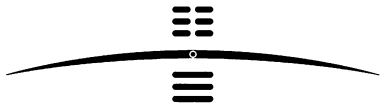
CIRCULAR DATED 5 JULY 2017

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action that you should take, you should consult your legal, financial, tax or other professional adviser.

If you have sold or transferred all your ordinary shares in the issued and paid-up share capital of New Silkroutes Group Limited (the "Company"), you should forward this Circular together with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.



NEW SILKROUTES
GROUP LIMITED

NEW SILKROUTES GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Registration No. 199400571K)

CIRCULAR TO SHAREHOLDERS
IN RELATION TO

(1) THE PROPOSED ACQUISITION OF 100% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF CAPITAL GROUP INVESTMENTS PTE. LTD. FOR A CONSIDERATION OF US$14.4 MILLION (THE "PROPOSED ACQUISITION");

(2) THE PROPOSED ISSUE AND ALLOTMENT OF NEW SHARES WORTH US$14.4 MILLION TO THE VENDORS IN SATISFACTION OF THE CONSIDERATION UPON COMPLETION (THE "CONSIDERATION SHARES");

(3) THE PROPOSED ISSUE AND ALLOTMENT OF NEW SHARES WORTH UP TO US$9.6 MILLION TO THE VENDORS (AS DEFINED HEREIN) IN THE EVENT CERTAIN PERFORMANCE TARGETS ARE MET (THE "PERFORMANCE SHARES"); AND

(4) THE PROPOSED ADOPTION OF THE NEW SILKROUTES PERFORMANCE SHARE PLAN 2017.

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	19 July 2017 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	21 July 2017 at 10.00 a.m.
Place of Extraordinary General Meeting	:	Temasek Club, 131 Rifle Range Road, Singapore 588406, Seletar Room

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PROXY FORM

DEFINITIONS

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

"2H2015"	:	The six (6) months ended 31 December 2015
"1H2016"	:	The six (6) months ended 30 June 2016
"Accounts"	:	The unaudited financial statements of BD in respect of 2H2015 and 1H2016
"Announcement"	:	The announcement on the Proposed Acquisition released by the Company on 3 February 2017
"Associate"	:	(a) In relation to any Director, CEO, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
"Award"	:	A contingent award of Shares granted under the PSP and for the time being subsisting
"Award Shares"	:	The new Shares which may be issued and allotted from time to time pursuant to the vesting of Awards granted under the PSP
"BD"	:	CG Capital Markets, LLC
"Board"	:	The board of Directors of the Company for the time being
"CDP"	:	The Central Depository (Pte) Limited
"CEO"	:	The chief executive officer of the Company for the time being
"CGCM"	:	CG Capital Management, LLC
"CGCMH"	:	CG Capital Markets Holdings, LLC
"CGCP"	:	CG Capital Partners, LLC

"CGCP Shareholders' Agreement"	:	The amended and restated limited liability company agreement of CGCP made between CGCP and persons who become shareholders of CGCP upon Completion
"Circular"	:	This circular to Shareholders dated 5 July 2017
"Class 1"	:	The class of voting shares other than Class A shares
"Class A"	:	The class of voting shares entitling the holder thereof to priority over holders of Class 1 shares in the event of liquidation
"Companies Act"	:	The Companies Act (Cap. 50) of Singapore, as amended, supplemented or modified from time to time
"Company"	:	New Silkroutes Group Limited
"Completion"	:	Completion of the sale and purchase of the Sale Shares in accordance with the SPA
"Completion Date"	:	The date notified in writing by the Purchaser to the Vendor as the date of Completion, being a date no later than the seventh (7^{th}) business day after the satisfaction of the last Conditions Precedent, or such other date as the Parties may agree in writing
"Consideration"	:	US$14.4 million
"Consideration Shares"	:	The new Shares to be issued and allotted to the Vendor in satisfaction of the Consideration
"Consideration Shares Issue Price"	:	The issue price of the Consideration Shares, being the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date, plus S$0.03, and converted into US$ using the average US$ to S$ exchange rate as of the close of New York trading for the last five (5) business days immediately preceding the Completion Date as published by Bloomberg
"Constitution"	:	The constitution of the Company, as amended or modified from time to time
"Controlling Interest"	:	The interest of the Controlling Shareholder(s)
"Controlling Shareholder"	:	A person who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over the Company
"CPF"	:	The Central Provident Fund
"Director"	:	A director of the Company for the time being

