

CIRCULAR DATED 7 JANUARY 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

If you have sold or transferred all your shares in the capital of Casa Holdings Ltd. (the “**Company**”), you should immediately forward this Circular and the enclosed Notice of Extraordinary General Meeting and Proxy Form to the purchaser, transferee or to the bank, 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 correctness of any of the statements made, reports contained or opinions expressed in this Circular.



CASA HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199406212Z)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY; AND**
- (2) THE ADOPTION OF THE PROPOSED SHARE PURCHASE MANDATE**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form : 27 January 2016 at 10.30 a.m.

Date and time of Extraordinary General Meeting : 29 January 2016 at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be convened on the same day and at the same venue)

Place of Extraordinary General Meeting : 15 Kian Teck Crescent,
Singapore 628884

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DEFINITIONS

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

“AGM”	:	Annual General Meeting of the Company
“Articles”	:	The articles of association of the Company, as may be amended or modified from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 7 January 2016
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as may be amended modified or supplemented from time to time
“Company”	:	Casa Holdings Ltd.
“Directors”	:	The directors of the Company as at the date of this Circular
“EGM”	:	Extraordinary General Meeting of the Company
“EPS”	:	Earnings per Share
“FY2015”	:	Financial year ended on 30 September 2015
“Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	24 December 2015 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
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Memorandum and Articles of Association”	:	The memorandum and articles of association of the Company
“NTA”	:	Net tangible assets
“Relevant Period”	:	The period commencing from the date on which the last AGM was held or if no such meeting was held the date it was required by law to be held before the resolution authorising the Share Purchase Mandate is passed, and expiring on the date the next AGM is or is required by law to be held, whichever is the earlier, after the date the resolution authorising the Share Purchase Mandate is passed
“Securities Account”	:	The securities account(s) maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Purchase Mandate”	:	The general mandate to enable the Company to purchase or otherwise acquire its issued Shares

DEFINITIONS

“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with the Shares
“Shares”	:	Ordinary shares in the share capital of the Company
“subsidiary”	:	Has the meaning ascribed to it in Section 5 of the Companies Act
“Substantial Shareholder”	:	A person who has an interest in not less than five per cent. of the issued voting Shares of the Company
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time
“treasury share”	:	A share of a company that was or is treated as having been acquired and held by the company and has been held continuously by the company since it was so acquired and has not been cancelled
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“%” or “per cent.”	:	percentage or per centum

The terms “Depositor” and “Depository Register” shall have the meaning ascribed to them respectively in Section 130A of the Companies 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 or any statutory modification thereof and used in this Circular shall have the same meaning assigned to it under the Companies Act 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.

LETTER TO SHAREHOLDERS

CASA HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199406212Z)

Directors:

Low Seow Chay (*Chairman and Independent Director*)
Lim Soo Kong @ Lim Soo Chong (*CEO and Executive Director*)
Hu Zhong Huai (*Non-Executive and Non-Independent Director*)
Lim Yian Poh (*Independent Director*)
Stefan Matthieu Lim Shing Yuan (*Non-Executive and Non-Independent Director*)

Registered Office:

15 Kian Teck Crescent
Singapore 628884

7 January 2016

To: The Shareholders of Casa Holdings Ltd.

Dear Sir / Madam,

THE PROPOSED SHARE PURCHASE MANDATE**1. INTRODUCTION**

- 1.1 The Directors propose to convene an EGM to be held on 29 January 2016 to seek Shareholders' approval for the following matters:
- (a) the proposed amendments to the Memorandum and Articles of Association; and
 - (b) the adoption of the proposed Share Purchase Mandate.
- 1.2 The purpose of this Circular is to provide Shareholders with the relevant information pertaining to the abovementioned matters, and to seek the approval of Shareholders in relation to the proposed amendments to the Memorandum and Articles of Association and the adoption of the proposed Share Purchase Mandate. The notice of EGM is set out on pages 25 to 27 of the Circular.

2. THE PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION**2.1 Rationale**

Under Section 76B of the Act, a company may, in accordance with that section and Sections 76C to 76G, purchase or otherwise acquire its own ordinary shares, stocks and/or preference shares issued by it if it is expressly permitted to do so by its articles. Presently, the Articles do not have a provision permitting the Company to do so.

The Company wishes to have the option to be able to purchase Shares issued by the Company and to keep all Shares so purchased and/or acquired as treasury shares should the Directors be of the view that it is in the interests of the Company to do so. This would give the Company a mechanism to facilitate the return of any surplus cash in excess of the Group's working capital requirements in an expedient and cost-efficient manner. The Directors further believe that the ability of the Company to purchase its own shares may also help mitigate short-term share price volatility and offset the effects of share price speculation.

The Company proposes to amend its Articles to enable it to purchase or acquire shares issued by the Company.

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The Companies (Amendment) Act 2005 introduced new provisions on treasury shares. Under these provisions, a company can hold shares which are the subject of a share purchase by a company as treasury shares instead of cancelling the same. The right to attend and vote at meetings and save as provided in the Act, the right to dividend or other distributions relating to such shares will be suspended for so long as the purchased shares are held in treasury.

2.2 The proposed amendments are set out below:

2.2.1 Meanings

It is proposed to insert a new definition of “Treasury Shares” in the interpretations section of the Memorandum & Articles of Association.

2.2.2 Proposed Renumbering of Article 5

It is proposed to renumber the existing Article 5 as Article 5(1).

