS-Huadian).

Sections 2.8(a) and (b) set out the undertakings given by the Company for the purpose of preserving the state and condition of the sale assets under the SPA (SHS-Huadian), unless otherwise permitted by CHDHK.

(c) Pre-completion termination

- (i) SPA (SHS-Huadian) shall terminate automatically at the Longstop Time if any Condition has not then been satisfied or waived (if permitted).
- (ii) CHDHK may terminate the SPA (SHS-Huadian) at any time before Completion by notice to the Company where:
 - a. there has been a material breach by the Company of any warranty, save for a breach of certain warranties relating to the Power Purchase Agreement and/or the Implementation Agreement;
 - b. (subject to the permitted actions stated in the SPA (SHS-Huadian)) there has been a material breach by the Company of the restrictions described in Sections 2.8(a) and (b) above;
 - c. if caused by wrongful act or omission of the Company, the Power Purchase Agreement, the Implementation Agreement and/or the guarantee entered into between HDFC and the People's Republic of Bangladesh (represented by the Ministry of Energy and Mineral Resources) dated 20 September 2018 relating to the Project, is terminated in accordance with their respective terms thereof;
 - d. if caused by wrongful act or omission of the Company, the GOB issues a GOB Notice of Default (as defined in the Implementation Agreement), or BPDB issues a BPDB Notice of Default (as defined in the Power Purchase Agreement), in either case not cured in accordance with the Implementation Agreement or the Power Purchase Agreement (as applicable) by the time immediately before the last Condition is fulfilled; or

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- e. any event or circumstance has occurred after the date of the SPA (SHS-Huadian) that has or could reasonably be expected to have a material adverse effect on the assets, liabilities, or financial condition of any Group Company in excess of US\$500,000 such that any of the investment conditions prescribed in the investment approval of CHD for the Project cannot be fulfilled as certified by an authorised representative of CHDHK, excluding where the Project is at least as economically viable in scale, complexity and value at the relevant time than other similar new solar power projects in Bangladesh, and further provided that the Purchaser has issued a notice to the Company requesting a good faith consultation meeting, and no mutual agreement has been reached by the parties in good faith as to the required remedial measures to address such material adverse effect within one week from the date of the Company's receipt of such notice.

This Section 2.8(c) sets out the circumstances under which CHDHK may terminate the SPA (SHS-Huadian) before Completion occurs, generally due to:

- (i) failure to fulfil conditions required to be completed before Completion occurs;
- (ii) material breaches of the SPA (SHS-Huadian) by the Company;
- (iii) defaults under the Implementation Agreement, the Power Purchase Agreement and/or the guarantee entered into between HDFC and the People's Republic of Bangladesh; or
- (iv) material changes to the state and condition of the sale assets under the SPA (SHS-Huadian).

(d) **Consequences of Breach**

After Completion and subject to Section 2.8(e) below, without restricting the rights of CHDHK or the ability of CHDHK to claim damages on any basis available to it, if there is a breach of any warranty the Company shall, immediately on demand by CHDHK, pay to CHDHK an amount equal to:

- (i) any shortfall or diminution in the value of any asset of any Group Company from that which it would have been had the warranty not been breached, save that CHDHK shall not be entitled to make a claim under this clause for any breach of certain warranties related to the Power Purchase Agreement and/or the Implementation Agreement; and
- (ii) all costs and expenses (together with any GST/VAT and any applicable taxes on them) which may be reasonably incurred by the CHDHK Group as a result of or in connection with any breach of the warranty.

The Company and CHDHK agree that any payment made pursuant to this Section 2.8(d) shall be calculated without reference to the common law rules relating to claims for damages for breach of warranty.

This Section 2.8(d) sets out the measure of compensation payable by the Company after Completion, in the event the Company breaches a warranty under the SPA (SHS-Huadian).

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(e) Company's Undertakings/Indemnities

- (i) The Company shall indemnify and keep CHDHK indemnified on an after-tax basis (if tax is payable by CHDHK on an amount received by it under this Section 2.8(e)) and hold CHDHK harmless from and in respect of:
- a. any losses arising out of the ownership of Sinenergy Ninh Thuan Power Limited Liability Company and Solar NT Holdings Pte. Ltd., the NT Purchase Agreement and the POAs;
 - b. any losses arising out of the withdrawal and the discharge from the Financing Program for JCM Model Projects in FY2015 administered by the Global Environment Centre Foundation and the cancellation of any purchase orders related to the Panasonic Solar Module Purchase Agreement¹;
 - c. any losses arising out of the failure by any Group Company to pay up and discharge all of its outstanding liabilities arising before Completion under the Power Purchase Agreement and/or the Implementation Agreement;
 - d. any losses arising out of any resulting liability arising from the imposition of delay liquidated damages on HFDC as a result of the HFDC's failure to achieve Commercial Operations Date by the original Required Commercial Operations Date (as defined in the Power Purchase Agreement) of 18 April 2018, the first extended Required Commercial Operations Date (as defined in the Power Purchase Agreement) of 31 October 2019 and the second extended Required Commercial Operations Date (as defined in the Power Purchase Agreement) of 30 June 2020;
 - e. any losses arising out of any resulting liability arising from HDFC's failure to comply with the Implementation Agreement or the Power Purchase Agreement occurring before Completion including, but not limited, to any irregularities concerning HETAT being defined as the Lead Shareholder (each as defined in the Implementation Agreement) and any other matters relating to share transfer restrictions set out in the Implementation Agreement; and
 - f. any losses arising out of any claims made by Pacific Consultants Co., Ltd or Swiss Re International SE against Sinenergy Holdings under an Agreement on Implementation of JCM Model Project dated 5 April 2017 and its corresponding performance bond².

¹ Losses arising from the withdrawal from the Financing Programme and cancellation of the purchase orders were S\$353,000, which have been reflected in the financial statements of the Company for FY2019, as contained in the annual report of the Company dated 9 April 2020. The relevant parties to these arrangements have reached a settlement, and there should not be any further losses arising from the withdrawal from the Financing Programme and the cancellation of the purchase orders.

² There should not be any claims by Pacific Consultants Co., Ltd or Swiss Re International SE against Sinenergy Holdings under the Agreement on Implementation of JCM Model Project dated 5 April 2017 and its corresponding performance bond, which have been terminated.

