

CIRCULAR DATED 12 APRIL 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all your issued and fully paid-up ordinary shares in the capital of Debao Property Development Ltd. ("**Company**"), you should immediately forward this Circular, the enclosed Notice of Extraordinary General Meeting and the enclosed Proxy Form to the purchaser or transferee, or the stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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

Terms appearing on the cover of this Circular have the same meanings as defined in this Circular.



DEBAO PROPERTY DEVELOPMENT LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 200715053Z)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (A) THE PROPOSED CONSOLIDATION OF EVERY FIFTEEN (15) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE TO BE DETERMINED, INTO ONE (1) CONSOLIDATED SHARE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED; AND**
- (B) THE SUBSCRIPTION OF SHARES IN PROFIT CONSORTIUM SDN BHD AS A MAJOR TRANSACTION**

IMPORTANT DATES AND TIMES

- Last date and time for lodgement of Proxy Form : 25 April 2016 at 3.00 p.m.
- Date and time of Extraordinary General Meeting : 27 April 2016 at 3.00 p.m. (or immediately after the conclusion of the Annual General Meeting of the Company to be held on 27 April 2016 at 2.00 p.m.)
- Place of Extraordinary General Meeting : Suntec Singapore Convention & Exhibition Centre Room 332
1 Raffles Boulevard, Suntec City
Singapore 039593

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DEFINITIONS

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

“Aggregate Subscription Consideration”	:	Has the meaning ascribed to it at paragraph 3.5.3 of this Circular
“Board”	:	The board of Directors as at the date of this Circular
“Books Closure Date”	:	The time and date, to be determined by the Directors in their absolute discretion as they deem fit and announced by the Company, at and on which the Register of Members and the share transfer books of the Company will be closed to determine the entitlements of Shareholders to the Consolidated Shares under the Proposed Share Consolidation
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 12 April 2016
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
“Company”	:	Debao Property Development Ltd.
“Consolidated Shares”	:	The consolidated shares in the issued share capital of the Company held by Shareholders pursuant to the completion of the Proposed Share Consolidation and “ Consolidated Share ” shall be construed accordingly
“Directors”	:	The directors of the Company as at the date of this Circular
“Effective Trading Date”	:	Has the meaning ascribed to it at paragraph 2.3.5 of this Circular
“EGM”	:	The Extraordinary General Meeting of the Company to be convened on 27 April 2016, notice of which is set out on pages 28 and 29 of this Circular
“EPS”	:	Earnings per Share
“FY”	:	Financial year ended or ending 31 December
“Group”	:	The Company and its subsidiaries
“GTSB”	:	Gabungan Tiasa Sdn Bhd
“Latest Practicable Date”	:	7 April 2016, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST, as may be amended or modified from time to time
“Mainboard”	:	The Mainboard of the SGX-ST
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“MTP Requirement”	:	Has the meaning ascribed to it at paragraph 2.2.1 of this Circular

DEFINITIONS

“NTA”	:	Net tangible assets
“Parties”	:	PCSB, GTSB and Pavillion
“Pavillion”	:	Pavillion Treasures Land and Development Sdn Bhd, a wholly-owned subsidiary of the Company
“PCSB”	:	Profit Consortium Sdn Bhd
“PRC”	:	People’s Republic of China
“Proposed Share Consolidation”	:	The proposed consolidation of every fifteen (15) existing Shares held by Shareholders as at the Books Closure Date to be determined, into one (1) Consolidated Share, fractional entitlements to be disregarded
“Proxy Form”	:	The proxy form in respect of the EGM as set out in this Circular
“Register of Members”	:	Register of members of the Company
“Securities Account”	:	The securities account maintained by a Depositor with CDP but not including a securities sub-account maintained with a Depository Agent
“Securities and Futures Act”	:	Securities and Futures Act, Chapter 289 of Singapore, as may be amended or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Shareholders”	:	The registered holders of Shares, except that where the registered holder is CDP, the term “ Shareholders ” shall, in relation to those Shares, mean the Depositors who have shares entered against their names in the Depository Register
“Shares”	:	Ordinary shares in the capital of the Company
“Subscription”	:	Has the meaning ascribed to it at paragraph 3.1.1 of this Circular
“Subscription Agreement”	:	Has the meaning ascribed to it at paragraph 3.1.1 of this Circular
“Subscription Shares”	:	Has the meaning ascribed to it at paragraph 3.1.1 of this Circular
“subsidiary” or “subsidiaries”	:	Has the meaning ascribed to it at Section 5 of the Companies Act
“Substantial Shareholder”	:	A person who has an interest in voting shares in the Company and the total votes attached to which is not less than five per cent. (5%) of the total votes attached to all the voting shares in the Company
“Supplemental Agreement”	:	Has the meaning ascribed to it at paragraph 3.1.2 of this Circular

DEFINITIONS

Currencies and Units

- “RM” : Malaysian Ringgit, the lawful currency of Malaysia
- “S\$” and “cents” : Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
- “%” or “per cent.” : Percentage or per centum

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meaning ascribed to them respectively in Section 81SF of the Securities and Futures Act.

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

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

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

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

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

LETTER TO SHAREHOLDERS

DEBAO PROPERTY DEVELOPMENT LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200715053Z)

Directors:

Yuan Le Sheng (*Executive Chairman and CEO*)
Zhang Mao (*Executive Director*)
Zhong Yu Zhao (*Executive Director*)
Zheng Li Hua (*Non-Executive Director*)
Cheong Keng Chuan Alfred (*Lead Independent Director*)
He Guo Quan (*Independent Director*)
Chia Seng Hee, Jack (*Independent Director*)

Registered Office:

80 Raffles Place
#32-01 UOB Plaza 1
Singapore 048624

12 April 2016

To: The Shareholders of Debao Property Development Ltd.

Dear Sir / Madam

- (A) **THE PROPOSED CONSOLIDATION OF EVERY FIFTEEN (15) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE TO BE DETERMINED, INTO ONE (1) CONSOLIDATED SHARE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED; AND**
- (B) **THE SUBSCRIPTION OF SHARES IN PROFIT CONSORTIUM SDN BHD AS A MAJOR TRANSACTION**

1 INTRODUCTION

- 1.1 The Directors propose to convene an EGM to seek approval from Shareholders for the Proposed Share Consolidation and the Subscription.
- 1.2 The purpose of this Circular is to explain the rationale for, and provide Shareholders with the relevant information relating to the Proposed Share Consolidation and the Subscription, and to seek Shareholders' approval at the EGM for the same, notice of which is set out on pages 28 and 29 of this Circular.
- 1.3 In relation to the Proposed Share Consolidation, the SGX-ST only approves the listing and quotation of the Consolidated Shares arising from the Proposed Share Consolidation. The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Circular.

2 THE PROPOSED SHARE CONSOLIDATION

2.1 Introduction

- 2.1.1 The Company announced on 3 March 2016 that the Company is proposing to undertake a share consolidation exercise to consolidate every fifteen (15) existing Shares ("**Existing Shares**") into one (1) Consolidated Share as at the Books Closure Date, fractional entitlements to be disregarded.