2.2.3 Proposed Insertion of new Article 5(2)

It is proposed that a new Article 5(2) be inserted immediately after Article 5:

Insertion:

“5(2) Notwithstanding any other provision of these Articles, all the rights attaching to a Treasury Share shall be suspended and shall not be exercisable by the Company while it holds such Treasury Share and, except where required by the Act, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital or shares of the Company.”

2.2.4 Proposed Insertion of new Article 60(3)

It is proposed that a new Article 60(3) be inserted immediately after Article 60(2):

Insertion:

“60(3) The Company may purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the Act and on such terms as the Directors shall think fit. Any power of the Company to purchase or otherwise acquire its own shares shall be exercisable by the Directors in accordance with and subject to the Act, the Company’s memorandum of association and, for so long as the shares of the Company are listed on the Exchange, the prior approval of the shareholders in general meeting for such purchase or acquisition. Such approval of the shareholders shall remain in force until (i) the conclusion of the annual general meeting of the Company following the passing of the resolution granting the said authority, or (ii) the date by which such annual general meeting is required to be held, or (iii) it is revoked or varied by an Ordinary Resolution of the Company in general meeting, whichever is the earliest, and may thereafter be renewed by the shareholders in general meeting. For so long as the shares of the Company are listed on the Exchange, the Company shall make an announcement to the Exchange of any purchase or acquisition by the Company of its own shares on the market day following the day of such purchase or acquisition.”

2.2.5 Full text of amendments

The full text of the proposed amendments are set out in Annexure 1 to this Circular.

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3. THE SHARE PURCHASE MANDATE

3.1 The Share Purchase Mandate

- 3.1.1 Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by the Companies Act, the Articles and the Listing Manual and such other laws and regulations as may, for the time being, be applicable.
- 3.1.2 Rule 881 of the Listing Manual provides that a company may purchase its own shares if it has obtained the prior specific approval of shareholders in a general meeting. Accordingly, approval is being sought from the Shareholders at the EGM for the Share Purchase Mandate. An ordinary resolution will be proposed, pursuant to which the Share Purchase Mandate will be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire Shares according to the terms of the Share Purchase Mandate.
- 3.1.3 If approved by the Shareholders at the EGM, the authority conferred by the Share Purchase Mandate will take effect from the date of the EGM and continue in force until the date on which the next AGM is held or required by law to be held, unless prior thereto, purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate have been carried out to the full extent mandated, or the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in a general meeting.

3.2 Rationale for the Share Purchase Mandate

- 3.2.1 The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:-
- (a) in line with international practice, the Share Purchase Mandate will provide the Company with greater flexibility in managing its capital and maximising return to its Shareholders. To the extent that the Company has capital and surplus funds which are in excess of its financial needs, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner;
 - (b) in managing its business, the Group strives to increase Shareholders' value by improving, *inter alia*, the return on equity of the Company. In addition to growth and expansion of the business, purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate may be considered as one of the ways through which the return on equity of the Company may be enhanced;
 - (c) Share purchases may help mitigate short-term market volatility in the Company's share price, offset the effects of short-term speculation and bolster Shareholders' confidence;
 - (d) the Share Purchase Mandate will enable the Directors to utilise the Shares which are purchased or acquired thereunder and held as treasury shares to be sold for cash or transferred as consideration for the acquisition of shares in or assets of another company or assets of a person, which may be less dilutive than if new Shares were issued for this purpose; and
 - (e) the Share Purchase Mandate will provide the Company the flexibility to undertake share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

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3.2.2 The Company will only purchase or acquire Shares pursuant to the Share Purchase Mandate if it can benefit the Company and Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full limit as authorised. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position of the Group as a whole and/or affect the listing status of the Company on the SGX-ST.

3.3 Authority and Limits of the Share Purchase Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate, if approved at the EGM, are summarised below:-

3.3.1 *Maximum Number of Shares*

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate shall not exceed 10% of the total number of issued Shares as at the date on which the resolution authorising the Share Purchase Mandate is passed, unless the Company has, at any time during the Relevant Period, effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, in which event the issued share capital of the Company shall be taken to be the amount of the issued share capital of the Company as altered. Any Shares which are held as treasury shares shall be disregarded for the purposes of computing the 10% limit.

For illustrative purposes only, based on 209,826,140 issued Shares as at the Latest Practicable Date, and assuming that no further Shares are issued on or prior to the EGM, the purchase or acquisition by the Company pursuant to the Share Purchase Mandate of up to the maximum limit of 10% of its issued Shares will result in the purchase or acquisition of 20,982,600 Shares.

3.3.2 *Duration of Authority*

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM at which the Share Purchase Mandate is approved, up to the earliest of:-

- (a) the date on which the next AGM is held or is required by law to be held;
- (b) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in a general meeting.

The Share Purchase Mandate may be renewed at each subsequent AGM or other general meetings of the Company.

3.3.3 *Manner of Purchases or Acquisitions of Shares*

Purchases or acquisitions of Shares may be made by way of:-

- (a) on-market purchases, transacted through the SGX-ST's trading system, through one or more duly licensed stock brokers appointed by the Company for that purpose ("**Market Purchase**"); and/or
- (b) off-market purchases pursuant to an equal access scheme in accordance with Section 76C of the Companies Act ("**Off-Market Purchase**").

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The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes.