DEFINITIONS

"EGM"	:	The extraordinary general meeting of the Company, to be convened and held on 21 July 2017, the notice of which is set out on pages 50 to 52 of this Circular (or any adjournment thereof)
"**EPS**"	:	Earnings per Share
"FINRA"	:	Financial Industry Regulatory Authority of the USA
"FRS 102"	:	Financial Reporting Standard 102
"FY2018"	:	Financial year ending 30 June 2018
"FY2019"	:	Financial year ending 30 June 2019
"FY2020"	:	Financial year ending 30 June 2020
"Group"	:	The Company and its Subsidiaries, collectively, for the time being
"Group Employee"	:	Any confirmed employee of the Group (including any Group Executive Director) selected by the RC to participate in the PSP in accordance with the Rules
"Group Executive Director"	:	A director of the Company or any of its subsidiaries who performs an executive function
"Historical Earnings"	:	US$1.77 million
"Independent Shareholders"	:	Shareholders other than Participants or Associates of Participants
"Latest Practicable Date"	:	23 June 2017, being the latest practicable date prior to the printing of this Circular
"Listing Manual"	:	The listing manual of SGX-ST, as amended, supplemented or modified from time to time
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"Notice of EGM"	:	The notice of the EGM which is set out on pages 50 to 52 of this Circular
"NTA"	:	Net tangible assets
"Offer Date"	:	In relation to an Award, the date on which an Award is made
"Participant"	:	A person who is selected by the RC to participant in the PSP in accordance with the Rules
"Parties"	:	The parties to the SPA, namely, the Vendors and the Company
"PAT"	:	Profit after tax

"Performance Earnings"	:	The extent to which the aggregate audited consolidated PAT of the Target Group in the Two Best Years exceeds US$3 million
"Performance Period"	:	The period during which the Performance Targets shall be satisfied, if any
"Performance Shares Issue Price"	:	The issue price of the Performance Shares, being the average of the closing prices of the Company's shares in the five (5) business days prior to the date of allotment plus S$0.03, and converted into US$ using the average US$ to S$ exchange rate as of the close of New York trading for the last five (5) business days immediately preceding the date of allotment as published by Bloomberg
"Performance Target"	:	The performance target prescribed by the RC to be fulfilled by a Participant for any particular Performance Period under the PSP, if any
"Proposed Acquisition"	:	The proposed acquisition of 100% of the issued and paid-up share capital of Capital Group Investments Pte. Ltd. by the Company from the Vendors, the terms of which are set out in the SPA
"PSP"	:	The New Silkroutes Performance Share Plan 2017 proposed to be adopted at the EGM, as modified or altered from time to time
"RC"	:	The remuneration committee of the Company for the time being
"Record Date"	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company), on which Shareholders must be registered with the Company or with CDP in order to participate in such dividends, rights, allotments or other distributions
"Register of Members"	:	Register of members of the Company
"Regulated Cash Position"	:	US$5,203,528.00, being the amount of regulated deposits reported in the Financial and Operational Combined Uniform Single (FOCUS) report filed by BD with FINRA in November 2016
"Restructuring Exercise"	:	The corporate restructuring exercise resulting in the structure of the Target Group at Completion being that as set out in the relevant chart in Paragraph 2.3.1
"Revised PAT"	:	The net income of BD in respect of 2H2015 and 1H2016 after adjusting for management pool compensation (being additional compensation or bonus for the management of BD based on the revenue of BD for the same period, such additional compensation being (i) not applicable after Completion for FY2018, FY2019 and FY2020 and (ii) based on net income and not revenue thereafter)
"Rules"	:	The rules of the PSP, as amended or modified from time to time, as set out in this Circular

"Sale Shares"	:	100,000 shares representing 100% of the issued and paid-up share capital of the Target, being the shares to be acquired by the Company from the Vendors
"Securities Account"	:	A securities account maintained by a Depositor with CDP but not including a securities sub-account maintained with a Depository Agent
"SFA"	:	Securities and Futures Act (Cap. 289) of Singapore, as amended, varied or supplemented from time to time
"SGXNET"	:	The SGXNET Corporate Announcement System, being a system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
"SGX-ST"	:	The Singapore Exchange Securities Trading Limited
"Shareholders"	:	The registered holders of Shares in the Register of Members, or 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 maintained by CDP whose Securities Accounts are credited with those Shares
"Shares"	:	Ordinary shares in the capital of the Company, and each a "**Share**"
"SPA"	:	The sale and purchase agreement dated 3 February 2017 entered into between the Vendors and the Company in relation to the Proposed Acquisition
"SPPS"	:	Structured Products Pricing Services, LLC
"Substantial Shareholder"	:	A person who has an interest in not less than 5% of the total issued voting Shares
"S$" and "cents"	:	The lawful currency of the Republic of Singapore
"Target"	:	Capital Group Investments Pte. Ltd.
"Target Group"	:	Collectively, the Target, CGCP, CGCMH, BD, SPPS and CGCM
"Target Group Management"	:	Mr Armand R. Pastine and Mr Sean K. Rice
"Two Best Years"	:	Any two (2) such fiscal years among FY2018, FY2019 and FY2020 in which the Target Group has the highest PAT
"USA"	:	The United States of America
"U.S. SEC"	:	U.S. Securities and Exchange Commission
"US$" and "US cents"	:	The lawful currency of the USA