LETTER TO SHAREHOLDERS

- 2.1.2 Subject to Shareholders' approval being obtained for the Proposed Share Consolidation at the EGM, Shareholders' holdings of the Consolidated Shares arising from the Proposed Share Consolidation will be ascertained on the Books Closure Date. After the Books Closure Date, every fifteen (15) Existing Shares registered in the name, or standing to the credit of the Securities Account, of each Shareholder or Depositor (as the case may be) as at the Books Closure Date will be consolidated into one (1) Consolidated Share, fractional entitlements to be disregarded. Each Consolidated Share will rank *pari passu* in all respects with each other. The Consolidated Shares will be traded in board lots of 100 Consolidated Shares.
- 2.1.3 Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation, based on their holdings of the Existing Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of a Consolidated Share arising from the Proposed Share Consolidation will be disregarded. All fractional entitlements arising from the implementation of the Proposed Share Consolidation will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including (i) disregarding the fractional entitlements, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company. **Shareholders who hold less than fifteen (15) Existing Shares as at the Books Closure Date will not be entitled to any Consolidated Shares and will no longer be Shareholders upon completion of the Proposed Share Consolidation. Such Shareholders who wish to remain as Shareholders upon completion of the Proposed Share Consolidation are advised to purchase additional Existing Shares so as to increase the number of Existing Shares held to a multiple of fifteen (15) Existing Shares prior to the Books Closure Date.**
- 2.1.4 With effect from 9.00 a.m. on the Effective Trading Date, trading in the Consolidated Shares will be in board lots of 100 Consolidated Shares.
- 2.1.5 As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$143,750,000 comprising 1,125,000,000 Shares. Assuming that no new Shares are issued by the Company up to the Books Closure Date and subject to Shareholders' approval being obtained for the Proposed Share Consolidation, following the completion of the Proposed Share Consolidation, the Company will have an issued and paid-up share capital of S\$143,750,000 comprising approximately 75,000,000 Consolidated Shares.
- 2.1.6 The Proposed Share Consolidation will have no impact on the dollar value of the issued and paid-up share capital of the Company. The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the Shareholders' funds of the Group. Shareholders are not required to make any payment to the Company in respect of the Proposed Share Consolidation.
- 2.1.7 The Proposed Share Consolidation will not cause any changes to the percentage shareholding of each Shareholder in the Company, other than non-material changes due to rounding.
- 2.1.8 Pursuant to Article 10 of the Constitution of the Company, the approval of Shareholders by way of an ordinary resolution is sought for the Proposed Share Consolidation.
- 2.2 Rationale**
- 2.2.1 With effect from 2 March 2015, the SGX-ST implemented a minimum trading price requirement of S\$0.20 per share for shares of issuers listed on Mainboard as a continuing listing requirement ("**MTP Requirement**").
- 2.2.2 A transition period of 12 months from 2 March 2015 (i.e. 1 March 2016) was given to affected issuers to undertake corporate actions to meet the MTP requirement.

LETTER TO SHAREHOLDERS

- 2.2.3 Issuers which are not able to meet the MTP Requirement on 1 March 2016 (or in the case of companies which have consolidated their shares before 1 March 2016, on 1 September 2016) and at any of the subsequent quarterly review dates will be placed on the watch-list.
- 2.2.4 The review of whether an issuer has satisfied the MTP Requirement will be based on the volume weighted average price of the shares of the issuer for the six (6) months preceding the date of review.
- 2.2.5 The Company announced on 2 March 2016 that based on the review conducted by SGX-ST on 1 March 2016, as the Company has recorded a volume weighted average price of less than S\$0.20 over the last 6 months from 1 September 2015 to 29 February 2016, the Company has been placed on the watch-list with effect from 3 March 2016 in accordance with Rule 1311(2) of the Listing Manual.
- 2.2.6 The Company would need to take steps to meet the minimum trading price exit criterion under Rule 1314 of the Listing Manual ("**Minimum Trading Price Exit Criterion**") for its removal from the watch-list within 36 months from 3 March 2016, failing which SGX-ST may either remove the Company from the Official List or suspend trading in the Company's shares with a view to removing the Company from the Official List.
- 2.2.7 The Directors believe that the Proposed Share Consolidation will generally be beneficial to the Company and its Shareholders as the Proposed Share Consolidation would facilitate the Company's ability to satisfy the MTP Requirement and constitute an active step taken by the Company to meet the Minimum Trading Price Exit Criterion.
- 2.2.8 For the period of six (6) months between 2 September 2015 and 2 March 2016, prior to the Company releasing the announcement on the Proposed Share Consolidation on 3 March 2016, the absolute price of the Shares had traded in a range of between S\$0.030 and S\$0.062. The relevant data, along with the transacted volume of the Shares for each month are as follows:

	Highest Price ⁽¹⁾ (S\$)	Lowest Price ⁽²⁾ (S\$)	Volume of traded Shares ⁽³⁾
2 September 2015 to 30 September 2015	0.045	0.034	230,633,000
October 2015	0.062	0.037	491,668,800
November 2015	0.057	0.042	179,026,500
December 2015	0.057	0.043	124,380,900
January 2016	0.048	0.030	80,225,700
February 2016	0.040	0.030	51,458,700
1 to 2 March 2016	0.038	0.035	16,653,600

Source: <http://www.shareinvestor.com>

Notes:

- (1) The highest price was based on the highest transacted price for the Shares in a particular month.
- (2) The lowest price was based on the lowest transacted price for the Shares in a particular month.
- (3) The volume of traded Shares was based on the total volume of the Shares traded in a particular month.

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- 2.2.9 For the six (6) months period between 2 September 2015 and 2 March 2016, prior to the Company releasing the announcement on the Proposed Share Consolidation on 3 March 2016, the six-month volume weighted average price of each Share for trades done on Mainboard is S\$0.046. Upon completion of the Proposed Share Consolidation, the theoretical share price of each Consolidated Share will be S\$0.69 which complies with the MTP Requirement.
- 2.2.10 As at the Latest Practicable Date, the closing market price of the Shares which were traded on the SGX-ST is S\$0.035. Upon completion of the Proposed Share Consolidation, the theoretical share price of each Consolidated Share will be S\$0.525 which complies with the MTP Requirement.
- 2.2.11 Shareholders should note that there is no assurance that the Proposed Share Consolidation will achieve the desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.

2.3 Conditions for the Proposed Share Consolidation

- 2.3.1 Pursuant to Article 10 of the Constitution of the Company, the implementation of the Proposed Share Consolidation is subject to Shareholders' approval by way of an ordinary resolution at the EGM.
- 2.3.2 The Proposed Share Consolidation is subject to, *inter alia*, the following:
- (a) the approval of Shareholders for the Proposed Share Consolidation at the EGM; and
 - (b) the in-principle approval of the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares on Mainboard.
- 2.3.3 On 11 April 2016, the Company announced that it had obtained the in-principle approval of the SGX-ST for the dealing in, listing of and quotation for up to 75,000,000 Consolidated Shares, subject to the following conditions:
- (a) approval of Shareholders for the Proposed Share Consolidation at the EGM to be convened; and
 - (b) compliance with the listing requirements of the SGX-ST.
- 2.3.4 The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Proposed Share Consolidation, the Consolidated Shares, the Company and/or its subsidiaries.
- 2.3.5 An announcement will be made by the Company to notify Shareholders of the date when the Proposed Share Consolidation will become effective and the date on which the Consolidated Shares will commence trading on the SGX-ST in board lots of 100 Consolidated Shares ("**Effective Trading Date**") as well as the Books Closure Date in due course.
- 2.3.6 Shareholders should note that whilst the Board is seeking Shareholders' approval for the Proposed Share Consolidation, the Directors may decide not to proceed with the Proposed Share Consolidation if the Directors are of the view that, after taking into account all relevant factors, it is not beneficial to the Company and its Shareholders to do so. In such a case, an announcement will be made by the Company to notify Shareholders of the reasons why the Directors have decided not to proceed with the Proposed Share Consolidation.

LETTER TO SHAREHOLDERS

2.4 Updating of Register of Members and Depository Register

If Shareholders at the EGM approve the Proposed Share Consolidation, the Shareholders' entitlements of the Consolidated Shares will be determined on the Books Closure Date, based on their shareholdings as at 5.00 p.m. on such date. The Register of Members and the Depository Register will be updated to reflect the number of Consolidated Shares held by Shareholders based on their shareholdings in the Company as at the Books Closure Date and the Shares will begin trading in board lots of 100 Consolidated Shares on the Effective Trading Date.

2.4.1 Deposit of Share Certificates with CDP

Shareholders who hold physical share certificates for the Existing Shares in their own names ("**Old Share Certificates**") and who wish to deposit the same with CDP and have their Consolidated Shares credited to their Securities Accounts maintained with CDP must deposit their Old Share Certificates with CDP, together with duly executed instruments of transfer in favour of CDP, no later than 12 Market Days prior to the Books Closure Date.