An Off-Market Purchase must, however, satisfy all of the following conditions:-

- (a) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers shall be the same, except that there shall be disregarded:-
 - (i) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
 - (ii) (if applicable) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and
 - (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, the Company must issue an offer document to all Shareholders containing at least the following information:-

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed purchase or acquisition of Shares by the Company;
- (d) the consequences, if any, of the proposed purchase or acquisition of Shares by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the proposed purchase or acquisition of Shares by the Company, if made, could affect the listing of the Company's equity securities on the SGX-ST;
- (f) details of any purchase or acquisition of Shares by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

3.3.4 Purchase Price

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors must not exceed:-

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

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- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price of the Shares,

in each case, excluding related expenses of the purchase or acquisition (the “**Maximum Price**”).

For the purposes of determining the Maximum Price:-

- (a) “**Average Closing Price**” means the average of the closing market prices of a Share over the last five Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period; and
- (b) “**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holder of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

3.4 Status of Purchased Shares

Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

3.5 Treasury Shares

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

3.5.1 *Maximum holdings*

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

3.5.2 *Voting and other rights*

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury shares into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

3.5.3 *Disposal and Cancellation*

Where Shares are held as treasury shares, the Company may at any time (but subject always to the Take-over Code):-

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;

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- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

In addition, under Rule 704(28) of the Listing Manual, the Company must immediately announce any sale, transfer, cancellation and/or use of treasury shares held by it stating the following:-

- (a) date of the sale, transfer, cancellation and/or use;
- (b) purpose of such sale, transfer, cancellation and/or use;
- (c) number of treasury shares sold, transferred, cancelled and/or used;
- (d) number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (e) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (f) value of the treasury shares if they are used for a sale or transfer, or cancelled.

3.6 Source of funds

3.6.1 The Company may not purchase or acquire Shares on the SGX-ST for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the SGX-ST.

3.6.2 Any purchase or acquisition of Shares may be made only if the Company is solvent and out of the Company's capital or profits. It is an offence for a Director or manager of the Company to approve or authorise the purchase or acquisition of Shares, knowing that the Company is not solvent. For this purpose, pursuant to the Companies Act, a company is solvent if:-

- (a) the Company is able to pay its debts in full at the time of the payment for any Share purchased or acquired pursuant to the Share Purchase Mandate and will be able to pay its debts as they fall due in the normal course of business during the period of 12 months immediately following the date of the payment; and
- (b) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the proposed purchase or acquisition of Shares pursuant to the Share Purchase Mandate, become less than the value of its liabilities (including contingent liabilities).

3.6.3 The Company will use internal resources and/or external borrowings to finance the purchase or acquisition of Shares pursuant to the Share Purchase Mandate. The Directors will principally consider the availability of internal resources. The Directors will also consider the availability of external financing. However, in considering the option of external financing, the Directors will particularly consider the prevailing gearing level of the Group. The Directors will only make purchases or acquisitions of Shares in circumstances which they believe will not result in any material adverse effect on the financial position of the Company or the Group. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions.

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3.7 Financial Effects

The financial effects arising from a purchase or acquisition of Shares pursuant to the Share Purchase Mandate on the Group and the Company will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the consideration paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effect on the unaudited financial statements of the Group and the Company will depend, *inter alia*, on the factors set out below:-

3.7.1 **Purchase or Acquisition out of Profits and/or Capital**

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

3.7.2 **Number of Shares Acquired or Purchased**

Based on 209,826,140 issued Shares as at the Latest Practicable Date, the purchase or acquisition of Shares by the Company of up to the maximum limit of 10% of its issued Shares will result in the purchase or acquisition of 20,982,600 Shares.

3.7.3 **Maximum Price Paid for Shares Acquired or Purchased**

In the case of Market Purchase by the Company and assuming that the Company purchases or acquires 20,982,600 at the Maximum Price of S\$0.108 per Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 20,982,600 Shares is approximately S\$2,264,000 (excluding brokerage, commission, applicable goods and services tax and other related expenses).

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 20,982,600 Shares at the Maximum Price of S\$0.123 per Share (being the price equivalent to 20% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 20,982,600 Shares is approximately S\$2,587,000 (excluding brokerage, commission, applicable goods and services tax and other related expenses).

3.7.4 **Illustrative Financial Effects**

For illustrative purposes only, based on the assumptions set out above and assuming that (i) the purchase or acquisition of Shares are made to the extent aforesaid, (ii) such Shares are funded wholly by internal resources within the Group and (iii) the Company had purchased 20,982,600 Shares (representing 10% of the issued Shares as at the Latest Practicable Date) on 1 October 2015, the financial effects of the purchase of 20,982,000 Shares by way of:-

- (a) purchases made entirely out of capital and held as treasury shares;
- (b) purchases made entirely out of capital and cancelled;
- (c) purchases made entirely out of profits and held as treasury shares; and

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(d) purchases made entirely out of profits and cancelled,

on the audited financial statements of the Group and the Company for FY2015 pursuant to the Share Purchase Mandate are set out on the following pages:-