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- (ii) The Board is of the opinion that the undertakings/indemnities in Section 2.8(e)(i) of this Circular are not prejudicial to the Company's interests and will not result in any losses taking into consideration the following factors¹:
- (aa) In relation to the indemnity in sub-paragraph a.:
- (I) the indemnity was required by CHDHK as CHDHK wishes to acquire only the Company's interests in the Project, via acquiring from the Company the shares of Sinenergy Holdings which should eventually only hold the shares of HDFC. As such, the shares of Solar NT Holdings Pte Ltd and Sinenergy Ninh Thuan Power LLC are intended to be entirely transferred out from the ownership of Sinenergy Holdings, and CHDHK does not agree to be responsible for any liability arising out of Sinenergy Holding's ownership of Solar NT Holdings Pte Ltd and Sinenergy Ninh Thuan Power LLC, and the Transfer of the NT Companies. In the event that the Transfer of the NT Companies is not completed by the Completion Date, CHDHK requires that the same be completed as soon as possible after the Completion Date. Therefore, parties agreed that a part of the SPA (SHS-Huadian) Consideration will be withheld as an incentive for the Company to procure the completion of the Transfer of the NT Companies; and
- (II) Sinenergy Holdings had executed the transfer of 90% of the shareholding of Solar NT Holdings Pte Ltd to Super Energy Group (Hong Kong) Co., Ltd. as of 28 May 2020, and the transfer of the remaining 10% shareholding of Solar NT Holdings Pte Ltd to Super Energy Group (Hong Kong) Co., Ltd. remains outstanding and is scheduled to be transferred by the end of December 2020, based on latest discussions with the relevant authorities.
- (bb) the matters raised in sub-paragraphs b. and f. are in relation to the participation by Sinenergy Holdings and HDFC in the Financing Program for JCM Model Projects in FY2015 administered by the Global Environment Centre Foundation. Such participation was for the purpose of obtaining a grant to part-finance the Project, and was arranged by Pacific Consultants Co., Ltd. One of the conditions to obtaining the grant was to purchase solar panels from Panasonic. Due to unforeseen circumstances, the relevant parties agreed to withdraw from the program and terminate the arrangements relating such program. Some termination and settlement agreements have been signed with the relevant parties (including PCKK and Panasonic). As such, the Board is of the opinion that the risk is sufficiently mitigated.
- (cc) In relation to sub-paragraphs c., d. and e., neither BPDB nor GOB has issued any notices of claims or demands to HDFC or Sinenergy Holdings. In any case, these losses are limited to losses arising from any resulting liability from any breach or failure to comply by Sinenergy Holdings or HDFC with the terms under the Power Purchase Agreement and/or the Implementation Agreement before completion of the Proposed Sinenergy Divestment. Following previous delays in achieving the Commercial

¹ For further information on the Board's opinion on the undertakings/indemnities in Section 2.8(e)(i) of this Circular, please refer to the Company's response to SGX-ST Query 8 in its announcement dated 5 November 2020.

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Operations Date, BPDB may impose on HDFC up to US\$912,500 of delay liquidated damages under the Power Purchase Agreement. However, the Company's maximum liability in respect of all claims in relation to loss arising out of any liability or losses incurred or suffered by HDFC are limited to 65% of such loss, and specifically those claims in relation to delay liquidated damages imposed by BPDB under the Power Purchase Agreement arising from delays in achieving the Commercial Operations Date prior to completion of the Proposed Sinenergy Divestment, are limited to 65% of US\$912,500. In any case, to date, BPDB has not issued any claim or demand against HDFC for delay liquidated damages.

(f) Company's Restrictive and Positive Covenants

(i) Names and goodwill

The Company shall not, and shall procure that the Company Group shall not, at any time after Completion, directly or indirectly:

- (a) use, in Bangladesh, any company or trading name, domain name, logo or trade or service mark (whether registered or unregistered) which includes the word "Sinenergy", or any word or device which is confusingly similar;
- (b) use, in Bangladesh, the word "HETAT", or any word or device which is confusingly similar, in the energy sector; or
- (c) do or say anything which is intended to damage the goodwill or reputation of any Group Company, or which is likely to lead any person to cease to do business with any Group Company on substantially equivalent terms to those previously offered, or not to engage in business with any Group Company.

(ii) Group's names and goodwill

CHDHK shall not, and shall procure that the CHDHK Group shall not, at any time after Completion, directly or indirectly do or say anything which is intended to damage the goodwill or reputation of any Company Group, or which is likely to lead any person to cease to do business with any Company Group on substantially equivalent terms to those previously offered, or not to engage in business with any Company Group.

Sections 2.8(f)(i) and (ii) are given by the Company and CHDHK to protect each party's goodwill or reputation after Completion.

(iii) Maintenance of Performance Security Deposit

Provided that Completion has occurred, the Company shall maintain the Performance Security Deposit (as defined in the Power Purchase Agreement) until a date falling up to fourteen (14) days after the Completion Date, and CHDHK shall procure HDFC to fully indemnify and keep the Company fully indemnified on an after-tax basis (if tax is payable by the Company on any amount received by it under this covenant) and hold the Company harmless from and in respect of any losses arising out of such facilitation by the Company. The

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Performance Security Deposit will be maintained by credit support from CHDHK and/or the other shareholders of HDFC (without the involvement of the Company) after the expiration of the fourteen (14) days period.

This Section 2.8(f)(iii) sets out the transitional arrangement with respect to the maintenance of the Performance Security Deposit required to be furnished under the Power Purchase Agreement, after Completion.

(iv) Particulars of Owned Property

The Company shall deliver to CHDHK, no later than the earlier of the Completion Date or thirty (30) days after the SPA (SHS-Huadian), brief particulars of the land and buildings owned by any Group Company in form reasonably satisfactory to CHDHK ("**Particulars of Owned Property**"). By the time CHDHK delivers the Particulars of Owned Property, if the Completion has not occurred and the Project Site purchased by HDFC has not been fully mutated into the name of HDFC at the office of Assistant Commissioner of Land, the Company shall deliver an update to the Particulars of Owned Property to CHDHK on the Completion Date, reflecting the updated status of the mutation of the land forming the Project Site¹ owned by any Group Company as of the Completion Date.

Section 2.8(f)(iv) sets out the arrangement in relation to the provision by the Company of particulars of the land and buildings owned by the Group Companies.

