



CHOSEN HOLDINGS LIMITED

Company Registration Number: 199804325C
(Incorporated in the Republic of Singapore)

NOTICE OF THE SIXTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixteenth Annual General Meeting of CHOSEN HOLDINGS LIMITED (the "Company") will be held on Tuesday, 28 October 2014, at 17 Woodlands Terrace, Woodlands East Industrial Estate, Singapore 738442, at 10:00 a.m. for purposes of the following:

AS ORDINARY BUSINESS

- To receive and adopt the Directors' Report and Audited Financial Statements of the Company for the financial year ended 30 June 2014, together with the Auditors' Report. **(Resolution 1)**
- To declare the First and Final Tax Exempt One-Tier Dividend of 0.72 cents per share for the financial year ended 30 June 2014. **(Resolution 2)**
- To approve Directors' Fees to the Non-Executive Directors as follows:
 - Directors' Fees of \$189,000 for the financial year ending 30 June 2015 to be paid in cash quarterly in arrears. **(Resolution 3a)**
 - Participation and the grant of a total of 428,279 share awards pursuant to the Chosen Holdings Limited Performance Share Award Scheme to:
 - Mr Chew Heng Ching in respect of 152,957 share awards **(Resolution 3(b)(i))**
 - Mr Chow Kok Kee in respect of 137,661 share awards **(Resolution 3(b)(ii))**
 - Mr Henry Tan Song Kok in respect of 137,661 share awards **(Resolution 3(b)(iii))**
- To re-elect the following Directors who are retiring pursuant to Article 96 of the Articles of Association:
 - Mr Chew Heng Ching **(Resolution 4(a))**
 - Mr Chow Kok Kee **(Resolution 4(b))**
- To re-appoint Messrs KPMG LLP as Auditors and to authorise the Directors to fix their remuneration. **(Resolution 5)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions, with or without modifications:-

6. Authority to Issue Shares

- "That pursuant to Section 161 of the Companies Act, and the listing rules of the SGX-ST, the Directors be and are hereby authorised to issue shares in the Company (whether by way of bonus issue, rights issue or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit provided that:
 - the aggregate number of shares to be issued pursuant to this Resolution does not exceed 50% of the issued share capital of the Company, of which the aggregate number of shares to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed 20% of the Company's issued Share Capital;
 - for the purposes of determining the aggregate number of shares that may be issued under (i) above, the percentage of issued share capital shall be based on the issued share capital of the Company at the time this Resolution is passed, after adjusting for:
 - new shares arising from the conversion or exercise of any convertible securities that are outstanding when this Resolution is passed; and
 - any subsequent consolidation or sub-division of shares; and

unless revoked or varied by the Company in a General Meeting, such authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier." **(Resolution 6(a))**

- "That the Directors be and are hereby authorised to grant awards in accordance with the provisions of the Chosen Holdings Limited Performance Share Award Scheme ("PSA Scheme") and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards under the PSA Scheme PROVIDED THAT the aggregate number of shares to be issued pursuant to the PSA Scheme shall not exceed fifteen percent (15%) of the issued shares in the capital of the Company from time to time." **(Resolution 6(b))**

- "That the participation of Mr Aloysius Lim Cher Kia, an Executive Director and Controlling Shareholder of the Company, in the Chosen Holdings Limited Performance Share Award Scheme and the grant of 507,845 share awards to him be and is hereby approved. **(Resolution 6(c))**

- "That the Directors be and are hereby authorized to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the Chosen Holdings Limited Scrip Dividend Scheme." **(Resolution 6(d))**

7. Renewal of Share Purchase Mandate

"That:-

- for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore (the "Act"), the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares of the Company (the "Shares") not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:-

- on-market purchases (each a "Market Purchase") on the Singapore Securities Trading Limited (the "SGX-ST"); and/or
- off-market purchases (each an "Off-Market Purchase") effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");

- unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution, and expiring on the earlier of:-

- the date on which the next annual general meeting of the Company is held; or
- the date by which the next annual general meeting of the Company is required by law to be held; or
- the date on which the purchases of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

- in this Resolution:-

"**Prescribed Limit**" means 10% of the total number of issued ordinary shares of the Company as at the date of the passing of this Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued ordinary shares of the Company shall be taken to be the number of issued ordinary shares of the Company as altered (excluding any Treasury Shares that may be held by the Company from time to time). Any Shares which are held as Treasury Shares will be disregarded for the purpose of computing the 10% limit;

"**Relevant Period**" means the period commencing from the date on which the last annual general meeting was held and expiring on the date the next annual general meeting is held or required by law to be held, whichever is the earlier, after the date of this Resolution; and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:-

- in the case of a Market Purchase, 105% of the Average Closing Price; and
- in the case of an Off-Market Purchase, 120% of the Average Closing Price,

where:-

"**Average Closing Price**" means the average of the closing market prices of a Share over the last 5 Market Days ("Market Day" being a day on which the SGX-ST is open for securities trading), on which transactions in the Shares were recorded, before the day on which the Market Purchase was made or, as the case may be, before the date of making an announcement by the Company of an offer for an Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant 5 Market Days; and

- the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things as they and/or he may consider necessary, desirable, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution." **(Resolution 7)**

- To transact any other business that may be transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Soong Wee Choo / Liew Meng Ling

Joint Company Secretaries
Singapore
3 October 2014

Explanatory Notes:

Ordinary Resolution 3(a) & (b)

This Resolution 3(a) is to approve the payment of non-executive Directors' Fees for the financial year ending 30 June 2015.