After the Books Closure Date, CDP will only accept the deposit of share certificates for Consolidated Shares ("**New Share Certificates**"). Shareholders who wish to deposit their share certificates with CDP after the Books Closure Date must first deliver their Old Share Certificates to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, for cancellation and issuance of New Share Certificates in replacement thereof as described below. Upon receipt of the New Share Certificates in their own names, Shareholders may then proceed to deposit these New Share Certificates in their own names with CDP.

2.4.2 Issue of New Share Certificates

Depositors and Shareholders who have deposited their Old Share Certificates with CDP at least 12 Market Days prior to the Books Closure Date need not take any action. The Company will make arrangements with CDP to effect the exchange for New Share Certificates pursuant to the Proposed Share Consolidation.

Shareholders who have not deposited their Old Share Certificates as aforesaid or who do not wish to deposit their Old Share Certificates with CDP are advised to forward all their Old Share Certificates to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, as soon as possible after they have been notified of the Books Closure Date for cancellation and exchange for New Share Certificates, and preferably, not later than five (5) Market Days after the Books Closure Date for cancellation and exchange for New Share Certificates. No receipt will be issued by the Share Registrar upon receipt of any Old Share Certificates. The New Share Certificates will be sent by ordinary mail to the registered addresses of Shareholders at their own risk within ten (10) Market Days from the Books Closure Date or the date of receipt of the Old Share Certificates, whichever is later.

Shareholders are to deliver their respective Old Share Certificates to the Company's Share Registrar or CDP in accordance with the provisions set out above.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have already been tendered to the Share Registrar for cancellation.

Shareholders should notify the Share Registrar if they have lost any of their existing Old Share Certificates or if there is any change in their respective addresses from that reflected in the Register of Members.

LETTER TO SHAREHOLDERS

Shareholders shall deliver their respective Old Share Certificates to the Share Registrar or CDP in accordance with the provisions set out above, only after the Company's announcement of the Books Closure Date.

2.4.3 Share Certificates Not Valid for Settlement of Trades on Mainboard

Shareholders are reminded that their Old Share Certificates are not valid for settlement of trading in the Shares on the SGX-ST, as the Company is under a book-entry (scripless) settlement, but will continue to be accepted by the Share Registrar for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period. The New Share Certificates will not be valid for delivery for trades done on the SGX-ST although they will continue to be *prima facie* evidence of legal title.

2.5 **Trading Arrangement for the Shares and Odd Lots**

2.5.1 Trading Arrangements for the Shares

Subject to Shareholders' approval of the Proposed Share Consolidation at the EGM, with effect from 9.00 a.m. on the Effective Trading Date, trading in the Shares will be in board lots of 100 Consolidated Shares. Accordingly, fifteen (15) Existing Shares as at 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date will represent one (1) Consolidated Share with effect from 9.00 a.m. on the Effective Trading Date. Trading in the Existing Shares will cease after 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date.

2.5.2 Trading Arrangements for Odd Lots of Consolidated Shares

The Shares are currently traded in board lots of 100 Shares in the ready market. Following the Proposed Share Consolidation, the Securities Accounts of Shareholders (being Depositors) may be credited with odd lots of Consolidated Shares (that is, lots other than board lots of 100 Consolidated Shares). The market for trading of such odd lots of Consolidated Shares may be illiquid. Shareholders (being Depositors) who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade such odd lots of Consolidated Shares on the SGX-ST should note that odd lots of Consolidated Shares can be traded on the unit share market which, following the Proposed Share Consolidation, would allow trading in odd lots with a minimum size of one Consolidated Share. As odd lots of Consolidated Shares can be traded on the unit share market, no separate arrangements will be made for the trading of such odd lots.

All fractional entitlements arising from the implementation of the Proposed Share Consolidation will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including (i) disregarding the fractional entitlements or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company.

2.6 **Financial Effects for the Proposed Share Consolidation**

For illustration purposes only and based on the audited consolidated financial statements of the Company for FY2015, the financial effects of the Proposed Share Consolidation on the Group are set out below.

2.6.1 Assumptions

For the purpose of this paragraph 2.6, the following assumptions apply:

- (a) The pro forma financial effects of the Proposed Share Consolidation on the share capital, NTA per Share, EPS and gearing of the Group are set out below and are prepared purely for illustration only and do not reflect the actual future financial situation of the Group after the completion of the Proposed Share Consolidation. The pro forma financial effects have been computed based on the audited consolidated financial statements;

LETTER TO SHAREHOLDERS

- (b) The number of Shares for the financial effects relating to the share capital of the Group, NTA per Share and EPS are based on 1,125,000,000 Shares as at 31 December 2015;
- (c) For the purposes of computing the effect of the Proposed Share Consolidation on the NTA per Share, it is assumed that the Proposed Share Consolidation had been completed on 31 December 2015; and
- (d) For the purposes of computing the effect of the Proposed Share Consolidation on the EPS, it is assumed that the Proposed Share Consolidation had been completed on 1 January 2015.

2.6.2 Share Capital

	As at 31 December 2015	After the Proposed Share Consolidation
Issued Share capital (S\$)	143,750,000	143,750,000
Issued Share capital (Number of Shares)	1,125,000,000	75,000,000

2.6.3 NTA

	As at 31 December 2015	After the Proposed Share Consolidation
NTA (S\$'000)	324,198	324,198
NTA per Share (S\$)	0.29	4.32

2.6.4 EPS

	As at 31 December 2015	After the Proposed Share Consolidation
Earnings attributable to Shareholders (S\$'000)	7,465	7,465
Weighted average number of Shares for basic EPS	1,125,000	75,000
Weighted average number of Shares for diluted EPS	1,125,000	75,000
Basic EPS (cents per Share)	0.66	9.95
Diluted EPS (cents per Share)	0.66	9.95

2.6.5 Gearing

The Proposed Share Consolidation will not affect the gearing of the Group.

LETTER TO SHAREHOLDERS

3 THE SUBSCRIPTION OF SHARES IN PROFIT CONSORTIUM SDN BHD AS A MAJOR TRANSACTION

3.1 Introduction

3.1.1 The Company announced on 3 March 2016 that Pavillion Treasures Land and Development Sdn Bhd ("**Pavillion**"), a wholly-owned subsidiary of the Company, had on 29 November 2015 entered into a subscription agreement ("**Subscription Agreement**") with Profit Consortium Sdn Bhd ("**PCSB**") and Gabungan Tiasa Sdn Bhd ("**GTSB**") pursuant to which PCSB shall allot and issue to Pavillion 4,646,666 new callable ordinary shares representing 82% of the enlarged share capital of PCSB ("**Subscription Shares**") at an aggregate consideration of RM88 million and Pavillion shall subscribe to the Subscription Shares ("**Subscription**"). Pursuant to the Subscription, PCSB will become a subsidiary of the Company.

3.1.2 PCSB, GTSB and Pavillion (collectively, "**Parties**") had on 2 March 2016 entered into a supplemental agreement ("**Supplemental Agreement**") which provides that the Subscription Agreement is subject to the approval of the Board and the Shareholders and shall not take effect prior to GTSB receiving a written confirmation from Pavillion that the Board of the Company approves and consents to the Subscription Agreement.

3.2 Information on PCSB

3.2.1 PCSB is a company incorporated in Malaysia under the Malaysian Companies Act 1965 on 23 April 2013, and having its registered address at Suite 14-2, Level 14, Wisma UOA Damansara II, No.6, Changkat Semantan, Damansara Heights, 50490 Kuala Lumpur. The principal activities of PCSB are property development and investment.

3.2.2 The net book value and net tangible asset value attributable to the Subscription Shares are both RM966,075.62, based on the audited financial statements of PCSB for FY2014. The net book value and net tangible asset value attributable to the Subscription Shares, taking into account the Advance Sum (as defined at paragraph 3.4.2 below) for the Plaza Rakyat Project (as defined at paragraph 3.4.1 below), are both RM924,274.51, based on the unaudited financial statements of PCSB for FY2015.