"Vendors"	:	Mr Ansar Farooq Rahman, Mr Brett David Clark, Mr Anthony James Schoer, Mr Kamil Mehmood, Mr Sebastian Seow Poon Shin, Sharp Ventures, LLC, BF Asia Holdings LLC, and CGCM Employee Share Program LLC, and each a "**Vendor**"
"Vesting Period"	:	The period during which an Award may vest, if any
"Vesting Schedule"	:	In relation to an Award, a schedule in such form as the RC shall approve, setting out the extent to which Shares which are the subject of that Award shall be released on the Performance Targets being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period
"%"	:	Percentage or per centum

Depositors. The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Subsidiaries and related corporations. The terms "**subsidiaries**" and "**related corporations**" shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

References. 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 and *vice versa*. References to persons shall, where applicable, include corporations. Any reference to "Paragraph" shall be a reference to a paragraph of this Circular.

Time and date. Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise stated.

Statutes. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, SFA, or the Listing Manual or any statutory or regulatory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, SFA, or the Listing Manual or such statutory or regulatory modification thereof, as the case may be, unless otherwise provided.

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

Rounding. Any discrepancies in figures included in this Circular between the amounts listed and their actual values are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

Cautionary Note on Forward-Looking Statements. All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "expect", "anticipate", "believe", "estimate", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "if", "will", "would", "should", "could", "may" and "might". These statements reflect the Company's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and the Company undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

NEW SILKROUTES
GROUP LIMITED

NEW SILKROUTES GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199400571K)

Company Directors

Mr Ho Sheng	*(Chairman and Lead Independent Director)*
Dr Goh Jin Hian	*(Executive Director and Chief Executive Officer)*
Mr Lee Soek Shen	*(Executive Director)*
Mr Oo Cheong Kwan Kelvyn	*(Executive Director)*
Mr Pao Kiew Tee	*(Independent Director)*
Ms Chen Chou Mei Mei Vivien	*(Independent Director)*

Registered Office:
460 Alexandra Road
#24-06 PSA Building
Singapore 119963

5 July 2017

TO : THE SHAREHOLDERS OF NEW SILKROUTES GROUP LIMITED

Dear Sir/Madam

1. INTRODUCTION

1.1 The Directors are convening an Extraordinary General Meeting of the Company to be held at Temasek Club, 131 Rifle Range Road, Singapore 588406, Seletar Room on 21 July 2017 at 10.00 a.m. (the "**EGM**") to seek Shareholders' approval for the following:

(i) the proposed acquisition of 100% of the issued and paid-up share capital of Capital Group Investments Pte. Ltd. (the "**Target**") for a consideration of US$14.4 million (the "**Proposed Acquisition**") (Resolution 1);

(ii) the proposed issue and allotment of new Shares worth US$14.4 million to the Vendors in satisfaction of the Consideration upon Completion (the "**Consideration Shares**") (Resolution 2);

(iii) the proposed issue and allotment of new Shares worth up to US$9.6 million to the Vendors in the event certain performance targets are met (the "**Performance Shares**") (Resolution 3); and

(iv) the proposed adoption of the New Silkroutes Performance Share Plan 2017 (the "**PSP**") (Resolution 4).

1.2 The purpose of this Circular is to provide Shareholders with information relating to the above proposals to be tabled at the EGM, the notice of which is set out on pages 50 to 52 of this Circular.

1.3 The Singapore Exchange Securities Trading Limited ("**SGX-ST**") takes no responsibility for the accuracy of any statements or opinions made in this Circular.

1.4 Shareholders should note that Resolutions 1, 2 and 3 are inter-conditional ("**Inter-conditional Resolutions**"). This means that if any of Resolutions 1, 2 and 3 are not approved, the other Inter-conditional Resolutions would not be carried. The Inter-conditional Resolutions are inter-conditional as they are integral parts of the same transaction, namely, the Proposed Acquisition.

2. THE PROPOSED ACQUISITION

2.1 INTRODUCTION

On 3 February 2017, the Company announced that it had entered into a share sale and purchase agreement dated 3 February 2017 (the "**SPA**") with Mr Ansar Farooq Rahman, Mr Brett David Clark, Mr Anthony James Schoer, Mr Kamil Mehmood, Mr Sebastian Seow Poon Shin, Sharp Ventures, LLC, BF Asia Holdings LLC and CGCM Employee Share Program LLC (collectively, the "**Vendors**" and each, a "**Vendor**") to acquire 100,000 ordinary shares (the "**Sale Shares**") in the capital of Capital Group Investments Pte. Ltd. (the "**Target**"), comprising 100% of the issued and paid-up share capital of the Target, for an aggregate consideration of US$14.4 million (the "**Proposed Acquisition**"). A copy of the Announcement is available on the website of the SGX-ST at http://www.sgx.com.