(v) Exclusivity

(a) The Company undertakes that, from the SPA (SHS-Huadian) until the earliest of the Longstop Time, the Completion Date or the date of termination of SPA (SHS-Huadian) (the "**Exclusivity Period**"), CHDHK has the exclusive right to acquire any of the Company's share or equity interest in the Group Companies and any material assets, rights, benefits or interests in the Project, and the Company shall not, and shall procure that its affiliates (including the Group Companies) will not, directly or indirectly,

(I) transfer, novate or dispose of any of:

(A) its share or equity interest (including any shares or equity interest in any Group Company), or

(B) any material assets, rights, benefits or interests,

in the Project owned directly or indirectly by it, to any entity or person other than CHDHK (the "**Disposal**");

(II) solicit proposals or offers from any entity or person other than CHDHK relating to or in respect of the Disposal; or

¹ The term "mutation" refers to the legal process of recording the new owner's name in the Khatiyani (the land records), who have become the owner of the land by way of transfer. The owner-on-record on the Khatiyani will be responsible for paying the relevant land taxes to the government. Updating of the Khatiyani does not confer title, but is used as evidence of present possession.

LETTER TO SHAREHOLDERS

(III) consider, discuss, negotiate or accept any proposal or offer from any entity or person other than CHDHK relating to or in respect of the Disposal.

(b) The Company shall procure that, during the Exclusivity Period, none of its directors, officers, employees or agents, and none of the directors, officers, employees or agents of its affiliates (including the Group Companies) (other than those appointed or nominated by IFDC or Ditrolic) will directly or indirectly do any of the things described in sub-paragraphs (a)(I) to (a)(III) above.

This Section 2.8(f)(v) requires the Company to deal exclusively with CHDHK during the Exclusivity Period with regard to the sale of the sale assets under the SPA (SHS-Huadian).

SPA (SIN-Ditrolic)

(a) **Call Option**

As a transitional arrangement in ensuring certainty of payment of the SPA (SIN-Ditrolic) Consideration to Sinenergy Holdings, Ditrolic had, in addition to entering a Declaration of Trust in Section 1.4 of this Circular, granted Sinenergy Holdings a call option (“**Call Option**”) under the SPA (SIN-Ditrolic), which allows Sinenergy Holdings to require a transfer back itself, portions of the HDFC Sale Shares which remain unpaid by an agreed time.

In the event that the SPA (SIN-Ditrolic) Consideration is not fully paid to Sinenergy Holdings:

- (i) the last day of the Extended Payment Period; or
- (ii) where the SPA (SHS-Huadian) is terminated, the later to occur of:
 - (A) the date of termination of the SPA (SHS – Huadian); and
 - (B) the Commercial Operations Date,

Sinenergy Holdings shall have the right at any time thereafter to exercise a Call Option to require Ditrolic to sell all or part of the unpaid proportion (being the proportion (expressed as a percentage) borne by the amount of the SPA (SIN-Ditrolic) Consideration which remains unpaid at the relevant time to the total amount of the SPA (SIN-Ditrolic) Consideration) of the HDFC Sale Shares at the time of such exercise, up to the maximum number of shares which Ditrolic is permitted to transfer to Sinenergy Holdings set out in the Implementation Agreement, (the “**Repurchase Shares**”), free from all encumbrances, to Sinenergy Holdings or any of its designated nominees by issuing a Call Option exercise notice to Ditrolic (as prescribed in the SPA (SIN-Ditrolic), and Ditrolic shall transfer all (and not only part of) of the Repurchase Shares to Sinenergy Holdings at a price of US\$1.00, the receipt of which is hereby acknowledged by Ditrolic. The Call Option is exercisable more than once, provided that the Call Option shall cease to be exercisable once the unpaid proportion of the HDFC Sale Shares, which has not been sold to Sinenergy Holdings pursuant to an exercise of the Call Option, has been paid for in full on a *pro rata* basis. In addition,

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pursuant to the SPA (SIN-Ditrolic), the Call Option will be removed upon the occurrence of Sinenergy Holdings receiving certain documents (including the Funds Flow Deed) as prescribed in the SPA (SIN-Ditrolic) and the date of completion of the Proposed Sinenergy Divestment, whichever is the later. Please refer to Section 2.6.1 of this Circular for details of the Funds Flow Deed.

3. RATIONALE FOR THE PROPOSED SALES

The Proposed Sales were made pursuant to an offer to purchase received by the Group from the Purchasers. The Board, after careful consideration, is of the view that it is in the best interests of the Group to undertake the Proposed Sales for the following reasons:

- (a) The Solar Power Plant was originally slated for completion on 18 April 2018. However, the progress of the Project was substantially delayed due to outstanding land issues, regulatory approvals, delays in obtaining financing and inclement weather conditions, as disclosed in the Company's previous announcements dated 23 October 2018, 26 December 2018 and 20 February 2019. Although HDFC was able to obtain extensions to the Commercial Operations Date, liquidated damages were, and will continue to be, imposed for failure to achieve the Commercial Operations Date and any extended Commercial Operations Date;
- (b) Notwithstanding the commencement of work on the Project as disclosed in the Company's previous announcements dated 31 October 2019 and 22 January 2020, given the Project's high capital and cost intensive nature, in the absence of a secured source of external financing, the Group is concerned that it might face further difficulties, in addition to those disclosed in Section 3(a) above, in continuing to support the construction, operation and growth of the Project. The Proposed Sales would minimise loss of the Group's entire investment on the Project and/or represent an opportunity for the Group to realise the value of the Sale Shares to a ready and willing buyer, in a time and cost-efficient manner, notwithstanding that this may be below the book value of the Sale Shares (please refer to Section 5.3 below for further details);
- (c) the Group had previously approached several prospective parties (including the Purchasers) with regards to the proposed divestment of its equity interest in the Project. However, given that the activities of the Project are specialised and limited to a specific geographical market, the Group was unable to proceed with any meaningful or serious discussions with the other parties either due to a lack of interest or comparatively unattractive proposals. Accordingly, the Board decided to proceed with the Proposed Sales with the Purchasers after considering all other alternative proposals or divestment options available to the Group in relation to its equity interest in the Project;
- (d) as at the date of this Circular, save for the offer from the Purchasers, the Board has not received any other firm or formal offer for its equity interest in the Project, which is comparable in nature, size and scope to the Proposed Sales. Accordingly, the Board decided to proceed with the Proposed Sales with the Purchasers after considering all other alternative proposals or divestment options available to the Group in relation to its equity interest in the Project; and

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- (e) the Proposed Sales present a good opportunity for the Group to realise cash flow for its other businesses. The net sale proceeds can then be utilised for the purposes set out in Section 4 below. With the Proposed Sales, management can also better focus its time and attention on its other businesses and exploring other investment opportunities for the Group.