3.2.3 Based on the audited financial statements of PCSB for FY2014 and the unaudited financial statements of PCSB for FY2015, PCSB recorded a loss of RM10,555 and RM50,977, respectively. PCSB has not commenced business and the losses were due to general administrative expenses such as filing and secretarial fees.

3.2.4 As at the Latest Practicable Date, PCSB has an authorised share capital of RM9 million ordinary shares and RM1 million redeemable convertible preference shares of which:

- (i) 5,666,666 ordinary shares of RM1.00 each have been issued and fully paid-up or credited as fully paid-up; and
- (ii) 180,000 redeemable convertible preference shares of RM1.00 each which were issued and fully paid-up or credited as fully paid-up ("**RCPS**"), have been redeemed and cancelled in the manner as stated at paragraph 3.5.5 below.

3.2.5 The current sole shareholder of PCSB is GTSB. GTSB is an investment holding company incorporated in Malaysia and is owned by Abdul Samad Haji Alias (14%), Sungei Wang Group Sdn Bhd ("**Sungei Wang Group**") (43%) and Maxcorp Development Sdn Bhd (43%).

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3.3 Resultant Shareholding Structure of PCSB

3.3.1 Upon the completion of the Subscription Agreement and the completion of the subscription and redemption and cancellation of the RCPS as stated at paragraph 3.5.5 below, the shareholding of PCSB shall be as follows:

- (i) GTSB holding 1,020,000 ordinary shares in the share capital of PCSB representing 18% of the enlarged share capital of PCSB; and
- (ii) Pavillion holding the Subscription Shares representing 82% of the enlarged share capital of PCSB.

3.3.2 Of the 82% shareholdings in PCSB, Pavillion is holding 1,133,333 ordinary shares (20%) in trust for Mr Tee Yam (“**TY**”) pursuant to a share agreement dated 29 November 2015 (“**TY Share Agreement**”). Salient terms of the TY Share Agreement are as follows:

- (i) Pavillion has subscribed to 1,133,333 out of the Subscription Shares (“**TY Shares**”) for and on behalf of TY;
- (ii) Pavillion shall, on behalf of TY, make advance payment to PCSB of RM17.6 million representing 20% of the Aggregate Subscription Consideration in accordance with the Subscription Agreement (“**TY Proportionate Subscription Sum**”);
- (iii) Pavillion shall, on behalf of TY, make advance payment to PCSB of RM17.1 million (“**TY Proportionate SPA Sum**”) which forms part of the Advance Sum (as defined at paragraph 3.4.2 below);
- (iv) TY shall, on written demand from Pavillion, reimburse Pavillion such part of the TY Proportionate Subscription Sum and/or the TY Proportionate SPA Sum; and
- (v) upon full reimbursement of the TY Proportionate Subscription Sum and TY Proportionate SPA Sum by TY to Pavillion:
 - (a) Pavillion shall hold the TY Shares on trust for TY, pursuant to a shareholder agreement and a formal trust deed to be entered into between TY and Pavillion in due course; and
 - (b) Pavillion shall transfer the TY Shares to any nominee as may be appointed by TY, pursuant to a shareholder agreement to be entered into by the shareholders of PCSB in due course.

3.3.3 As at the Latest Practicable Date, the aggregate sum of RM34.7 million comprising the TY Proportionate Subscription Sum and the TY Proportionate SPA Sum (collectively, “**TY Outstanding Sum**”) has been paid to PCSB. In view of the Outstanding Imbi Land Consideration (as defined at paragraph 3.3.6 below) owing from Elite Starhill Sdn Bhd (“**Elite Starhill**”), the wholly-owned subsidiary of the Company, to TY, the TY Outstanding Sum may be offset against the Outstanding Imbi Land Consideration in due course. As at the Latest Practicable Date, the TY Outstanding Sum has been fully repaid.

3.3.4 TY is a Malaysian businessman with businesses in property development, food and beverage, hotels and entertainment. The Company and TY are business partners. As announced by the Company on 25 September 2015, the Company acquired all the paid-up and issued capital of Elite Starhill comprising 500,000 ordinary shares from Messrs Wong Siaw Puie and Koo Soon Khang for a cash consideration of RM10 million. Messrs Wong Siaw Puie and Koo Soon Khang are the spouse and son of TY, respectively.

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- 3.3.5 Elite Starhill is the process of purchasing a plot of land from TY located at Geran 42800, Lot 1289, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan K.L. with an area of approximately 8,362 square metres ("**Imbi Land**") at a consideration of RM388 million ("**Imbi Land Consideration**").
- 3.3.6 RM59 million of the Imbi Land Consideration has been paid with RM279 million outstanding ("**Outstanding Imbi Land Consideration**"). In view of the Outstanding Imbi Land Consideration, Pavillion entered into the TY Share Agreement to hold 20% (1,133,333 ordinary shares) out of the 82% shareholdings in PCSB in trust for TY.
- 3.3.7 Save as disclosed, TY is an unrelated third party of the Group.
- 3.3.8 As security for the repayment of the TY Outstanding Sum and/or all other monies payable to Pavillion under the TY Share Agreement, Pavillion and Shanghai City Sdn. Bhd ("**Shanghai City**"), a company incorporated in Malaysia and wholly-owned by TY, had on 29 November 2015 entered into a debenture agreement ("**Debenture Agreement**"). The principal activities of Shanghai City are property development and investment, import and export trading. Shanghai City owns commercial property and land. Pursuant to the Debenture Agreement, Shanghai City had provided the following charges in favour of Pavillion:
- (i) Fixed Charge
- By way of a first fixed charge, all of its present plant, equipment, motor vehicles, machineries, fixed assets and real property ("**Real Property**") whatsoever and wheresoever situated, including but not limited to all plant, equipment, machineries, motor vehicles, fixed assets and Real Property acquired by Shanghai City in the future, together with all equipment, accessories and parts pertaining thereto. Real Property refers to all freehold and leasehold property owned by Shanghai City, including but not limited to nine (9) pieces of land held under the following documents of title (collectively, "**Shanghai City Land**"):
- (a) Geran 40889, Lot No. 803, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan KL and measuring approximately 131.361 square metres in area;
- (b) Geran 33470, Lot No. 804, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan KL and measuring approximately 137.492 square metres in area;
- (c) Geran 27044, Lot No. 805, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan KL and measuring approximately 137.492 square metres in area;
- (d) Geran 25349, Lot No. 806, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan KL and measuring approximately 137.492 square metres in area;
- (e) Geran 33488, Lot No. 807, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan KL and measuring approximately 137.492 square metres in area;
- (f) Geran 26016, Lot No. 808, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan KL and measuring approximately 137.492 square metres in area;

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- (g) Geran 72064, Lot No. 1327, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan KL and measuring approximately 300.00 square metres in area;
- (h) Geran 72065, Lot No. 1328, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan KL and measuring approximately 950.00 square metres in area; and
- (i) H.S.(D) 107179, P.T. No. 99, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan KL and measuring approximately 181.00 square metres in area.

(ii) Assignment

By way of charge and absolute assignment, all of its present and future right, title and interest in and to all of its (a) contracts including all moneys payable to Shanghai City and any claims, awards and judgments in favour of, receivable or received by Shanghai City under or in connection with or pursuant to any contract, (b) insurances and all proceeds in respect of the insurances and all benefits of insurances, and (c) all investments which are scrippless securities.

(iii) Floating Charge

- (a) By way of a first floating charge, all of its undertaking, assets, stock-in-trade and book debts (including assets expressed to be charged by items (i) and (ii) above), both present and future; and
- (b) By way of a first floating charge, all other undertakings, properties and assets of Shanghai City (other than those expressed to be charged by items (i) and (ii) above), movable and immovable whatsoever and wheresoever situated, both present and future, including Shanghai City's uncalled capital and goodwill.