2.2 INFORMATION ON THE VENDORS

2.2.1 As at the Latest Practicable Date, Mr Ansar Farooq Rahman, Mr Brett David Clark, Mr Anthony James Schoer, Mr Kamil Mehmood, and Mr Sebastian Seow Poon Shin are the registered shareholders of the Target. They are the legal and beneficial owners of the Sale Shares, in the following proportion:

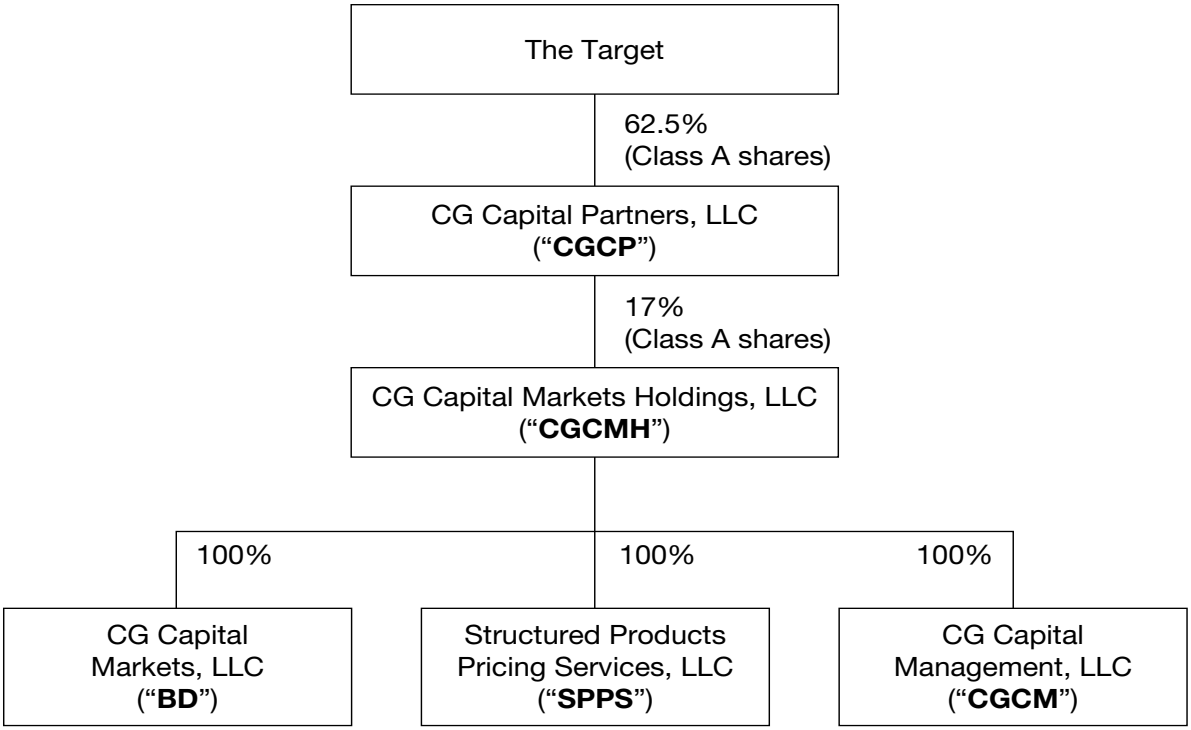
Vendor	Number of Sale Shares	% of Total Issued and Paid-Up Share Capital of Target
Mr Ansar Farooq Rahman	25,000	25%
Mr Brett David Clark	9,000	9%
Mr Anthony James Schoer	20,860	20.86%
Mr Kamil Mehmood	39,140	39.14%
Mr Sebastian Seow Poon Shin	6,000	6%
Total	**100,000**	**100%**

2.2.2 As at the Latest Practicable Date, Sharp Ventures, LLC is a shareholder of CGCP, BF Asia Holdings LLC is an affiliate of a shareholder of CGCP, and CGCM Employee Share Program LLC is a shareholder of CGCMH. Sharp Ventures, LLC, is owned and managed by Mr Armand R. Pastine. BF Asia Holdings LLC is an affiliate of Big Fox, LLC, both of which are owned and managed by Mr Sean K. Rice. CGCM Employee Share Program LLC is owned by CGCP and managed by Armand. As part of the Restructuring Exercise, the Parties have agreed to allot and issue Consideration Shares to Sharp Ventures, LLC, BF Asia Holdings LLC, and CGCM Employee Share Program LLC in the proportion set out in Paragraph 3.1 below and to treat them as Vendors for the purposes of the SPA.