(a) Purchases made entirely out of capital and held as treasury shares

	Group			Company		
	Before Share Purchase	After Share Purchase assuming Market Purchase ⁽⁶⁾	After Share Purchase assuming Off-Market Purchase ⁽⁷⁾	Before Share Purchase	After Share Purchase assuming Market Purchase ⁽⁶⁾	After Share Purchase assuming Off-Market Purchase ⁽⁷⁾
As at 30 September 2015	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	32,315	32,315	32,315	32,315	32,315	32,315
Retained earnings	36,554	36,554	36,554	2,419	2,419	2,419
Other reserves	1,764	1,764	1,764	–	–	–
Treasury shares	–	(2,264)	(2,587)	–	(2,264)	(2,587)
Total Shareholders' funds	70,633	68,369	68,046	34,734	32,470	32,147
Non-controlling interests	4,866	4,866	4,866	–	–	–
Total equity	75,499	73,235	72,912	34,734	32,470	32,147
NTA ⁽¹⁾	75,499	73,235	72,912	34,734	32,470	32,147
Current assets	77,238	74,974	74,651	13,699	11,435	11,112
Current liabilities	20,255	20,255	20,255	7,525	7,525	7,525
Working capital	56,983	54,719	54,396	6,174	3,910	3,587
Total borrowings	38,898	38,898	38,898	–	–	–
Cash and cash equivalents	13,040	10,776	10,453	5,296	3,032	2,709
Net Profit after tax attributable to shareholders	6,183	6,183	6,183	1,097	1,097	1,097
Number of Shares (in '000)	209,826	188,844	188,844	209,826	188,844	188,844
Financial Ratios						
NTA per Share ⁽²⁾ (cents)	35.98	38.78	38.61	16.55	17.19	17.02
Net gearing ratio ⁽³⁾ (times)	0.37	0.41	0.42	–	–	–
Current ratio ⁽⁴⁾ (times)	3.81	3.70	3.69	1.82	1.52	1.48
EPS ⁽⁵⁾ (cent)	0.03	0.03	0.03	0.01	0.01	0.01

Notes:-

- (1) NTA refers to net assets less intangible assets.
- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares.
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Shareholders' funds.
- (4) Current ratio equals to current assets divided by current liabilities.
- (5) EPS equals profit after tax and non-controlling interests divided by the total number of shares as at 30 September 2015.

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- (6) Assumes that the Company purchases the 20,982,600 shares at the Maximum Price of S\$0.108 for one Share which is 5% above the Average Closing Prices of a Share over the last 5 Market Days on which the transactions in the Shares were traded immediately preceding the Latest Practicable Date and accordingly, the maximum amount of funds required for the purchase of the 20,982,600 Shares is approximately S\$2,264,000.
- (7) Assumes that the Company purchases the 20,982,600 shares at the Maximum Price of S\$0.123 for one Share which is 20% above the Average Closing Prices of a Share over the last 5 Market Days on which the transactions in the Shares were traded immediately preceding the Latest Practicable Date and accordingly, the maximum amount of funds required for the purchase of the 20,982,600 Shares is approximately S\$2,587,000.

(b) Purchases made entirely out of capital and cancelled

	Group			Company		
	Before Share Purchase	After Share Purchase assuming Market Purchase ⁽⁶⁾	After Share Purchase assuming Off-Market Purchase ⁽⁷⁾	Before Share Purchase	After Share Purchase assuming Market Purchase ⁽⁶⁾	After Share Purchase assuming Off-Market Purchase ⁽⁷⁾
As at 30 September 2015	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	32,315	30,051	29,728	32,315	30,051	29,728
Retained earnings	36,554	36,554	36,554	2,419	2,419	2,419
Other reserves	1,764	1,764	1,764	—	—	—
Treasury shares	—	—	—	—	—	—
Total Shareholders' funds	70,633	68,369	68,046	34,734	32,470	32,147
Non-controlling interests	4,866	4,866	4,866	—	—	—
Total equity	75,499	73,235	72,912	34,734	32,470	32,147
NTA ⁽¹⁾	75,499	73,235	72,912	34,734	32,470	32,147
Current assets	77,238	74,974	74,651	13,699	11,435	11,112
Current liabilities	20,255	20,255	20,255	7,525	7,525	7,525
Working capital	56,983	54,719	54,396	6,174	3,910	3,587
Total borrowings	38,898	38,898	38,898	—	—	—
Cash and cash equivalents	13,040	10,776	10,453	5,296	3,032	2,709
Profit net of tax	6,183	6,183	6,183	1,097	1,097	1,097
Number of Shares (in '000)	209,826	188,844	188,844	209,826	188,844	188,844
Financial Ratios						
NTA per Share ⁽²⁾ (cents)	35.98	38.78	38.61	16.55	17.19	17.02
Net gearing ratio ⁽³⁾ (times)	0.37	0.41	0.43	—	—	—
Current ratio ⁽⁴⁾ (times)	3.81	3.70	3.69	1.82	1.52	1.48
EPS ⁽⁵⁾ (cent)	0.03	0.03	0.03	0.01	0.01	0.01

Notes:-

- (1) NTA refers to net assets less intangible assets.
- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares.
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Shareholders' funds.

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- (4) Current ratio equals to current assets divided by current liabilities.
- (5) EPS equals profit after tax and non-controlling interests divided by the total number of shares as at 30 September 2015.
- (6) Assumes that the Company purchases the 20,982,600 shares at the Maximum Price of S\$0.108 for one Share which is 5% above the Average Closing Prices of a Share over the last 5 Market Days on which the transactions in the Shares were traded immediately preceding the Latest Practicable Date and accordingly, the maximum amount of funds required for the purchase of the 20,982,600 Shares is approximately S\$2,264,000.
- (7) Assumes that the Company purchases the 20,982,600 shares at the Maximum Price of S\$0.123 for one Share which is 20% above the Average Closing Prices of a Share over the last 5 Market Days on which the transactions in the Shares were traded immediately preceding the Latest Practicable Date and accordingly, the maximum amount of funds required for the purchase of the 20,982,600 Shares is approximately S\$2,587,000.