The Board is of the view that the Proposed Sales will not have any material effect on the Group's remaining and future business operations.

After taking into account the above, the Board after careful consideration is of the view that the Base Consideration is fair and reasonable and that the Proposed Sales are in the best interests of the Group.

4. INTENDED USE OF PROCEEDS FROM THE PROPOSED SALES

The Company expects to receive net proceeds of approximately S\$20,058,000⁽¹⁾ (after deducting all costs and expenses) from the Proposed Sales.

The net proceeds will be used for working capital and/or business expansions of the Group as the Group may deem fit in its absolute discretion as follows:–

- (a) the Group intends to utilise half of the net proceeds for working capital requirements, general corporate purposes and reducing the external borrowings of the Group. This would further strengthen the Group's balance sheet and enhance the Group's financial flexibility; and
- (b) the other half of the net proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, or used for any other purpose on a short-term basis, as the Board may deem appropriate in the interests of the Group.

Note:

- (1) Based on the Base Consideration of US\$16,532,000 (approximately S\$22,484,000, based on an exchange rate of US\$1 : SG\$1.36 as at 27 October 2020).

5. FINANCIAL EFFECTS OF THE PROPOSED SALES

5.1. Relative figures of the Proposed Sales under Chapter 10 of the Listing Manual

For the purposes of Chapter 10 of the Listing Manual, the relative figures computed on the bases set out in Rule 1006 of the Listing Manual based on the latest announced unaudited consolidated financial statements of the Group for the financial period ended 30 June 2020 ("1H2020") are set out below:

BASE OF CALCULATION		RELATIVE FIGURES (%)
(a)	NAV of the Sale Shares to be disposed of, compared with the Group's NAV	14.13% ⁽¹⁾
(b)	Net profits/(loss) ⁽²⁾ attributable to the Sale Shares to be disposed of, compared with the Group's net profits/(loss)	(13.34)% ⁽³⁾

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BASE OF CALCULATION		RELATIVE FIGURES (%)
(c)	Aggregate value of the consideration received ⁽⁶⁾ , compared with the Company's market capitalisation ⁽⁴⁾ of S\$111,671,025 ⁽⁵⁾ based on the total number of issued shares excluding treasury shares	20.13%
(d)	Number of equity securities to be issued by the Company as consideration for an acquisition, compared with the number of equity securities of the Company previously in issue	Not applicable
(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil or gas company, but not to an acquisition of such assets	Not applicable

Notes:

- (1) Based on the NAV of the Sale Shares, being approximately S\$22,314,000 as at 30 June 2020, compared with the Group's NAV, being approximately S\$157,948,000 as at 30 June 2020, based on the latest announced consolidated accounts of the Group for 1H2020. No valuation of the Sale Shares was commissioned for the purpose of the Proposed Sales.
- (2) Under Rule 1002(3)(b) of the Listing Manual, "**net profits**" means profit or loss before income tax, minority interests and extraordinary items.
- (3) The net profits attributable to the Sale Shares for the purposes of this calculation is S\$407,000, computed based on the unaudited net profits of Sinenergy Holdings for 1H2020. The Group's unaudited net loss for 1H2020 was S\$3,051,000.
- (4) Under Rule 1002(5) of the Listing Manual, "**market capitalisation**" is determined by multiplying the number of Shares in issue by the weighted average price of Shares transacted on the market day preceding the date of the SPAs.
- (5) The Company's market capitalisation is computed based on the number of issued Shares on 26 October 2020 of 685,098,312 Shares, and the weighted average price of Shares transacted on 26 October 2020 of S\$0.163 per Share, at an exchange rate of US\$1 : S\$1.36.
- (6) Based on the Base Consideration of US\$16,532,000 (approximately S\$22,484,000, based on an exchange rate of US\$1 : SG\$1.36 as at 27 October 2020).

As:

- (a) the relative figure under Rule 1006(b) is a negative figure and the situations within paragraphs 4.3 and 4.4 of Practice Note 10.1 of the Listing Manual do not apply to the Proposed Sales; and
- (b) the relative figure under Rule 1006(c) of the Listing Manual exceeds 20%,

pursuant to Rule 1014 and paragraph 4.6 of Practice Note 10.1 of the Listing Manual, the Proposed Sales constitute a "major transaction" under Rule 1014 in Chapter 10 of the Listing Manual and is therefore subject to Shareholders' approval in an EGM.

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5.2. Value Attributable to the Sale Shares

(a) Book Value

Based on the Group's unaudited consolidated financial statements of the Group for 1H2020, the book value attributable to the Sale Shares as at 30 June 2020 is approximately S\$22,314,000.

	SGD'000
Property, plant & equipment	12,964
Cash and bank balances	1,250
Prepaid Development Cost – BGD	8,663
Other Debtors	2,087
Advance – IFDC	2,090
Prepayments	1
Deposits	2
GST Receivable	2
Assets	27,059
Short Term-Loan And Borrowings – NCI	689
Other payables	2,561
Other payables – Ditrolic	246
Accruals	18
Provision of Liquidated Damages – BS	1,231
Liabilities	4,745
Book Value	22,314

(b) NTA

Based on the Group's unaudited consolidated financial statements of the Group for 1H2020, the NTA attributable to the Sale Shares as at 30 June 2020 is approximately S\$22,314,000.

(c) Latest Available Open Market Value

The open market value of the Sale Shares is not available as the Sale Shares are not listed or traded on any securities exchange. No valuation of the Sale Shares was commissioned for the purpose of the Proposed Sales.

LETTER TO SHAREHOLDERS

5.3. Deficit of Proceeds over the Book Value

Based on the Group's unaudited consolidated financial statements for 1H2020, Completion is expected to result in an accounting book loss of approximately S\$2,257,000 to the Group as set out below:

	S\$'000
SPA (SIN-Ditrolic) Consideration	22,484
Net Book Value	22,314
Less: completion cost (including legal fees, consultants' fees etc.)	(2,426)
Expected Profit/(Loss)	(2,257)

5.4. Financial Effects of the Proposed Sales

The financial effects of the Proposed Sales on the Group are set out below. The financial effects are shown for illustrative purposes only and they do not necessarily reflect the exact future financial position and performance of the Group immediately after Completion. The financial effects set out below have been calculated using the audited consolidated financial statements of the Group for FY2019.

5.4.1. Share Capital

As the Proposed Sales do not involve the issue and allotment of any new Shares, the Proposed Sales will not have any impact on the Share capital of the Company.