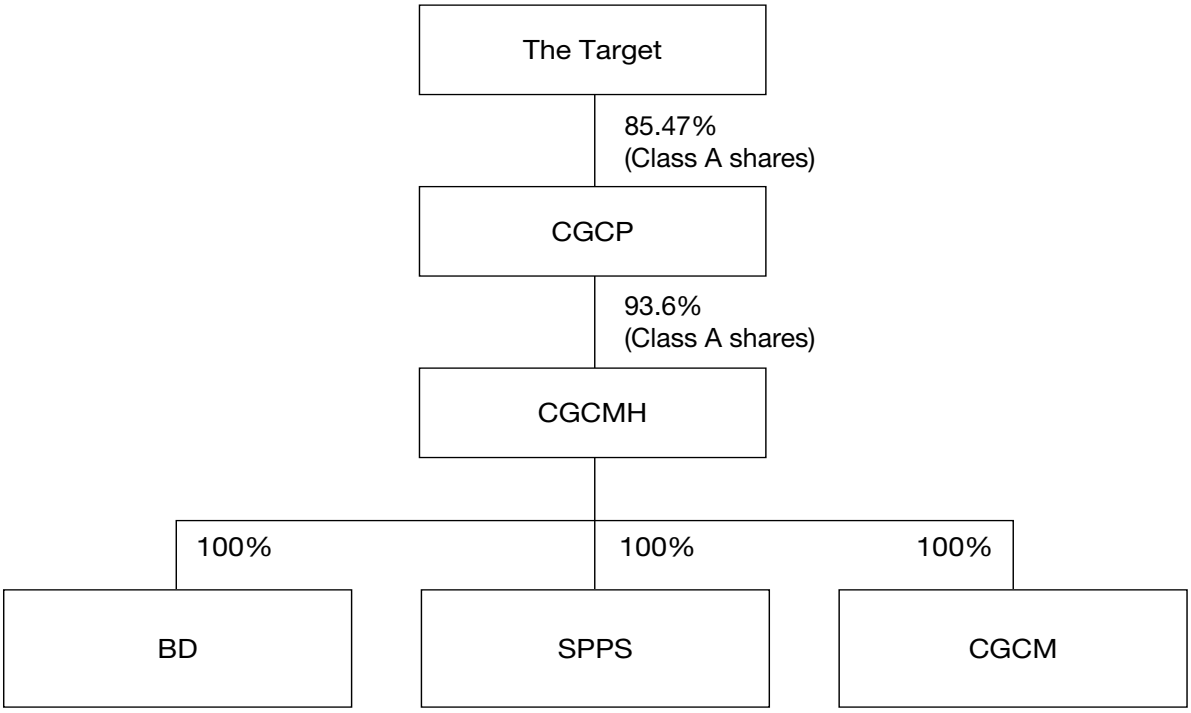
2.2.3 As at the date of the SPA and as at the Latest Practicable Date, none of the Vendors has any interest, whether direct or indirect, in the Company, and none of them is an Associate of any Director, CEO or Controlling Shareholder of the Company. Where the Vendor is a corporation, none of the shareholders or directors of the Vendor is a Director, CEO, Controlling Shareholder, or Associate of any Director, CEO or Controlling Shareholder of the Company.

2.3 INFORMATION ON THE TARGET GROUP

2.3.1 The Target is a private company limited by shares incorporated in Singapore in 2014 and is an investment holding company. As at the Latest Practicable Date, the shareholding structure of the Target Group is as follows:



On Completion, the Target will hold an effective interest of 80% of the shares (being Class A shares) in CGCMH and its subsidiaries, as follows:



2.3.2 CGCP is a Delaware limited liability company incorporated on 22 June 2015 and is an investment holding company. As at the Latest Practicable Date, the Target owns 62.5% of the shares in CGCP (being Class A shares) and each of Sharp Ventures, LLC and Big Fox, LLC owns 18.75% of the shares in CGCP (being Class 1 shares). CGCP is managed by Mr Sean K. Rice. After the Restructuring Exercise, the Target will hold 85.47% of the shares in CGCP (being Class A shares), with the remaining shares (being Class 1 shares) being held by Mr Ansar Farooq Rahman, Mr Brett David Clark, Mr Anthony James Schoer, Mr Kamil Mehmood, Mr Sebastian Seow Poon Shin, Sharp Ventures, LLC, Big Fox, LLC, and CGCM Employee Share Program LLC.

2.3.3 CGCMH is a Delaware limited liability company incorporated on 22 June 2015 and is an investment holding company. As at the Latest Practicable Date, CGCP owns 17% of the shares in CGCMH (being Class A shares), Frellum LLC owns 77% of the shares in CGCMH (being Class A shares) and each member of the Target Group Management owns 3% of the shares in CGCMH (being Class 1 shares). CGCMH is managed by Mr Armand R. Pastine. After the Restructuring Exercise, CGCP will hold 93.6% of the shares in CGCMH (being Class A shares), with the remaining shares (being Class 1 shares) being held by Big Fox, LLC and Sharp Ventures, LLC in equal proportion.

2.3.4 BD is a Delaware limited liability company incorporated on 19 March 2015 carrying on the business of a broker-dealer registered with FINRA. As at the Latest Practicable Date, BD is 100% owned by CGCMH and is managed by Mr Armand R. Pastine. BD provides fixed income market-making, capital raising and advisory services to middle market companies and projects around the world. It specialises in fixed income market-making and provides capital raising and advisory services to companies and projects in sectors including technology, life sciences, natural resources, real estate and energy. It maintains trading operations in New Jersey and Florida and has representative offices in Boston, Philadelphia, Charlotte and Denver, and plans to open an office in San Francisco pending regulatory approvals.