(c) Purchases made entirely out of profits and held as treasury shares

	Group			Company		
	Before Share Purchase	After Share Purchase assuming Market Purchase ⁽⁶⁾	After Share Purchase assuming Off-Market Purchase ⁽⁷⁾	Before Share Purchase	After Share Purchase assuming Market Purchase ⁽⁶⁾	After Share Purchase assuming Off-Market Purchase ⁽⁷⁾
As at 30 September 2015	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	32,315	32,315	32,315	32,315	32,315	32,315
Retained earnings	34,954	34,954	34,954	2,419	2,419	2,419
Other reserves	1,764	1,764	1,764	–	–	–
Treasury shares	–	(2,264)	(2,587)	–	(2,264)	(2,587)
Total Shareholders' funds	69,033	66,769	66,446	34,734	32,470	32,147
Non-controlling interests	6,466	6,466	6,466	–	–	–
Total equity	75,499	73,235	72,912	34,734	32,470	32,147
NTA ⁽¹⁾	75,499	73,235	72,912	34,734	32,470	32,147
Current assets	77,238	74,974	74,651	13,699	11,435	11,112
Current liabilities	20,255	20,255	20,255	7,525	7,525	7,525
Working capital	56,983	54,719	54,396	6,174	3,910	3,587
Total borrowings	38,898	38,898	38,898	–	–	–
Cash and cash equivalents	13,040	10,776	10,453	5,296	3,032	2,709
Profit net of tax	6,183	6,183	6,183	1,097	1,097	1,097
Number of Shares (in '000)	209,826	188,844	188,844	209,826	188,844	188,844
Financial Ratios						
NTA per Share ⁽²⁾ (cents)	35.98	38.78	38.61	16.55	17.19	17.02
Net gearing ratio ⁽³⁾ (times)	0.37	0.42	0.43	–	–	–
Current ratio ⁽⁴⁾ (times)	3.81	3.70	3.69	1.82	1.52	1.48
EPS ⁽⁵⁾ (cent)	0.03	0.03	0.03	0.01	0.01	0.01

Notes:-

- (1) NTA refers to net assets less intangible assets.

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- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares.
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Shareholders' funds.
- (4) Current ratio equals to current assets divided by current liabilities.
- (5) EPS equals profit after tax and non-controlling interests divided by the total number of shares as at 30 September 2015.
- (6) Assumes that the Company purchases the 20,982,600 shares at the Maximum Price of S\$0.108 for one Share which is 5% above the Average Closing Prices of a Share over the last 5 Market Days on which the transactions in the Shares were traded immediately preceding the Latest Practicable Date and accordingly, the maximum amount of funds required for the purchase of the 20,982,600 Shares is approximately S\$2,264,000.
- (7) Assumes that the Company purchases the 20,982,600 shares at the Maximum Price of S\$0.123 for one Share which is 20% above the Average Closing Prices of a Share over the last 5 Market Days on which the transactions in the Shares were traded immediately preceding the Latest Practicable Date and accordingly, the maximum amount of funds required for the purchase of the 20,982,600 Shares is approximately S\$2,587,000.

(d) Purchases made entirely out of profits and cancelled

	Group			Company		
	Before Share Purchase	After Share Purchase assuming Market Purchase ⁽⁶⁾	After Share Purchase assuming Off-Market Purchase ⁽⁷⁾	Before Share Purchase	After Share Purchase assuming Market Purchase ⁽⁶⁾	After Share Purchase assuming Off-Market Purchase ⁽⁷⁾
As at 30 September 2015	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Share capital	32,315	30,051	29,728	32,315	30,051	29,728
Retained earnings	36,554	36,554	36,554	2,419	2,419	2,419
Other reserves	1,764	1,764	1,764	—	—	—
Treasury shares	—	—	—	—	—	—
Total Shareholders' funds	70,633	68,369	68,046	34,734	32,470	32,147
Non-controlling interests	4,866	4,866	4,866	—	—	—
Total equity	75,499	73,235	72,912	34,734	32,470	32,147
NTA ⁽¹⁾	75,499	73,235	72,912	34,734	32,470	32,147
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Current liabilities	20,255	20,255	20,255	7,525	7,525	7,525
Working capital	56,983	54,719	54,396	6,174	3,910	3,587
Total borrowings	38,898	38,898	38,898	—	—	—
Cash and cash equivalents	13,040	10,776	10,453	5,296	3,032	2,709
Profit net of tax	6,183	6,183	6,183	1,097	1,097	1,097
Number of Shares (in '000)	209,826	188,844	188,844	209,826	188,844	188,844
Financial Ratios						
NTA per Share ⁽²⁾ (cents)	35.98	38.78	38.61	16.55	17.19	17.02
Net gearing ratio ⁽³⁾ (times)	0.37	0.41	0.42	—	—	—
Current ratio ⁽⁴⁾ (times)	3.81	3.70	3.69	1.82	1.52	1.48
EPS ⁽⁵⁾ (cent)	0.03	0.03	0.03	0.01	0.01	0.01