Resolution 3(b)(i) to (iii) is to approve the payment of non-executive Directors' Fees by way of share awards pursuant to the Chosen Holdings Limited Performance Share Award Scheme ("the PSA Scheme") to Mr Chew Heng Ching, Mr Chow Kok Kee and Mr Henry Tan Song Kok for the financial year ended 30 June 2014, in addition to the Directors' Fees of \$189,000 approved at the last Annual General meeting of the Company held on 28 October 2013. Detailed information on Directors' Fees is set out under "Remuneration Matters" in the Corporate Governance Report of the Annual Report 2014.

Ordinary Resolution 4(a)

Mr Chew Heng Ching, if re-elected, will remain as a member of the Audit Committee and its Chairman; he is also a member of the Remuneration Committee, Nominating Committee as well as Performance Share Award Scheme Committee of the Company. Mr Chew Heng Ching is considered to be an independent Director of the Company.

Ordinary Resolution 4(b)

Mr Chow Kok Kee, if re-elected, will remain as a member of the Nominating Committee and its Chairman; he is also a member of the Audit Committee, Remuneration Committee as well as the Performance Share Award Scheme Committee of the Company. Mr Chow Kok Kee is considered to be an independent Director of the Company.

Ordinary Resolution 6(a)

Ordinary Resolution 6(a) will empower the Directors from the date of the Annual General Meeting until the date of the next Annual General Meeting to issue further shares in the Company. The maximum number of shares, which the Directors may issue under this Resolution, shall not exceed the quantum set out in the resolution.

Ordinary Resolution 6(b)

The Ordinary Resolution proposed in item 6(b) above, if passed, will empower the Directors to issue shares pursuant to the PSA Scheme, up to an amount not exceeding in total fifteen percent (15%) of the issued share capital of the Company from time to time. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

Ordinary Resolution 6(c)

Under the Listing Rules and the rules of the PSA Scheme, the Company is to seek the approval of independent shareholders on any proposal to grant share awards to a Controlling Shareholder or the Associate(s) of a Controlling Shareholder who is otherwise eligible to participate in the PSA Scheme. Resolution 6(c) is to approve the participation and grant to Mr Aloysius Lim Cher Kia, the Executive Chairman and Controlling Shareholder of the Company, of 507,845 share awards on the terms set out in the Company's announcement on 1 September 2014. Mr Aloysius Lim Cher Kia will abstain from voting on Resolution 6(c).

Ordinary Resolution 6(d)

This Resolution 6(d) authorises the Directors to issue ordinary shares pursuant to the Chosen Holdings Limited Scrip Dividend Scheme to members who, in respect of a qualifying dividend, have elected to receive shares in lieu of cash.

Ordinary Resolution 7

Ordinary Resolution 7 proposed above, if passed, renews the Share Purchase Mandate which was approved at the Annual General Meeting of the Company held on 28 October 2013. It will empower the Directors to repurchase shares of the Company effective until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting is required by law to be held, whichever is the earlier. The authority and limitation on, rationale for, sources of funds to be used for the purchase, and the financial effects of the purchase of shares pursuant to the Share Purchase Mandate are set out in greater detail in the Addendum to the Company's 2014 Annual Report.

The Company intends to use internal sources of funds or external borrowings or a combination of both to finance its purchase or acquisition of shares.

An illustration on the financial impact of a purchase or acquisition of shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 30 June 2014 is set out in Section 2.7 of the Addendum dated 3 October 2014.

Notes:

- A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on his/her behalf. A proxy need not be a member of the Company.
- The instrument appointing a proxy must be deposited at the Company's Registered Office at 17 Woodlands Terrace, Woodlands East Industrial Estate, Singapore 738442, not less than 48 hours before the time set for holding the Annual General Meeting.
- The Transfer Book and Register of Members of the Company will be closed on 14 November 2014 for the preparation of dividend warrants. Fully completed registrable transfers received by the Company's Share Registrars, M&C Services Private Limited of 112 Robinson Road #05-01, Singapore 068902, up to 5:00 p.m. on 13 November 2014 will be registered to determine shareholders' entitlement to the proposed first and final dividend. Shareholders whose securities account with The Central Depository (Private) Limited are credited with shares at 5:00 p.m. on 13 November 2014 will be entitled to the proposed dividends. Payment of the said dividends, if approved by shareholders at the Annual General Meeting, will be made on 21 November 2014.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual 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 Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual 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.