2.3.5 SPPS is a Delaware limited liability company incorporated on 10 August 2015 carrying on the business of a provider of securities pricing data. As at the Latest Practicable Date, SPPS is 100% owned by CGCMH and is managed by Mr Armand R. Pastine. SPPS intends to provide pricing data for illiquid securities through artificial intelligence techniques.

2.3.6 CGCM is a Delaware limited liability company incorporated on 30 September 2015 carrying on the business of an investment advisory firm. As at the Latest Practicable Date, CGCM is 100% owned by CGCMH and is managed by Mr Sean K. Rice. CGCM has recently registered itself as a Registered Investment Advisor in Florida and New York and has a pending registration with the U.S. SEC. The non-registration of CGCM with the U.S. SEC does not prevent CGCM from commencing operations. CGCM will provide investment advisory services to sophisticated and high-net worth individuals.

2.3.7 Based on the Accounts, the Revised PAT is US$1.77 million (the "**Historical Earnings**") and the net tangible asset value of the Target Group is almost zero as accumulated profits were almost fully distributed. SPPS and CGCM had not commenced operations as at 3 February 2017.

2.3.8 The Restructuring Exercise will also include entry by the relevant parties into, *inter alia*, the following agreements on terms acceptable to the Parties and which would have to be provided to the Company on Completion, failing which Completion could not proceed unless otherwise agreed by the Parties:

(i) an amended and restated limited liability company agreement of CGCP made between CGCP and persons who become shareholders of CGCP upon Completion (the "**CGCP Shareholders' Agreement**");

(ii) an amended and restated limited liability company agreement of CGCMH made between CGCMH and persons who become shareholders of CGCMH upon Completion;

(iii) employment agreements made between each of BD, SPPS and CGCM and each member of the Target Group Management;

(iv) a business management agreement entered into between CGCMH, BD and the Target Group Management pursuant to which CGCMH appoints the Target Group Management as its exclusive agent(s) to manage the business of CGCMH, BD, SPPS, CGCM and all future subsidiaries of CGCMH; and

(v) a contribution agreement between the Target and CGCP.

2.3.9 After Completion, the names of the Target and the companies in the Target Group will be changed to reflect the "New Silkroutes Capital" brand (for example, the name of CGCMH will be changed from "CG Capital Markets Holdings, LLC" to "New Silkroutes Capital Markets Holdings, LLC") and all existing and future business operations of the Target Group will be developed under the brand name of "New Silkroutes Capital" after Completion. In addition, the financial year end of the entities in the Target Group will be changed to 30 June to align with that of the Company after Completion.

2.4 RATIONALE FOR THE PROPOSED ACQUISITION

2.4.1 The Proposed Acquisition is in line with the Group's business strategy to expand its investment and fund management services division, which the Board believes has the potential for growth to the benefit of the Company and its shareholders. As at the Latest Practicable Date, the Group's investment and fund management business is carried out through, *inter alia*, New Silkroutes Capital Pte. Ltd., a wholly-owned subsidiary of the Company. New Silkroutes Capital Pte. Ltd. has in February 2016 entered into a joint venture with CGCP to offer fund management services, including structured products, to investors in Asia. With the Proposed Acquisition, CGCP will become an 85.47% indirect subsidiary of the Company and the Company will become one of the first Singapore-based investment companies to have operating subsidiaries registered with FINRA and a pending registration with the U.S. SEC. This represents an important strategic step for the Group.

2.4.2 Not only will the Proposed Acquisition allow the Group to diversify the range of products and services offered by its investment and fund management services division with the addition of services offered by BD, SPPS and CGCM, the Proposed Acquisition will enable the Group to offer these services seamlessly across different time zones in key gateway cities where these entities have presence in. These additional services include fixed income market-making, capital raising and advisory services offered by BD, securities pricing data services offered by SPPS, and investment advisory services offered by CGCM. The key gateway cities include New York, where the all three operating entities are currently headquartered, New Jersey and Florida, where BD maintains trading operations, and Boston, Philadelphia, Charlotte and Denver, where BD maintains representative offices.

2.4.3 In addition, the expertise of the Target Group Management will add strength to the Group's investment and fund management services business in terms of knowledge, capabilities and reach and will allow the Company to compete internationally in the asset management space. Both Mr Armand R. Pastine and Mr Sean K. Rice have more than 20 years' experience in the financial industry and have held various positions in financial institutions ranging from major investment banks to boutique investment firms, where they gained experience and expertise in the origination and structuring of complex financial products such as fixed income products, structured products, derivatives and mortgage and asset-backed securities. In 2015, Mr Armand R. Pastine led a transition of the institutional fixed income business at Capital Guardian, LLC, to a standalone investment bank boutique (namely, BD) employing more than 30 sales, trading, and support professionals specialising in fixed income sales and trading and institutional capital markets activities. Mr Sean K. Rice is responsible for business strategy and investment banking activities, as well as the origination, trading and distribution of all arranged capital markets products at BD. Mr Armand R. Pastine is also admitted to the Bar in New Jersey, the USA and Mr Sean K. Rice holds a Bachelor of Sciences degree from Seton Hall University, and is a Certificate holder in Derivatives Pricing and Risk Management from Oxford University.