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Notes:-

- (1) NTA refers to net assets less intangible assets.
- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares.
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Shareholders' funds.
- (4) Current ratio equals to current assets divided by current liabilities.
- (5) EPS equals profit after tax and non-controlling interests divided by the total number of shares as at 30 September 2015.
- (6) Assumes that the Company purchases the 20,982,600 shares at the Maximum Price of S\$0.108 for one Share which is 5% above the Average Closing Prices of a Share over the last 5 Market Days on which the transactions in the Shares were traded immediately preceding the Latest Practicable Date and accordingly, the maximum amount of funds required for the purchase of the 20,982,600 Shares is approximately S\$2,264,000.
- (7) Assumes that the Company purchases the 20,982,600 shares at the Maximum Price of S\$0.123 for one Share which is 20% above the Average Closing Prices of a Share over the last 5 Market Days on which the transactions in the Shares were traded immediately preceding the Latest Practicable Date and accordingly, the maximum amount of funds required for the purchase of the 20,982,600 Shares is approximately S\$2,587,000.

Shareholders should note that the financial effects, based on the respective aforementioned assumptions, are for illustrative purposes only. In particular, it is important to note that it is not possible for the Company to realistically calculate or quantify the impact of the purchase or acquisition of Shares that may be made pursuant to the Share Purchase Mandate on the NTA per Share and EPS as the resultant effect would depend on factors such as the aggregate number of Shares purchased, the purchase price paid at the relevant time, and the amount (if any) borrowed by the Company to fund the purchase or acquisition of Shares. The above analysis is based on historical numbers as at 30 September 2015, and is not necessarily representative of future financial performance.

It should also be noted that the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate would only be made in circumstances where it is considered to be in the best interest of the Company. Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares. Further, the Directors would emphasise that they do not propose to purchase or acquire Shares pursuant to the Share Purchase Mandate to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Company or the Group, or results in the Company being delisted from the SGX-ST. The Company will take into account both financial and non-financial factors (for example, share market conditions and the performance of the Shares) in assessing the relative impact of a purchase or acquisition of Shares before execution.

3.8 Listing Rules

3.8.1 Rule 886 of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m.:-

- (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares; and
- (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

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- 3.8.2 Such announcement (which must be in the form of Appendix 8.3.1 of the Listing Manual) must include the details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, and the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and the number of treasury shares held after the purchase.
- 3.8.3 The Listing Manual does not expressly prohibit a listed company from purchasing or acquiring its own shares during any particular time or times. However, as the Company would be regarded as an “insider” in relation to any proposed purchase or acquisition of Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after a price-sensitive development has occurred or has been the subject of a decision of the Directors until such time as the price-sensitive information has been publicly announced or disseminated in accordance with the requirements of the Listing Manual.
- 3.8.4 In particular, in line with the best practices guide on dealings in securities issued by the SGX-ST, the Company will not purchase or acquire any Shares pursuant to the Share Purchase Mandate during the period of one month immediately preceding the announcement of the Company’s full year and half year financial results.
- 3.8.5 The Listing Manual requires a listed company to ensure that at least 10% of any class of its listed securities (excluding treasury shares, preference shares and convertible equity securities) must be held by public shareholders. As at the Latest Practicable Date, approximately 32.47% of the Shares are held by public shareholders. Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

3.9 Take-over Implications

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

3.9.1 *Obligation to make a take-over offer*

If, as a result of any purchase or acquisition by the Company of its Shares, a Shareholder’s proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Take-over Code. If such increase results in the change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

3.9.2 *Persons Acting in Concert*

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

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Unless the contrary is established, the following individuals will, *inter alia*, be presumed to be acting in concert:-

- (a) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (b) a company with its parent company, its subsidiaries, its fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions, companies controlled by any of the above persons, and any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above for the purchase of voting rights.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

3.9.3 Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and the persons acting in concert with them would increase to 30% or more, or in the event that such Directors and the persons acting in concert with them hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and the persons acting in concert with them would increase by more than one per cent. in any period of six months.

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

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

As at the Latest Practicable Date, Azzuri Holdings Pte Ltd holds an aggregate of 107,011,330 Shares, constituting 51% of the voting rights in the Company (the **"Controlling Shareholder"**). Mr. Hu Zhong Huai, Mr. Lim Soo Kong @ Lim Soo Chong and Mr. Lim Choo Hong are deemed interested in the Shares held by the Azzuri Holdings Pte Ltd by virtue of their interests in Azzuri Holdings Pte Ltd. Azzuri Holdings Pte Ltd, Mr. Hu Zhong Huai, Mr. Lim Soo Kong @ Lim Soo Chong and Mr. Lim Choo Hong are presumed to be parties acting in concert (the **"Parties"**) under the Take-over Code.