5.4.2. NTA

Assuming that the Proposed Sales had been completed on 31 December 2019, the effect of the Proposed Sales on the NTA per Share of the Company for FY2019 is as follows:

	Before the Proposed Sales	After the Proposed Sales
NTA (S\$'000)	143,986	141,729
Number of Shares ('000)	685,148	685,148
NTA per Share (S\$ cents)	21.02	20.69

LETTER TO SHAREHOLDERS

5.4.3. EPS

Assuming that the Proposed Sales had been completed on 1 January 2019, the effect of the Proposed Sales on the EPS of the Company for FY2019 is as follows⁽¹⁾:

	Before the Proposed Sales	After the Proposed Sales
(loss)/profit after tax (S\$'000)	(25,391)	(27, 648)
Weighted average number of Shares ('000)	685,129	685,129
EPS (S\$ cents)	(3.71)	(4.04)

Note:

(1) Computed based on an exchange rate of US\$1 : SG\$1.36 as at 27 October 2020.

6. DIRECTORS' SERVICE CONTRACTS

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

7. INTERESTS OF DIRECTORS AND/OR SUBSTANTIAL SHAREHOLDERS

7.1. Interests of the Directors and Substantial Shareholders in the Shares

Based on the Company's register of interests of Directors and register of substantial Shareholders respectively, as at the date of this Circular, the interests of the Directors and substantial Shareholders in the Shares of the Company are as follows:

	Direct Interest		Deemed Interest		Total	
	No. of Shares	(%) ⁽¹⁾	No. of Shares	(%) ⁽¹⁾	No. of Shares	(%) ⁽¹⁾
Directors						
Teng Choon Kiat ⁽²⁾	1,250,000	0.18	193,688,100	28.27	194,938,100	28.45
Ng Han Kok, Henry ⁽³⁾	–	–	120,714,653	17.62	120,714,653	17.62
Lim Siok Kwee Thomas	–	–	6,020,575	0.88	6,020,575	0.88
Lee Gee Aik	–	–	–	–	–	–
Oh Eng Bin, Kenneth	–	–	–	–	–	–
Lee Kua Chuen, David	–	–	–	–	–	–

LETTER TO SHAREHOLDERS

	Direct Interest		Deemed Interest		Total	
	No. of Shares	(%) ⁽¹⁾	No. of Shares	(%) ⁽¹⁾	No. of Shares	(%) ⁽¹⁾
Substantial Shareholders (other than Directors)						
Stone Robert Alexander ⁽⁴⁾	17,552,300	2.56	26,537,700	3.87	44,090,000	6.43

Notes:

- (1) Based on the existing issued and paid-up share capital of the Company comprising 685,098,312 Shares (excluding 25,540,900 treasury shares) as at the date of this Circular.
- (2) Teng Choon Kiat is deemed to be interested in (i) 3,970,500 shares held by a corporation wholly owned by him and (ii) 189,717,600 shares registered under CIMB Securities (Singapore) Pte Ltd.
- (3) Ng Han Kok is deemed to be interested in (i) 250,000 shares held by his spouse, (ii) 43,067,700 shares registered under Phillip Securities Pte Ltd, (iii) 38,042,526 shares registered under SBS Nominees Pte Ltd, (iv) 36,259,527 shares registered under RHB Securities Pte Ltd and (v) 3,094,900 shares registered under Maybank Kim Eng Securities Pte Ltd.
- (4) Held through OCBC Securities Private Limited.

7.2. Interests of the Directors and Substantial Shareholders in the Proposed Sales

Oh Eng Bin, Kenneth, an Independent Non-Executive Director of the Company, is a Senior Partner at the law firm of Dentons Rodyk & Davidson LLP (“**Dentons**”). A legal team from Dentons led by another Senior Partner thereof is advising the Company as to Singapore law in relation to the Proposed Sales.

Save as disclosed herein, none of the Directors nor, to the best of the Directors’ knowledge, any of the substantial Shareholders, has any interest, whether direct or indirect, in the Proposed Sales or the Purchasers, other than through their respective shareholdings in the Company (if any).

8. DIRECTORS’ RECOMMENDATIONS

Having considered, *inter alia*, the terms, the rationale, the benefits, and the financial effects of the Proposed Sales, the Directors are of the view that the Proposed Sales are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of the Ordinary Resolution in relation to the Proposed Sales to be proposed at the EGM.

Shareholders are advised to read this Circular in its entirety, in particular the rationale for the Proposed Sales and for those who may require advice in the context of his specific investment, to consult his stockbroker, bank manager, solicitor or other professional adviser.

9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be held by electronic means on 30 December 2020 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolution set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

10. ACTION TO BE TAKEN BY SHAREHOLDERS

- 10.1 Due to the current COVID-19 restriction orders in Singapore, in lieu of in person attendance at the EGM by Shareholders, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by (a) watching the EGM proceedings via “live” audio-visual webcast or listening to the EGM proceedings via “live” audio-only stream, (b) submitting comments, queries and/or questions in advance of the EGM, and/or (c) voting by proxy at the EGM. Please refer to the Section entitled “Notes” in the Notice of EGM set out on pages N-1 to N-4 herein for these alternative arrangements.
- 10.2 Shareholders who wish to vote at the EGM should complete, sign and return the Proxy Form attached to this Circular, appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the EGM, in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company at 19 Tuas Avenue 20, Singapore 638830 not less than forty-eight (48) hours before the time appointed for the holding of the EGM.
- 10.3 The Proxy Form or instrument or form appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:
- (a) if in hard copy and by post, the Proxy Form must be lodged at the registered office of the Company at 19 Tuas Avenue 20, Singapore 638830; or
 - (b) if submitted electronically, the Proxy Form must be submitted by sending a scanned signed PDF copy via email to proxyform@shsholdings.com.sg,

in either case, not less than forty-eight (48) hours before the time appointed for the holding of the EGM.

In view of the current COVID-19 situation and the related safe distancing measures, which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email to the Company so as to reach the Company not less than forty-eight (48) hours before the time appointed for holding the EGM.

11. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Company’s registered office at 19 Tuas Avenue 20, Singapore 638830 during normal business hours for a period of three (3) months from the date of this Circular.

- (a) the SPAs;
- (b) the Declaration of Trust;
- (c) the Assignment Deed;
- (d) the Funds Flow Deed;
- (e) the annual report of the Company for FY2019; and
- (f) the Constitution.