2.4.4 Further, the key industries which BD serves, namely, technology, life sciences, natural resources and energy, complement the businesses of the Company in healthcare, security and governance (big data analytics and enterprise software solutions for government agencies and private companies, particularly for the management of public housing and real estate facilities), and oil and gas trading. In light of the above, the Board is of the view that the Proposed Acquisition will reinforce the Company's earnings base, strengthen the Group's operations and financial position, and enhance the long-term interests of Shareholders.

2.5 PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

2.5.1 Introduction

Pursuant to the terms of the SPA, the Company shall acquire 100% of the issued and paid-up share capital in the Target from the Vendors, free and clear from any encumbrances and claims, and together with all rights, benefits, and entitlements attaching thereto.

2.5.2 Consideration

(a) The aggregate consideration for the sale and purchase of the Sale Shares is US$14.4 million (or S$20,442,240.00, based on the exchange rate of US$1 to S$1.4196 as at 31 January 2017) (the "**Consideration**"). The Consideration is 80% of 10.17 times of the Historical Earnings.

(b) The Consideration shall be satisfied, subject to the approval of shareholders of the Company and the approval from the SGX-ST for the listing and quotation of the new Shares having been obtained, by the issue and allotment to the Vendors of such number of new ordinary shares in the capital of the Company (the "**Consideration Shares**") on the Completion Date, at an issue price representing the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date, plus S$0.03, and converted into US$ using the average US$ to S$ exchange rate as of the close of New York trading for the last five (5) business days immediately preceding the Completion Date as published by Bloomberg (the "**Consideration Shares Issue Price**"). Please refer to Paragraph 3 for more details on the issue and allotment of the Consideration Shares.

(c) The Consideration for the Sale Shares was arrived at after arm's length negotiations between the Company and the Vendor and on a willing-buyer and willing-seller basis, taking into account, *inter alia*, the Accounts and the Historical Earnings. The Consideration Shares Issue Price is based on the price of the Company's shares in the days prior to the Completion Date, as opposed to the days prior to the date of the SPA, due to the anticipated lapse of time between the execution of the SPA and Completion. The duration between execution and Completion was contemplated as it took into account the actions required to fulfil the conditions precedent prior to Completion. Such actions include carrying out the legal and financial due diligence of the Target Group, preparation and approval of this Circular by the SGX-ST, and convening the extraordinary general meeting to obtain shareholders' approval. In order that the pricing of the Consideration Shares is more reflective of the actual issue price of these shares closer when Completion was to occur augments well with the Company as well as the Vendors. In addition, the Company is cognisant that the Singapore Accounting Standards require the Company to value newly issued shares at the market value at the time of issue.

(d) The total number of Consideration Shares (together with the Performance Shares) that will be issued will not exceed 100% of the issued share capital of the Company as at the date of signing of the SPA (being 132,609,344 shares).

2.5.3 Conditions Precedent

The completion of the Proposed Acquisition is conditional upon, *inter alia*:

(a) the resolution of the Board having been obtained for the entry into and completion of, the transactions (including but not limited to the issue and allotment of the Consideration Shares) contemplated to be entered into in the SPA;

(b) to the extent required by the Listing Manual and/or applicable laws, the approval of the Shareholders having been obtained for the entry into and completion of, the transactions (including but not limited to the issue and allotment of the Consideration Shares) contemplated to be entered into in the SPA;

(c) the resolution of the board of directors of the Target having been obtained for the completion of the transactions contemplated to be entered into in the SPA (including but not limited to the approval of the transfer of the Sale Shares from the Vendors to the Company and authorising the cancellation of existing share certificate(s) and issuance of new share certificate(s) to the Company);

(d) approval in-principle for the listing and quotation of the Consideration Shares on the Official List of the SGX-ST (on conditions, if any, acceptable to the Company and the Vendor) having been obtained from the SGX-ST and remaining in full force and effect and where such approval is given subject to conditions which must be fulfilled on or before the Completion Date, such conditions being reasonably acceptable to the Vendor or fulfilled by the Company, as the case may be;

(e) completion of the Company's due diligence investigations in respect of the Target Group and the results thereof being satisfactory to the Company;

(f) approval of the transaction in accordance with the CGCP Shareholders' Agreement by the parties thereto;