Assuming that:-

- (a) the Company purchases or acquires Shares pursuant to the Share Purchase Mandate up to the maximum of 10% of the issued Shares (excluding treasury shares) as permitted by the Share Purchase Mandate;
- (b) there is no change in the Controlling Shareholder's shareholdings in the Company between the Latest Practicable Date and the date of the EGM;
- (c) no new Shares are issued following the Shareholders' approval of the proposed Share Purchase Mandate at the EGM; and
- (d) the Controlling Shareholder does not sell or otherwise dispose of his shareholdings in the Company,

the shareholdings of the Directors and Substantial Shareholders as at the Latest Practicable Date and after the purchase by the Company (other than from the Substantial Shareholders) of the maximum of 10% of the issued Shares (excluding treasury shares) pursuant to the Share Purchase Mandate, are as follows:-

Party	Number of Shares			Voting Rights in the Company (%)	
	Direct Interest	Deemed Interest	Total Interest	Before Share Purchase	After Share Purchase
Azzuri Holdings Pte Ltd ⁽¹⁾	107,011,330	–	107,011,330	51.00	56.67
Hu Zhong Huai	17,380,110	107,011,330	124,391,440	59.28	65.87
Lim Soo Kong @ Lim Soo Chong	17,139,670	107,011,330	124,151,000	59.17	65.74
Lim Choo Hong	173,030	107,011,330	107,184,360	51.08	56.76

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As Azzuri Holdings Pte Ltd holds an aggregate of 107,011,330 Shares which constitutes more than 50% of the voting rights in the Company, purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate will result in an increase in the aggregate voting rights of the Parties, but will not result in the Parties incurring an obligation to make a mandatory take-over offer under Rule 14 of the Take-over Code.

In the event the Company purchases or acquires Shares pursuant to the Share Purchase Mandate within the Relevant Period of the maximum of 10% of the issued Shares as permitted by the Share Purchase Mandate, it is not expected that the shareholdings and/or voting rights of any of the Shareholders will be increased to 30% or more, thereby triggering a requirement for any Shareholder to make a general offer to the other Shareholders under Rule 14 of the Take-over Code.

Save as disclosed, the Directors confirm that they are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase of Shares by the Company pursuant to the Share Purchase Mandate.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders of the Company are as follows:-

	Direct Interest	Deemed Interest	Total Interest	%
Directors				
Hu Zhong Huai	17,380,110	107,011,330	124,391,440	59.28
Lim Soo Kong @ Lim Soo Chong	17,139,670	107,011,330	124,151,000	59.17
Substantial Shareholders				
Azzuri Holdings Pte Ltd ⁽¹⁾	107,011,330	—	107,011,330	51.0
Hu Zhong Huai	17,380,110	107,011,330	124,391,440	59.28
Lim Soo Kong @ Lim Soo Chong	17,139,670	107,011,330	124,151,000	59.17
Lim Choo Hong	173,030	107,011,330	107,184,360	51.08

Save as disclosed in this Circular, the Directors and the Substantial Shareholders of the Company do not have any interest, whether directly or indirectly, in the Shares.

5. TAX IMPLICATIONS

Shareholders who are in doubt as to their respective tax positions or the tax implications of Share purchases by the Company or to who may be subject to tax whether in or outside Singapore should consult their own professional advisers.

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6. DIRECTORS' RECOMMENDATION

6.1 The Proposed Amendments to the Memorandum and Articles of Association of the Company

The Directors are of the opinion that the proposed amendments to the Memorandum and Articles of Association are in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Special Resolution relating to the proposed amendments to the Memorandum and Articles of Association at the EGM.

6.2 The Adoption of the Proposed Share Purchase Mandate

The Directors are of the opinion that the proposed adoption of the Share Purchase Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the proposed Adoption of the Share Purchase Mandate to be proposed at the EGM.

7. 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 amendments to the Memorandum and Articles of Association, the proposed Share Purchase Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this 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.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 25 to 27 of this Circular, will be held on 29 January 2016 at 15 Kian Teck Crescent, Singapore 628884 at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM to be convened on the same day and at the same venue) for the purpose of considering and, if thought fit, passing with or without modifications, the Special Resolution and the Ordinary Resolution set out in the Notice of EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

9.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf, will find attached to this Circular a Proxy Form which they as soon as possible and in any event so as to arrive at the registered office of the Company at 15 Kian Teck Crescent, Singapore 628884 not less than 48 hours before the time fixed for the EGM. The completion and sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he is able to do so.

9.2 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.

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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 hereof up to and including the date of the EGM:-

- (a) the Memorandum and Articles of Association of the Company; and
- (b) the Annual Report of the Company for FY2015.

Yours faithfully

For and on behalf of the Board of Directors of
CASA HOLDINGS LTD.

Low Seow Chay
Chairman and Independent Director

ANNEXTURE 1

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY

The following are the proposed amendments to the Memorandum and Articles of Association of the Company.

1. Proposed new definition in Interpretation

A new definition “Treasury Shares” shall be inserted under the Interpretation section immediately after the existing definition of “Statutes” and read as follows:

“Treasury Share” shall mean a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled.”

2. Renumbering of Existing Article 5

The existing Article 5 shall be re-numbered as Article 5(1).

3. Proposed Insertion of New Article 5(2)

A new Article 5(2) shall be inserted immediately after Article 5 and read as follows:

“5(2) Notwithstanding any other provision of these Articles, all the rights attaching to a Treasury Share shall be suspended and shall not be exercisable by the Company while it holds such Treasury Share and, except where required by the Act, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital or shares of the Company.”