LETTER TO SHAREHOLDERS

In light of the prevailing safe distancing measures due to the COVID-19 situation, Shareholders should provide their names, contact number, proposed date and time of inspection to the Group Chief Financial Officer, Wong Tat Yang at +65 6351 8587 at least three (3) working days' in advance to make a prior appointment to attend at the registered office of the Company to inspect the documents.

12. 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 Sales, 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 this Circular in its proper form and context.

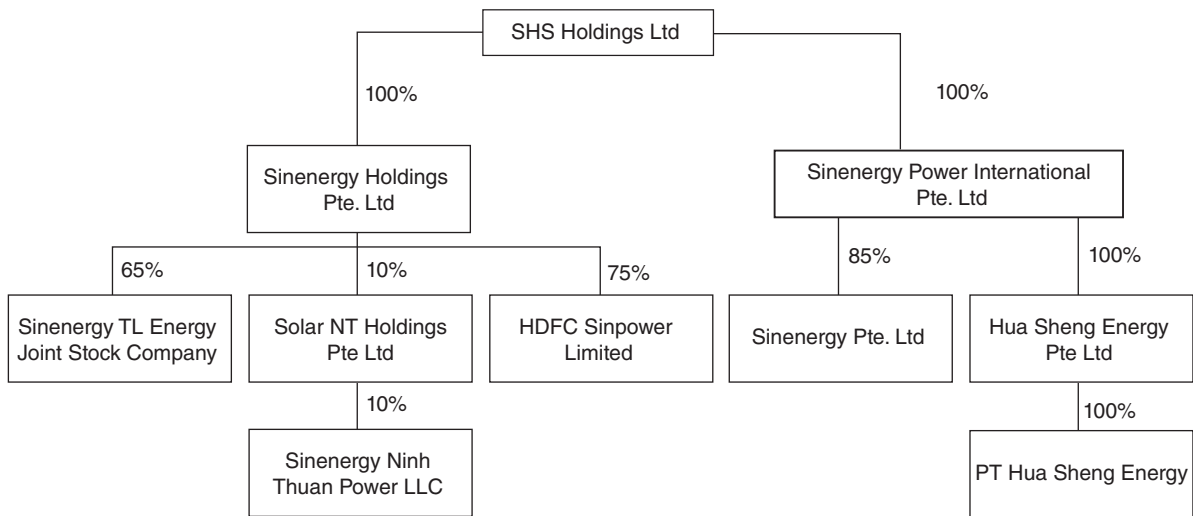
Yours faithfully

For and on behalf of the Board of Directors of
SHS Holdings Ltd.

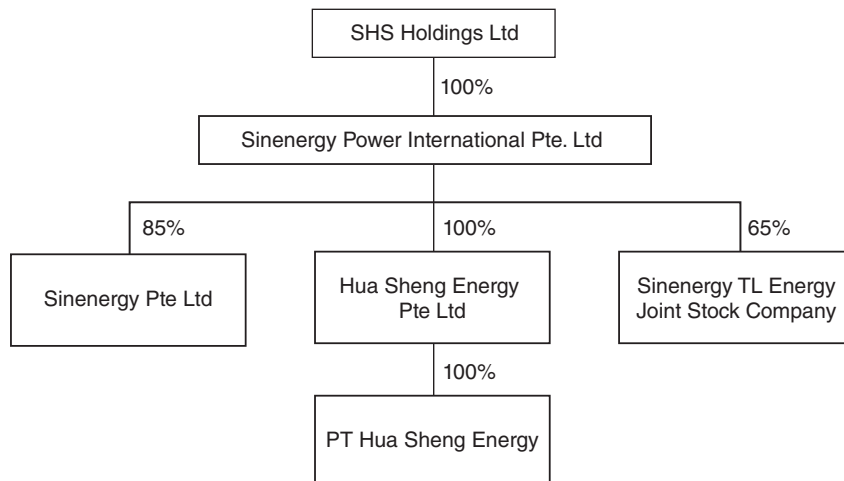
Ng Han Kok, Henry
Executive Director and Group CEO

APPENDIX

Group structure chart before the Proposed Sales

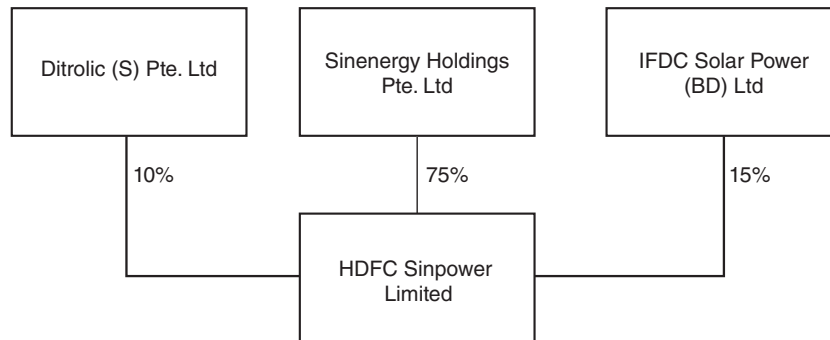


Group structure chart after the Proposed Sales

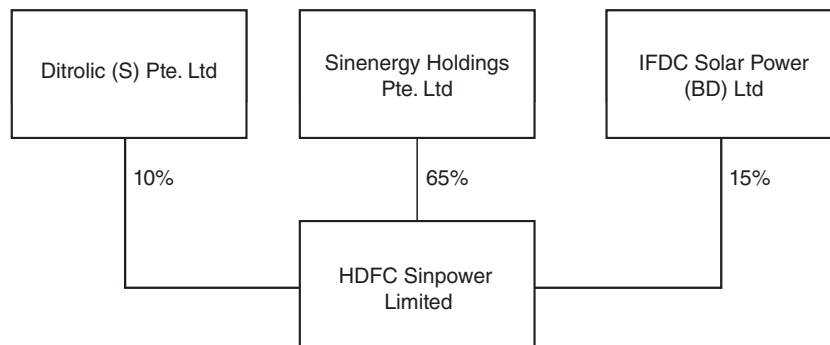


APPENDIX

HDFC shareholding chart before the Proposed HDFC Dilution



HDFC shareholding chart after the Proposed HDFC Dilution



NOTICE OF EGM

SHS HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197502208Z)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of the members of SHS Holdings Ltd. (the “**Company**”) will be convened and held by electronic means on 30 December 2020 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without amendment, the following resolution as set out below.