3.3.9 Pursuant to the full repayment of the TY Outstanding Sum (as stated at paragraph 3.3.3 of this Circular), the terms of the Debenture Agreement will no longer be called upon.

3.4 Rationale of the Subscription

3.4.1 PCSB had on 30 October 2015 entered into a sale and purchase agreement ("**SPA**") with Datuk Bandar Kuala Lumpur ("**DBKL**") to acquire from DBKL five (5) parcels of land ("**Plaza Rakyat Project**") consisting of:

- (i) leasehold land of 99 years with the expiry date of 15 April 2092 held under Pajakan Negeri 35318, Lot 737, Seksyen 56, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL, measuring approximately 5,056 square meters (1.25 acres);
- (ii) leasehold land of 99 years with the expiry date of 15 April 2092 held under Pajakan Negeri 35319, Lot 738, Seksyen 56, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL, measuring approximately 21,290 square meters (5.26 acres);
- (iii) leasehold land of 99 years with the expiry date of 15 April 2092 held under Pajakan Negeri 35320, Lot 739, Seksyen 56, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL, measuring approximately 8,165 square meters (2.02 acres);
- (iv) leasehold land of 99 years with the expiry date of 15 April 2092 held under Pajakan Negeri 35321, Lot 740, Seksyen 56, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL, measuring approximately 6,459 square meters (1.60 acres); and

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- (v) leasehold land of 99 years with the expiry date of 15 April 2092 held under Pajakan Negeri 35322, Lot 741, Seksyen 56, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL, measuring approximately 20,680 square meters (5.11 acres),

(collectively, "**Land**").

- 3.4.2 Pursuant to the SPA, the consideration for the acquisition of Land ("**Land Acquisition**") is RM700 million ("**Land Acquisition Consideration**"). As at the Latest Practicable Date, RM70 million representing 10% of the Land Acquisition Consideration ("**Advance Sum**") has been paid by PCSB to DBKL. The Advance Sum is not part of the Aggregate Subscription Consideration. Pavillion separately paid the Advance Sum including RM 17.1 million which is part of the Advance Sum paid on behalf of TY to PCSB (which PCSB paid to DBKL) as partial payment for the Land Acquisition. The Advance Sum is recorded as "other receivables PCSB" in the accounts of Pavillion. As at the Latest Practicable Date, TY has fully repaid Pavillion for the RM 17.1 million paid on behalf of him.
- 3.4.3 The remaining RM630 million representing 90% of the Land Acquisition Consideration ("**Balance Land Acquisition Consideration**") shall be paid by PCSB to DBKL in the following manner:
- (i) the sum of RM140 million representing 20% of the Land Acquisition Consideration to be paid not later than one (1) month from the date of obtaining the planning approval for the issuance of the development order to be approved by the relevant authority for the purpose of development on the Land ("**20% of the Purchase Price**");
 - (ii) the sum of RM150 million representing 21.4% of the Land Acquisition Consideration to be paid not later than one (1) month from the date of obtaining the approval of the building plan and approval for commencement of works from the relevant authority;
 - (iii) the sum of RM150 million representing 21.4% of the Land Acquisition Consideration to be paid not later than 12 months from the date of obtaining the approval of the building plan and approval for commencement of works from the relevant authority; and
 - (iv) the sum of RM190 million representing 27.2% of the Land Acquisition Consideration to be paid not later than 24 months from the date of obtaining the approval of the building plan and approval for commencement of works from the relevant authority.
- 3.4.4 The Balance Land Acquisition Consideration and the development costs of the Plaza Rakyat Project will be financed through internal resources, bank borrowings and/or shareholders' funds. The Parties will decide on their respective contribution proportions at the appropriate time.
- 3.4.5 Pursuant to the SPA, the date of receipt of the entire Balance Land Acquisition Consideration shall be the completion date of the Land Acquisition ("**Land Acquisition Completion Date**").
- 3.4.6 In entering into the Subscription Agreement, the Parties intend to carry on property development and the development of the Plaza Rakyat Project on the Land. Information on the Plaza Rakyat Project is as follows:
- (i) The Plaza Rakyat Project is a mixed-use development project located in central Kuala Lumpur, Malaysia, with the completed development ("**Plaza Rakyat**") occupying a total land area of approximately 663,684.52 square feet. Development of the Plaza Rakyat Project commenced in 1996 and stalled in 1998 due to the 1997 Asian financial crisis.
 - (ii) The Plaza Rakyat Project, originally designed by Skidmore, Owings and Merrill, when completed, was intended to comprise a 79-storey office tower, a 46-storey condominium with 290 units, a 24-storey five-star hotel with 449 rooms, a 5-storey budget hotel with 157 rooms and a 7-storey shopping centre, having a total gross floor area of approximately 3,650,000 square feet.

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- (iii) The city government of Kuala Lumpur (DBKL) took vacant possession of the abandoned Plaza Rakyat Project site in 2014, after repaying a RM150 million loan taken by its earlier developer, Plaza Rakyat Sdn Bhd (“**Earlier Developer**”), from a consortium of banks.
- (iv) With the execution of the SPA, PCSB shall take over and revive the Plaza Rakyat Project.
- (v) The Company believes that Plaza Rakyat, when completed, will become the next most significant landmark of Kuala Lumpur after the Petronas Twin Towers. The Company is of the view that the Plaza Rakyat Project has good prospects and will be able to provide the Company with a sustainable income in the future. The Company has considered the following factors in the Subscription:
 - (a) The Earlier Developer had invested approximately RM750 million into the development of the Plaza Rakyat Project. The construction of the foundation for Plaza Rakyat had been completed. In taking over the Plaza Rakyat Project, PCSB may build on this existing foundation, resulting in significant cost savings.
 - (b) The construction of a car park as part of the Plaza Rakyat Project occupying an area of approximately 2,800,000 square feet had been completed which will provide a sustainable leasing income in the future.
 - (c) The Plaza Rakyat LRT station, named after and located at the rear of Plaza Rakyat, was completed in 1996. A 150-metre-long covered pedestrian bridge and walkway was also provided to connect the Plaza Rakyat LRT station to the south of the nearby Pudu Sentral bus station. The pedestrian bridge continues to serve passengers entering and leaving the Plaza Rakyat LRT station to date. The Plaza Rakyat Project may make use of such existing transportation system.
 - (d) According to the Preliminary Development Plan (as defined below), upon completion of the Plaza Rakyat Project, the plot ratio of the Land shall be increased up to two (2) times from 5.5 to 11. The cost of purchase of the Land is approximately RM20 per square foot and the cost of construction and development of the Plaza Rakyat Project is estimated to be approximately RM530 per square foot, totaling RM550 per square foot. Comparatively, the current market price in the surrounding area of the Plaza Rakyat Project is approximately RM2,800 per square foot for commercial property and ranges from approximately RM1,300 to RM2,500 per square foot for residential property.
- (vi) The revised preliminary development plan (“**Preliminary Development Plan**”) is for the Plaza Rakyat Project to occupy a gross floor area of approximately 7,300,000 square feet, consisting of:
 - (a) a central business district occupying an area of approximately 1,350,000 square feet;
 - (b) a five-star hotel occupying an area of approximately 200,000 square feet;
 - (c) a budget hotel occupying an area of approximately 150,000 square feet; and
 - (d) a residential condominium area occupying an area of approximately 5,600,000 square feet.

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3.5 Principal Terms of the Subscription Agreement

3.5.1 Conditions Precedent

The Subscription is conditional upon, *inter alia*, the following:

- (i) payment by Pavillion of the initial callable sum of RM8.8 million on the First Payment Date (as defined at paragraph 3.5.4 below); and
- (ii) undertaking by Pavillion to pay to PCSB the Advance Sum, as partial payment for the Land Acquisition,

(“**Conditions Precedent**”).

As at the Latest Practicable Date, the Conditions Precedent have been satisfied.