4. Proposed Insertion of New Article 60(3)

A new Article 60(3) shall be inserted immediately after Article 60(2) and read as follows:

“60(3) The Company may purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the Act and on such terms as the Directors shall think fit. Any power of the Company to purchase or otherwise acquire its own shares shall be exercisable by the Directors in accordance with and subject to the Act, the Company’s memorandum of association and, for so long as the shares of the Company are listed on the Exchange, the prior approval of the shareholders in general meeting for such purchase or acquisition. Such approval of the shareholders shall remain in force until (i) the conclusion of the annual general meeting of the Company following the passing of the resolution granting the said authority, or (ii) the date by which such annual general meeting is required to be held, or (iii) it is revoked or varied by an Ordinary Resolution of the Company in general meeting, whichever is the earliest, and may thereafter be renewed by the shareholders in general meeting. For so long as the shares of the Company are listed on the Exchange, the Company shall make an announcement to the Exchange of any purchase or acquisition by the Company of its own shares on the market day following the day of such purchase or acquisition.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

CASA HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199406212Z)

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of **CASA HOLDINGS LTD.** (the “**Company**”) will be held at 15 Kian Teck Crescent, Singapore 628884 on 29 January 2016 at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be convened on the same day and at the same venue) for the purpose of considering and, if thought fit, passing with or without modifications, the Special Resolution and Ordinary Resolution 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 7 January 2016.

SPECIAL RESOLUTION

Resolution 1: Proposed amendments to the Memorandum and Articles of Association of the Company

THAT:-

- (a) the amendments to the Memorandum and Articles of Association of the Company as set out in Annexure 1 of the Circular to the Shareholders dated 7 January 2016 be and are hereby approved and adopted; and
- (b) any of the Directors of the Company be and is hereby authorised and empowered to complete and to do all such acts and things (including executing all such documents as may be required) as he or she may consider necessary, desirable and/or expedient to give effect to part (a) of the Special Resolution set out above.

ORDINARY RESOLUTION

Resolution 1: Proposed adoption of the Share Purchase Mandate

THAT contingent upon the passing of Resolution 1 above:-

- (a) for the purposes of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), the exercise by the Directors of the Company (“**Directors**”) of all the powers of the Company to purchase or otherwise acquire from time to time the issued and fully-paid ordinary shares in the capital of the Company (“**Shares**”) (excluding treasury shares) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
 - (i) on-market purchases transacted on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) through the ready market, and through one or more duly licensed stockbrokers appointed by the Company for the purpose (each a “**Market Purchase**”); and/or
 - (ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme shall satisfy all the conditions prescribed by the Listing Manual (each an “**Off-Market Purchase**”),

NOTICE OF EXTRAORDINARY GENERAL MEETING

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act (Cap. 50) of Singapore (as modified, supplemented or amended from time to time) and the listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorized and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company 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 Resolution and expiring on the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company (“**AGM**”) or the date by which the next AGM is required by law to be held, whichever is earlier;
 - (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated;
 - (iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in general meeting;
- (c) in this Ordinary Resolution:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days (“**Market Day**” being a day on which SGX-ST is open for securities trading) on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporation action that occurs after the relevant five-day period;

“**date of the making of the offer**” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holder of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares; and

“**Prescribed Limit**” means that number of issued Shares representing ten per cent. (10%) of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date);

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may in their/his absolute discretion consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

By Order of the Board

Margaret Chak Lee Hung
Company Secretary

Singapore
7 January 2016

Notes:-

- (1) A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one proxy or two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- (2) The instrument appointing a proxy or proxies must be deposited at the office of the Company at 15 Kian Teck Crescent Singapore 628884 not less than 48 hours before the time appointed for holding the Special General Meeting.
- (3) The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

PERSONAL DATA PRIVACY

Where a member of the Company submits 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, proxy 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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CASA HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199406212Z)

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT

1. Pursuant to Section 181(1C) of the Companies Act, Chapter 50 (the "Act"), Relevant Intermediaries may appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For investors who have used their CPF monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies or the appointment of their Agent Banks as proxies for the Extraordinary General Meeting.

I/We, (Name) _____ (NRIC/Passport No.) _____

of _____

being a member/members of **Casa Holdings Ltd.** (the "Company"), hereby appoint:

Name	NRIC / Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC / Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairman of the Meeting as *my/our *proxy/proxies to vote for *me/us on *my/our behalf and, if necessary, to demand a poll, at the Extraordinary General Meeting (the "Meeting") of the Company to be held at 15 Kian Teck Crescent, Singapore 628884 on 29 January 2016 at 10.30 a.m. and at any adjournment thereof.

*I/we direct *my/our *proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the Meeting as indicated with an "X" in the spaces provided hereunder. If no specified directions as to voting are given, the *proxy/proxies will vote or abstain from voting at *his/their discretion.

(Please indicate your vote "For" or "Against" with a tick [✓] within the box provided.)

No.	Resolution	For	Against
1.	Special Resolution: To approve the Proposed Amendments to the Memorandum and Articles of Association of the Company		
2.	Ordinary Resolution: To approve the Adoption of the Proposed Share Purchase Mandate		

Dated this _____ day of _____ 2016

Total number of Shares held:

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

IMPORTANT: PLEASE READ NOTES OVERLEAF



Notes:-

1. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Chapter 50 (the “Act”), a member is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where a member appoints more than one proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.
2. Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
3. The instrument appointing a proxy or proxies must be under the hand of 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 executed under its common seal or under the hand of its attorney or duly authorised officer.
4. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.
5. The instrument appointing proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the registered office of the Company at 15 Kian Teck Crescent, Singapore 628884 not later than 48 hours before the time set for the Extraordinary General Meeting.
6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
7. 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 in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company 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 Extraordinary General Meeting as certified by The Central Depository (Pte) Limited to the Company.
8. A Depositor shall not be regarded as a member of the Company entitled to attend the Extraordinary General Meeting and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time set for the Extraordinary General Meeting.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 7 January 2016.

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