*All capitalised terms used in this notice which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 15 December 2020 (the “**Circular**”).*

ORDINARY RESOLUTION

Approval for the Proposed Sales

That:

- (a) approval be and is hereby given to the Company for the Proposed Sales and all transactions in relation thereto, including but not limited to the Call Option, on the terms and conditions of the SPAs, such Proposed Sales being a major transaction for the purposes of Chapter 10 of the Listing Manual of the SGX-ST;
- (b) the Directors of the Company and each of them be and are hereby authorised to do any and all such acts and things for and on behalf of the Company (including, but not limited to, signing, executing and delivering any such documents, and negotiating, reviewing, finalising and approving amendments, alterations, modifications to any such documents as may be required or desirable in connection with this Ordinary Resolution, the Proposed Sales, the SPAs, the Declaration of Trust, the Assignment Deed and/or the Funds Flow Deed) as such Director may, in his absolute discretion deem fit, desirable, advisable, necessary or expedient, in the interests of the Company, to give effect to the matters referred to in paragraph (a) of this Ordinary Resolution, the Proposed Sales, the SPAs, the Declaration of Trust, the Assignment Deed and/or the Funds Flow Deed; and
- (c) any acts, matters and things done or performed, and/or documents signed, executed, sealed or delivered by a Director in connection with the Proposed Sales be and are hereby approved, confirmed and ratified.

BY ORDER OF THE BOARD

Ng Han Kok, Henry
Executive Director and Group CEO
Singapore, 15 December 2020

NOTICE OF EGM

Notes:

- Documents:** Printed copies of this Notice will not be sent to members. Instead, this Notice of EGM will be sent to members by electronic means via publication on the Company's website at the URL <http://shsholdings.listedcompany.com/>. This Notice of EGM is also available on SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements?value=SHS%20HOLDINGS%20LTD.&type=company>.
- No attendance in person:** Due to the current COVID-19 advisories issued by the relevant authorities in Singapore and the related safe distancing measures in Singapore, the EGM is being convened, and will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Members will not be able to attend the EGM in person.
- Alternative Arrangement:** Members will be able to participate at the EGM by watching the EGM proceedings via a "live" audio-visual webcast via their mobile phones, tablets or computers or listening to these proceedings through a "live" audio-only stream via telephone. In order to do so, members must pre-register by **10.00 a.m. on 27 December 2020** ("**Pre-Registration Deadline**") at the URL https://zoom.us/webinar/register/WN_BW7-fq2pSpOeDF9FIJmB7w ("**Pre-registration Website**") for the Company to authenticate his/her/its status as Members. Authenticated Members will receive email instructions on how to access the "live" audio-visual webcast and "live" audio-only stream of the EGM proceedings by **10.00 a.m. on 29 December 2020** ("**Instructions Email**"). Members who do not receive the Instructions Email by **10.00 a.m. on 29 December 2020**, but who have registered by the Pre-Registration Deadline, should contact the Company at +65 6515 6116. Members must not forward the unique link to other persons who are not Members and who are not entitled to attend the EGM. This is also to avoid any technical disruptions or overload to the "live" audio-visual webcast and "live" audio-only stream.

*Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 of Singapore (including CPF and SRS investors) and, who wish to participate in the EGM by (a) observing and/or listening to the EGM proceeding through a "live" audio-visual webcast or a "live" audio-only stream; (b) submitting questions in advance of the EGM; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on his/her/its behalf at the EGM, should approach his/her/its respective relevant intermediaries (including his/her/its respective CPF agent banks or SRS Approved Banks) through which they hold such Shares as soon as possible in order to make the necessary arrangements for them to participate in the EGM, including the submission of their voting instructions by **5.00 p.m. on 17 December 2020** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the EGM to vote on their behalf **not later than 10.00 a.m. on 28 December 2020**.*

- Submission of Questions:** Members will not be able to ask questions at the EGM during the "live" audio-visual webcast or "live" audio-only stream. Therefore, it is important for Members to submit their questions related to the resolutions to be tabled for approval at the EGM in advance of the EGM. To do so, all questions must be submitted by the Pre-Registration Deadline via:
 - Pre-registration Website: Members who pre-register to watch the "live" audio-visual webcast or "live" audio-only stream may submit their questions via the pre-registration website at the URL https://zoom.us/webinar/register/WN_BW7-fq2pSpOeDF9FIJmB7w;
 - Post: Members may submit their questions by post to the registered office of the Company at 19 Tuas Avenue 20, Singapore 638830. When sending in the questions, please provide the Company with your full name, address and the manner in which the shares are held in the Company (e.g. via CDP or SRS); or
 - Email: egm@shsholdings.com.sg.

The Company will endeavour to address all substantial and relevant questions received from members prior to the EGM via SGX-ST's website and on the Company's website or during the EGM through the "live" audio-visual webcast or "live" audio-only stream.

The Company will, within one (1) month after the date of the EGM, publish the minutes of the EGM on the SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements?value=SHS%20HOLDINGS%20LTD.&type=company> and the Company's website at the URL <http://shsholdings.listedcompany.com/>, and the minutes will include the responses to the questions (if any) referred to above.

- Submission of Proxy Form:** A member will not be able to vote through the "live" audio-visual webcast or "live" audio-only stream and voting is only through submission of Proxy form. If a member (whether individual or corporate) wishes to exercise his/her/its voting right at the EGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the EGM. The Proxy Form for the EGM can be accessed at the Company's website at the URL <http://shsholdings.listedcompany.com/>, and is made available with this Notice of EGM on SGX-ST's website on the same day. Members who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 (including CPF and SRS investors) and who wish to exercise their votes by appointing the Chairman of the Meeting as proxy should approach their respective relevant intermediaries (including their respective CPF agent banks or SRS Approved Banks) to submit their voting instructions by **17 December 2020 at 5.00 p.m.** in order to allow sufficient time for their respective relevant intermediaries to in turn

NOTICE OF EGM

submit the Proxy Form to appoint the Chairman of the Meeting to vote on their behalf **no later than 28 December 2020 at 10.00 a.m.**

In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the Proxy Form, failing which the appointment of the Chairman of Meeting as proxy for that resolution will be treated as invalid. The Chairman of the Meeting, as proxy, need not be a member of the Company. The instrument appointing the Chairman of the Meeting as proxy ("**Proxy Form**") must be submitted to the Company in the following manner:

- (a) if in hard copy and by post, the Proxy Form must be lodged at the registered office of the Company at 19 Tuas Avenue 20, Singapore 638830; or
- (b) if submitted electronically, the Proxy Form must be submitted by sending a scanned signed PDF copy via email to proxyform@shsholdings.com.sg;

in either case, no later than **10.00 a.m. on 28 December 2020** (the "**Proxy Deadline**").