3.5.2 Other Conditions

The performance of the rights and obligations of the Parties set out in the Subscription Agreement are also conditional upon the following conditions (“**Conditions**”) being obtained or fulfilled, where applicable:

- (i) the results of the due diligence on PCSB undertaken within 14 days from the date of the Subscription Agreement being satisfactory to Pavillion (“**Due Diligence**”);
- (ii) the execution of the SPA on terms agreeable to Pavillion; and
- (iii) the payment by Pavillion of the Advance Sum.

As at the Latest Practicable Date, all the Conditions have been obtained or fulfilled.

3.5.3 Subscription Consideration

Upon the satisfaction of the Conditions Precedent, Pavillion shall be granted the right to subscribe for the Subscription Shares at a subscription price of RM18.94 for each Subscription Share and for an aggregate consideration of RM88 million for the Subscription Shares (“**Aggregate Subscription Consideration**”).

The Aggregate Subscription Consideration shall be paid in cash and will be funded through internal resources and bank borrowings.

The Aggregate Subscription Consideration is arrived at after arm’s length negotiations and on a willing-buyer willing-seller basis, taking into account, *inter alia*, the following:

- (i) the net book value and the net tangible asset value attributable to the Subscription Shares as stated at paragraph 3.2.2 above; and
- (ii) the future earnings potential of PCSB, details of which are disclosed in paragraph 3.4.6 of this Circular, in particular, the market price in the surrounding area of Plaza Rakyat as disclosed in paragraph 3.4.6(v)(d) .

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3.5.4 Subscription and Payment Tranches

The Subscription and payment of the Aggregate Subscription Consideration shall be carried out in the following manner:

No	Action	% of payment	Total payment (RM)	New shares' par value (RM)	New shares' callable share premium (RM)
1	Upon signing of the SPA ("First Payment Date")	10%	8,800,000	4,646,666	4,153,334
2	Upon completion of the Due Diligence ("Second Payment Date")	20%	17,600,000	-	17,600,000
3	6 months from completion of the Due Diligence ("Third Payment Date")	30%	26,400,000	-	26,400,000
4	12 months from completion of the Due Diligence ("Fourth Payment Date")	20%	17,600,000	-	17,600,000
5	18 months from completion of the Due Diligence ("Fifth Payment Date")	20%	17,600,000	-	17,600,000
	Total	100%	88,000,000	4,646,666	83,353,334

As at the Latest Practicable Date, 30% of the Aggregate Subscription Consideration comprising items 1 and 2 in the table above has been paid and the Subscription Shares have been issued to Pavillion.

3.5.5 Use of the Subscription Proceeds

The entirety of the Aggregate Subscription Consideration paid to PCSB shall be used to redeem and cancel the existing 180,000 RCPS shares in the following manner:

No	Action	% of payment	Total payment (RM)	RCPS par value (RM)	RCPS Redemption Premium (RM)
1	Upon signing of the SPA ("First Redemption Date")	10%	8,800,000	180,000	8,620,000
2	Upon completion of the Due Diligence ("Second Redemption Date")	20%	17,600,000	-	17,600,000

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3	6 months from completion of the Due Diligence (“ Third Redemption Date ”)	30%	26,400,000	-	26,400,000
4	12 months from completion of the Due Diligence (“ Fourth Redemption Date ”)	20%	17,600,000	-	17,600,000
5	18 months from completion of the Due Diligence (“ Fifth Redemption Date ”)	20%	17,600,000	-	17,600,000
	Total	100%	88,000,000	180,000	87,820,000

Upon receipt of the first RM8.8 million redemption sum paid by PCSB to GTSB, the entirety of the 180,000 RCPS shall be surrendered back to PCSB for redemption and cancellation notwithstanding that the balance sum of RM79.2 million redemption premium for the RCPS shall be paid in stages to GTSB. Please refer to paragraph 3.5.3 of this Circular for the basis of the Aggregate Subscription Consideration which was utilised to redeem the 180,000 RCPS.

As at the Latest Practicable Date, the 180,000 RCPS have been redeemed.

3.5.6 Further Issues of Shares

Save for the Subscription Shares, any new shares to be issued by PCSB shall require the unanimous approval of the shareholders of PCSB and unless otherwise agreed, be offered to each of the shareholders of PCSB in proportion to their respective shareholdings at the time of the proposed new issue, which at all times shall be maintained in the proportion of 82% for Pavillion and 18% for GTSB.

3.5.7 Pre-emption Rights

GTSB shall not sell, dispose or transfer any of its shares in PCSB unless and until the following rights of pre-emption (“**Pre-emption Rights**”) have been exhausted:

- (i) If GTSB (“**Selling Party**”) desires to transfer all or any part of its shares (“**Sale Shares**”), GTSB shall provide to PCSB notice in writing (“**Transfer Notice**”) specifying the price at which the Selling Party wishes to sell the Sale Shares (“**Offer Price**”).
- (ii) The Transfer Notice shall constitute PCSB as the Selling Party’s agent for the sale of the Sale Shares at the discretion of the directors of PCSB firstly, to the remaining shareholders of PCSB other than the Selling Party (“**Remaining Shareholders**”) at the Offer Price. The Transfer Notice shall contain a provision that unless all the Sale Shares are sold by PCSB on behalf of the Selling Party, none of the Sale Shares shall be sold.
- (iii) Upon receipt of the Transfer Notice, PCSB shall forthwith by notice in writing inform the Remaining Shareholders of the number and price of the Sale Shares and invite the Remaining Shareholders to apply in writing to PCSB within 30 days of the date of despatch of the Transfer Notice for such maximum number of the Sale Shares (being all or any thereof) as he shall specify in such application.
- (iv) Upon such application, the directors of PCSB shall, subject to relevant governmental approval, allocate the Sale Shares to the applicants according to the number of Sale Shares as specified in the application on a pro-rata basis, where applicable.

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- (v) If the Remaining Shareholders do not make the said application, PCSB shall be at liberty to transfer or dispose of the remaining Sale Shares to a purchaser to be approved by the Remaining Shareholders, whose approval shall not be unreasonably withheld, at any price and on terms which are not more favourable than those offered in the Transfer Notice.

The Pre-emption Rights shall not apply in respect of the sale, disposal or transfer by a party which is a corporate body ("**Prospective Transferor**") of its shares in PCSB to its subsidiary(ies) and/or its related company(ies) ("**Prospective Transferee**"). The Prospective Transferor shall be entitled to transfer such shares to the Prospective Transferee at any price without making an offer to the remaining shareholders of PCSB. Such transfer is subject to the express condition that the Prospective Transferor will, prior to such transfer and concurrently with the execution by the Prospective Transferee of the relevant subscription agreement, execute in favour of PCSB and the Parties who shall remain shareholders of PCSB, a guarantee of the due performance of the Prospective Transferee of the obligations to be undertaken by such Prospective Transferee. If at any time the Prospective Transferor ceases to be the holding company of the Prospective Transferee, the Prospective Transferor shall procure the Prospective Transferee to re-transfer such shares back to the Prospective Transferor.

3.5.8 Tag-along Rights

Subject to the terms of the Subscription Agreement, if Pavillion intends to sell, transfer or dispose of more than 80% in aggregate of its shares in PCSB to a third party (provided that the third party is not a subsidiary of Pavillion), GTSB shall, after complying with the provisions in the Subscription Agreement on the Pre-emption Rights, require the said third party to purchase all or part of the shares as is equivalent to the proportion in which the number of shares offered by Pavillion to be sold or disposed of to such third party on a pro-rata basis, at the same terms and pricing or on no less favourable terms than those offered to Pavillion.

3.5.9 Nomination of Directors

Pursuant to the Subscription Agreement, subject to any restrictions imposed in the SPA and unless otherwise agreed in writing by the Parties, the board of PCSB shall comprise of a maximum of seven (7) directors and Pavillion shall, upon the date that the Subscription Agreement becomes unconditional as stated at paragraph 3.5.2 of this Circular, be entitled to nominate and appoint up to four (4) directors at any one time and GTSB shall be entitled to nominate and appoint up to three (3) directors at any one time.

Pursuant to the SPA, PCSB undertook to ensure that commencing from the date of the SPA and until the date of the registration of transfer of the Land to PCSB, PCSB shall at all times maintain its board structure of three (3) specified directors ("**Restriction on PCSB Directors**"), unless PCSB has obtained the consent of DBKL to make any such changes, where such consent shall not be unreasonably withheld.

As at the Latest Practicable Date, the Restriction on PCSB Directors has been waived under the SPA and Pavillion has nominated and appointed Mr Yuan Le Sheng, Mr Zhang Mao, Mr Zhong Yu Zhao and Mr Yuan Jun Rui to the board of PCSB.

3.6 **Guarantee Agreement**

Pursuant to clause 16.6 of the Subscription Agreement, Pavillion had on 29 November 2015 entered into a guarantee agreement ("**Guarantee Agreement**") with Tan Peng Koon and Anuar Bin Adam (collectively, "**Guarantors**") as the directors of the Sungei Wang Group, pursuant to which the Guarantors jointly and severally guarantee as principal debtor:

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- (i) to indemnify Pavillion in full against all demands, claims, losses, damages, liabilities, costs, charges and expenses whatsoever not owing to the default of Pavillion arising from the Subscription Agreement;
- (ii) that PCSB shall only be liable to a maximum aggregate sum of RM40 million for any claim from any creditor against PCSB with regard to the Plaza Rakyat Project which may affect the development on the Land by PCSB, and any claim amount exceeding the said RM40 million arising from the SPA with regard to the Plaza Rakyat Project shall be borne by the Sungei Wang Group, provided that such a claim or cause of action arose prior to the execution of the Subscription Agreement and results in a legal liability for PCSB to pay such sum; and
- (iii) that the sale and purchase of the Land shall include all rights and benefits attached to the Land including all building structure, foundation, pilling, carried out or erected on the Land.

3.7 Relative Figures Computed on the Bases set out in Rule 1006 of the Listing Manual

3.7.1 Based on the latest audited consolidated financial statements of the Company for FY2015, the relative figures in respect of the Subscription, taking into account the Plaza Rakyat Project, as computed on the bases set out in Rule 1006 of the Listing Manual (“**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), are as follows:

Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group’s net asset value. This basis is not applicable to an acquisition of assets.	Not applicable
Rule 1006(b)	The net losses ⁽¹⁾ attributable to the assets acquired or disposed of compared with the Group’s net profits. (-S\$16,955 ÷ S\$22,667,063) x 100%	-0.075% ⁽²⁾
Rule 1006(c)	The aggregate value of the Consideration given or received, compared with the Company’s market capitalisation based on the total number of issued shares excluding treasury shares. (S\$29,268,800 ÷ S\$52,875,000 ⁽³⁾) x 100% ⁽⁴⁾	55%
Rule 1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable
Rule 1006(e)	The 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 and gas company, but not to an acquisition of such assets.	Not applicable as the Company is not a mineral, oil and gas company

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Notes:

- (1) “Net losses” means loss before income tax, minority interests and extraordinary items.
- (2) The figure is negative because net loss of approximately RM50,977 (equivalent to approximately S\$16,955) was attributable to the Subscription Shares, as compared to the Group’s net profits of S\$22,667,063.
- (3) “Market capitalisation” of the Company is determined by multiplying the number of shares in issue of 1,125,000,000 by the weighted average price of the shares of S\$0.047 transacted on 27 November 2015, being the market day preceding the date of the Subscription Agreement.
- (4) The exchange rate for 27 November 2015, being the market day preceding the date of the Subscription Agreement, is S\$1.00 to RM3.0066.

3.7.2 As the relative figure under Rule 1006(c) exceeds 20%, the Subscription constitutes a “**Major Transaction**” as defined under Chapter 10 of the Listing Manual and will be subject to the approval of Shareholders pursuant to Rule 1014 of the Listing Manual.

3.8 Financial Effects of the Subscription

The financial effects of the Subscription on the Group as set out below are for illustrative purposes only and are not intended to reflect the actual future financial performance or position of the Group immediately after the completion of the Subscription. The financial effects of the Subscription, taking into account the Plaza Rakyat Project, set out below have been prepared based on the Group’s audited consolidated financial statements for FY2015.

3.8.1 Share Capital

The Subscription will not have any effect on the issued and paid up share capital of the Company as the Aggregate Subscription Consideration is to be satisfied in cash.

3.8.2 NTA

The effects of the Subscription on the audited consolidated NTA per share of the Group for FY2015, assuming that the Subscription had been effected on 31 December 2015, are summarised below:

	Before the Subscription	After the Subscription
NTA (S\$’000)	324,198	324,198
Number of Shares (’000)	1,125,000	1,125,000
NTA per Share (S\$)	0.29	0.29

LETTER TO SHAREHOLDERS

3.8.3 EPS

The effects of the Subscription on the audited consolidated EPS of the Group for FY2015, assuming that the Subscription had been effected on 1 January 2015 are summarised below:

	Before the Subscription	After the Subscription
Consolidated net profit (S\$'000)	7,465	7,448
Weighted average number of shares ('000)	1,125,000	1,125,000
EPS (Singapore cents)	0.66	0.66

3.8.4 Gearing

Assuming that the Subscription is funded solely by internal resources, the Subscription will have no material impact on the gearing of the Group. As at the Latest Practicable Date, 30% of the Aggregate Subscription Consideration has been paid and were funded through internal resources. Any future borrowings undertaken by the Group to finance the outstanding 70% of the Aggregate Subscription Consideration will affect the gearing of the Group. As the outstanding 70% of the Aggregate Subscription Consideration will be paid over the next 18 months, the Company is unable to provide an estimate of future borrowings.

4 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

4.1 As at the Latest Practicable Date, the interests of the Directors in the Shares, as extracted from the Register of Directors' Shareholdings of the Company and the interests of Substantial Shareholder(s), as extracted from the Register of Substantial Shareholders' Shareholdings of the Company, maintained pursuant to Sections 164 and 88 of the Companies Act respectively, are as follows:

	Direct Interest	Number of Shares		Total ⁽¹⁾ (%)	
		%	Deemed Interest		%
Directors					
Yuan Le Sheng	16,593,000 ⁽²⁾	1.47	590,781,978 ⁽²⁾⁽³⁾⁽⁶⁾	52.51	53.98
Zhang Mao	-	-	1,212,000 ⁽⁴⁾⁽⁵⁾	0.11	0.11
Zhong Yu Zhao	1,525,000 ⁽⁴⁾	0.14	-	-	0.14
Zheng Li Hua	-	-	607,374,978 ⁽²⁾⁽³⁾⁽⁶⁾	53.98	53.98
Cheong Keng Chuan Alfred	-	-	-	-	-
He Guo Quan	-	-	-	-	-
Chia Seng Hee, Jack	-	-	-	-	-

LETTER TO SHAREHOLDERS

Substantial Shareholders (other than Directors)

Billion Equity Holdings Limited	568,805,234 ⁽²⁾	50.56	-	-	50.56
Phillip Securities Pte Ltd	81,157,987	7.21	-	-	7.21

Notes:

- (1) Based on 1,125,000,000 Shares as at the Latest Practicable Date.
- (2) Billion Equity Holdings Limited is a company incorporated in the British Virgin Islands and wholly-owned by the Chairman of the Company, Mr Yuan Le Sheng. Accordingly, Mr Yuan Le Sheng is deemed interested in the shares of the Company held by Billion Equity Holdings Limited.
- (3) Mr Yuan Le Sheng and Mdm Zheng Lihua, are husband and wife. Accordingly, they are deemed interested in each other's shares in the Company.
- (4) Mr Zhang Mao is deemed interested in the 1,212,000 shares held by his spouse Ms Fang Zai Ming.
- (5) Pride Capital Investment Holdings Limited is a company incorporated in the British Virgin Islands and wholly-owned by Mr Yuan Jiajun, the son of Mr Yuan Le Sheng and Mdm Zheng Lihua, the Non-Executive Director of the Company. Accordingly, Mr Yuan Jiajun is deemed interested in the shares of the Company held by Pride Capital Investment Holdings Limited.
- (6) Mr Yuan Jiajun is the son of Mr Yuan Le Sheng and Mdm Zheng Lihua. Accordingly, each of Mr Yuan Le Sheng and Mdm Zheng Lihua is deemed interested in Mr Yuan Jiajun's interests in the Company.