A member who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures, which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed Proxy Forms electronically via email to the Company so as to reach the Company no later than the Proxy Deadline.

The Proxy Form must be executed under the hand (or if submitted electronically via email, alternatively by way of affixation of an electronic signature) of the appointor or of his or her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand (or if submitted electronically via email, alternatively by way of affixation of an electronic signature) of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof (failing previous registration with the Company), if the Proxy Form is submitted by post, must be lodged with the Proxy Form (or if submitted electronically via email, be emailed with the Proxy Form), failing which the Proxy Form may be treated as invalid.

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form (including any related attachment). In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the Member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by CDP to the Company.

ACCESS TO DOCUMENTS OR INFORMATION RELATING TO EGM

Printed copies of the Circular, Proxy Form and all documents relating to the business of the EGM ("**EGM Documents**"), will not be sent to Members. The Circular and Proxy Form have been uploaded on the SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements?value=SHS%20HOLDINGS%20LTD.&type=company>. The EGM Documents can also be accessed at the Company's website at the URL <http://shsholdings.listedcompany.com/>.

FURTHER INFORMATION

For further information on the conduct of the EGM and the alternative arrangements, Members can refer to the Company's website at the URL <http://shsholdings.listedcompany.com/>. Members who wish to remotely observe the EGM proceedings are reminded that the EGM is private. The invitation to attend the EGM via "live" audio-visual webcast or "live" audio-only stream is not to be forwarded to anyone who is not a Member or who is not authorised to attend the EGM.

RECORDING OF THE EGM PROCEEDINGS IS STRICTLY PROHIBITED

As the COVID-19 situation is still evolving, the Company reserves the right to take such further precautionary measures as may be appropriate up to the date of the EGM, including implementing measures to take into account the requirements, guidelines and recommendations of regulatory bodies and government agencies from time to time. Accordingly, the Company may be required to change its EGM arrangements at short notice. Members are advised to closely monitor announcements made by the Company on the SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements?value=SHS%20HOLDINGS%20LTD.&type=company> and the Company's website at the URL <http://shsholdings.listedcompany.com/> for updates on the EGM.

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

NOTICE OF EGM

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the Meeting as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, Members consents to the collection, use and disclosure of the Member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the EGM as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

PROXY FORM

SHS HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 197502208Z)

PROXY FORM

Extraordinary General Meeting

This form of proxy has been made available on SGX-ST's website and the Company's website.

IMPORTANT

1. The Extraordinary General Meeting ("EGM") will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM are set out herein and in the Notice of EGM uploaded on SGX-ST's website and the Company's website on 15 December 2020.
3. A member will not be able to attend the EGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the EGM. In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
4. Members who hold shares through the relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 (including CPF or SRS investors) and who wish to appoint the Chairman of the Meeting as proxy should approach their respective relevant intermediary (including CPF Agent Banks or SRS Operators) by 5.00 p.m. on 17 December 2020.
5. By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 15 December 2020.
6. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the Meeting as a member's proxy to vote on his/her/its behalf at the EGM.

I/We* _____ (Name) _____ (NRIC/Passport No./
Company Registration no.) of _____ (Address)

being a member/members* of **SHS Holdings Ltd.** (the "**Company**") hereby appoint the **Chairman of the Meeting**, as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting ("**EGM**" or the "**Meeting**") of the Company to be held by way of electronic means via "live" audio-visual on **30 December 2020 at 10.00 a.m. (Singapore time)**, via "live" audio-visual webcast or "live" audio-only stream) and at any adjournment thereof.

(Voting will be conducted by poll. If you wish the Chairman of the Meeting as your proxy to cast all your votes for or against a resolution to be proposed at the EGM, please indicate with a "√" in the space provided under "For" or "Against". If you wish the Chairman of the Meeting as your proxy to abstain from voting on a resolution to be proposed at the EGM, please indicate with a "√" in the space provided under "Abstain". Alternatively, please indicate the number of shares that the Chairman of the Meeting as your proxy is directed to vote "For" or "Against" or to abstain from voting. **In the absence of specific directions, the appointment of the Chairman of the Meeting as your proxy will be treated as invalid.**)

No	Ordinary Resolution	For	Against	Abstain
1.	To approve the Proposed Sales			

Dated this _____ day of _____ 2020

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

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

PROXY FORM

NOTES:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. **A member will not be able to vote through the “live” audio-visual webcast or “live” audio-only stream, and voting is only through submission of Proxy Form. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the EGM.** In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
3. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 of Singapore (including CPF and SRS investors) and, who wish to participate in the EGM by (a) observing and/or listening to the EGM proceeding through “live” audio-visual webcast or “live” audio-only stream; (b) submitting questions in advance of the EGM; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM, should approach their respective relevant intermediaries (including their respective CPF agent banks or SRS Approved Banks) through which they hold such Shares as soon as possible in order to make the necessary arrangements for them to participate in the EGM, including the submission of their voting instructions by **17 December 2020 at 5.00 p.m.** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the EGM to vote on their behalf by **28 December 2020 at 10.00 a.m.**
4. The Chairman of the Meeting, as a proxy, need not be a member of the Company.
5. The instrument appointing the Chairman of the Meeting as proxy (“**Proxy Form**”) must be submitted to the Company in the following manner:
 - (a) if in hard copy and by post, the Proxy Form must be lodged at the registered office of the Company at 19 Tuas Avenue 20, Singapore 638830; or
 - (b) if submitted electronically, the Proxy Form must be submitted by sending a scanned signed PDF copy via email to proxyform@shsholdings.com.sg,

in either case, no later than **28 December 2020 at 10.00 a.m.** (the “**Proxy Deadline**”).

A member who wishes to submit an instrument of proxy must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures, which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email to the Company so as to reach the Company **no later than the Proxy Deadline**.

6. The Proxy Form must be executed under the hand (or if submitted electronically via email, alternatively by way of affixation of an electronic signature) of the appointor or of his or her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand (or if submitted electronically via email, alternatively by way of affixation of an electronic signature) of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof (failing previous registration with the Company), if the Proxy Form is submitted by post, must be lodged with the Proxy Form (or if submitted electronically via email, be emailed with the Proxy Form), failing which the Proxy Form may be treated as invalid.
7. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by CDP to the Company.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 15 December 2020.