4.2 None of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Share Consolidation and the Subscription, other than through their respective shareholdings in the Company.

5 DIRECTORS' SERVICE CONTRACTS

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

6 DIRECTORS' RECOMMENDATIONS

The Directors, having considered the rationale and terms of the Proposed Share Consolidation and the Subscription, are of the opinion that the Proposed Share Consolidation and the Subscription are in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the ordinary resolutions in respect of the Proposed Share Consolidation and the Subscription set out in the EGM notice.

7 EXTRAORDINARY GENERAL MEETING

7.1 The EGM, notice of which is set out in this Circular, will be held on 27 April 2016 for the purpose of considering and, if thought fit, passing with or without modifications the ordinary resolution set out therein.

7.2 In support of the Subscription, the existing Directors, controlling Shareholders and substantial Shareholders who hold an aggregate of approximately 73.5% of the shareholdings in the Company had undertaken to vote in favour of the Subscription at the EGM.

LETTER TO SHAREHOLDERS

8 ACTION TO BE TAKEN BY SHAREHOLDERS

8.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and wish to appoint a proxy/proxies to attend and vote on their behalf will find enclosed with this Circular, a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the office of the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for the holding of the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy/proxies if he finds that he is able to do so. In such an event, the Proxy Form will be deemed to be revoked.

8.2 Depositors

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

9 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 Share Consolidation, the Subscription, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

10 DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Circular up to and including the date of the EGM:

- (i) the Constitution of the Company; and
- (ii) the annual report of the Company for FY2015;
- (iii) the Subscription Agreement.

Yours faithfully

For and on behalf of the Board of Directors of
DEBAO PROPERTY DEVELOPMENT LTD.

Yuan Le Sheng
Executive Chairman and CEO

NOTICE OF EXTRAORDINARY GENERAL MEETING

DEBAO PROPERTY DEVELOPMENT LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200715053Z)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Debao Property Development Ltd. ("**Company**") will be held at, Suntec Singapore Convention & Exhibition Centre, Room 332, 1 Raffles Boulevard, Suntec City, Singapore 039593, on Wednesday, 27 April 2016 at 3.00 p.m., for the purpose of considering and, if thought fit, passing with or without amendment, the ordinary resolutions 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 12 April 2016.

ORDINARY RESOLUTION 1: THE PROPOSED CONSOLIDATION OF EVERY FIFTEEN (15) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE TO BE DETERMINED, INTO ONE (1) CONSOLIDATED SHARE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

That pursuant approval be and is hereby given:

- (a) for the proposed consolidation of every fifteen (15) Existing Shares held by Shareholders as at the Books Closure Date into one (1) Consolidated Share in the manner set out in the circular to shareholders of the Company dated 12 April 2016;
- (b) any fraction of a Consolidated Share which may arise from the Proposed Share Consolidation pursuant to paragraph (a) above shall be disregarded, and all fractional entitlements arising from the implementation of the Proposed Share Consolidation will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including (i) disregarding the fractional entitlements, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company;
- (c) the Directors be and are hereby authorised to fix the Books Closure Date and the Effective Trading Date in their absolute discretion; and
- (d) the Directors and each of them be and is hereby authorised to take any and all steps and to do and/or procure to be done any and all acts and things (including without limitation, to approve, sign and execute all such documents which they in their absolute discretion consider to be necessary, and to exercise such discretion as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may consider necessary, desirable or expedient in order to implement, finalise and give full effect to this Ordinary Resolution and the Proposed Share Consolidation and/or the matters contemplated herein.

ORDINARY RESOLUTION 2: THE SUBSCRIPTION OF SHARES IN PROFIT CONSORTIUM SDN BHD AS A MAJOR TRANSACTION

That approval be and is hereby given:

- (a) for the Subscription on the terms and subject to the conditions set out in the Subscription Agreement; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the Directors and each of them be and is hereby authorised to take any and all steps and to do and/or procure to be done any and all acts and things (including without limitation, to approve, sign and execute all such documents which they in their absolute discretion consider to be necessary, and to exercise such discretion as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may consider necessary, desirable or expedient in order to implement, finalise and give full effect to this Ordinary Resolution and the Subscription and/or the matters contemplated herein.

BY ORDER OF THE BOARD

Janet Tan
Company Secretary

12 April 2016

Notes:

1. A member of the Company (other than a Relevant Intermediary as defined in Note 2 below) entitled to attend and vote at the Extraordinary General Meeting of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company and where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named proxy.
2. A member of the Company who is a Relevant Intermediary entitled to attend and vote at the Extraordinary General Meeting of the Company is entitled to appoint more than two (2) proxies to attend and vote in his stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. A proxy need not be a member of the Company and where a member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

"Relevant Intermediary" means:

- (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
 4. The instrument appointing a proxy or proxies must be deposited at the Company's registered office, 80 Raffles Place, #32-01 UOB Plaza 1, Singapore 048624, not less than forty-eight (48) hours before the time for holding the Extraordinary General Meeting.

Personal Data Privacy

By attending the Extraordinary General Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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DEBAO PROPERTY DEVELOPMENT LTD.

(Company Registration Number: 200715053Z)
(Incorporated in Singapore on 16 August 2007)

IMPORTANT

1. For investors who have used their CPF monies to buy ordinary shares in the capital of Debao Property Development Ltd., this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend and vote at the Extraordinary General Meeting should contact their CPF Approved Nominees.

**PROXY FORM
EXTRAORDINARY GENERAL MEETING**

(Please see notes overleaf before completing this Form)

I/We, _____ NRIC/ Passport/ Co. Reg. No. _____

of _____ (Address)

being a member/members of DEBAO PROPERTY DEVELOPMENT LTD. (the "Company") hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholding (%)

and/or failing him/her (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholding (%)

or failing him/her, the Chairman of the Extraordinary General Meeting (the "EGM") of the Company as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the EGM of the Company to be held at, Suntec Singapore Convention & Exhibition Centre, Room 332, 1 Raffles Boulevard, Suntec City, Singapore 039593, on Wednesday, 27 April 2016 at 3.00 p.m., and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/their* discretion, as he/they* will on any other matters arising at the EGM.

All resolutions put to the vote of the EGM shall be decided by the way of poll.

**Delete as appropriate.*

No.	Ordinary Resolutions	Number of Votes For**	Number of Votes Against**
1.	To approve the Proposed Share Consolidation		
2.	To approve the Subscription		

** If you wish to exercise all your votes "For" or "Against", please indicate with a "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2016

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

Total number of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, 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 shares registered in your name in the Register of members.
2. A member of the Company (other than a Relevant Intermediary as defined in Note 3 below) entitled to attend and vote at the EGM of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company and where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named proxy.
3. A member of the Company who is a Relevant Intermediary entitled to attend and vote at the EGM of the Company is entitled to appoint more than two (2) proxies to attend and vote in his stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. A proxy need not be a member of the Company and where a member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

“Relevant Intermediary” means:

(a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds shares in that capacity; or

(c) the Central Provident Fund Board (“**CPF Board**”) established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

4. The instrument appointing a proxy or proxies must be deposited at the Company’s registered office at 80 Raffles Place #32-01 UOB Plaza 1 Singapore 048624, not less than 48 hours before the time appointed for the holding of the EGM.
5. The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be either under its seal or under the hand of its attorney duly authorised.
6. Where the instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member may authorise by resolution of its Directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies. In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:

By attending the EGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.