(g) the value of the Consideration Shares as of the Completion Date, as determined by the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date and converted into US$ using the average US$ to S$ exchange rate as of the close of New York trading for the last five (5) Business Days immediately preceding the Completion Date as published by Bloomberg, shall be not less than two (2) times the value of the Regulated Cash Position as of the Completion Date;

(h) all necessary consents, approvals and waivers of the relevant authorities having jurisdiction over the transactions contemplated in the SPA (whether in Singapore or elsewhere), financial institutions or other third parties having been obtained by the Company or the Vendor, as the case may be, such consents, approvals and waivers not having been amended or revoked before the Completion Date, and to the extent that such consents, approvals and waivers are subject to any conditions required to be fulfilled before the Completion Date, all such conditions having been duly so fulfilled;

(i) the Vendors and the Company not having received notice of any injunction or other order, directive or notice restraining or prohibiting the consummation of the transactions contemplated by the SPA, and there being no action seeking to restrain or prohibit the consummation thereof, or seeking damages in connection therewith, which is pending or any such injunction, other order or action which is threatened; and

(j) the warranties being true, accurate and correct in all material respects as if made on the Completion Date, with reference to the then existing circumstances and the Company having performed in all material respects all of its obligations herein to be performed on or before the Completion Date.

2.5.4 Completion

Completion shall take place on a date notified in writing by the Company to the Vendors as the date of Completion, being a date no later than the seventh (7th) business day after the satisfaction of the last of the conditions precedent, or such other date as the Parties may agree in writing (the "**Completion Date**").

2.5.5 Performance Shares

The Company agrees to allot and issue, after a certified true copy each of the audited consolidated financial statements of the Target Group for FY2018, FY2019 and/or FY2020 has been delivered to the Company and subject to the approval of Shareholders and the approval from the SGX-ST for the listing and quotation of the new Shares having been obtained, such number of new ordinary shares ("**Performance Shares**") worth up to US$9.6 million, based on an issue price representing the average of the closing prices of the Company's shares in the five (5) business days prior to the date of allotment plus S$0.03, and converted into US$ using the average US$ to S$ exchange rate as of the close of New York trading for the last five (5) business days immediately preceding the date of allotment as published by Bloomberg (the "**Performance Shares Issue Price**"), to the Vendors, in the event that certain performance targets are met. Please refer to paragraph 4 for more details on the issue and allotment of the Performance Shares.

The Performance Shares Issue Price is based on the price of the Company's shares in the days prior to the date of issue of the Performance Shares, as opposed to the days prior to the date of the SPA, due to the anticipated lapse of time between the execution of the SPA and the issue of the Performance Shares. The duration between execution and issue of the Performance Shares was contemplated as it is subject to the achievement of certain performance targets and will take at least two (2) years for the issue and allotment of the Performance Shares. In order that the pricing of the Performance Shares is more reflective of the actual issue price of these shares closer when the issue of the Performance Shares was to occur augments well with the Company as well as the Vendors. In addition, the Company is cognisant that the Singapore Accounting Standards require the Company to value newly issued shares at the market value at the time of issue.

2.6 FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

2.6.1 Bases and Assumptions

The *pro forma* financial effects are presented for illustration purposes only and are not intended to reflect the actual future financial situation of the Company or the Group following the completion of the Proposed Acquisition.

The *pro forma* financial effects of the Proposed Acquisition have been prepared based on, *inter alia*, the audited consolidated financial statements of the Group for the financial year ended 30 June 2016 and the Accounts and based on the following assumptions:

(i) (for the purposes of computing the Group's NTA per Share) that the Proposed Acquisition (which entails the issue and allotment of the Consideration Shares) was completed on 30 June 2016; and

(ii) (for the purposes of computing the Group's EPS) that the Proposed Acquisition (which entails the issue and allotment of the Consideration Shares) were completed on 1 July 2015.

2.6.2 NTA per Share

Purely for illustrative purposes only, assuming that S$0.867, being the average of the closing prices of the Company's shares in the five (5) business days prior to the date of the SPA plus S$0.03, is used as the Consideration Shares Issue Price, the *pro forma* financial effects of the Proposed Acquisition on the consolidated NTA of the Group are as follows:

	Before the Proposed Acquisition	**After Completion of the Proposed Acquisition**
Consolidated NTA attributable to the Shareholders (US$'000)	34,250	34,250
Number of Shares (excluding treasury shares)	124,570,227	148,148,358[(1)]
Consolidated NTA per Share attributable to the Shareholders (US cents)	27.495	23.119[(1)]

Note:

(1) The actual number of Shares issued by the Company as consideration for the Proposed Acquisition cannot be determined as at the date hereof, as it will be based on the Consideration divided by the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date plus S$0.03. However, assuming that S$0.867 is used as the Consideration Shares Issue Price, the number of Shares to be issued as Consideration Shares will be 23,578,131.

Purely for illustrative purposes only, assuming that S$0.31, being the lowest price at which the Company's Shares had traded at in the past 12 months plus S$0.03, is used as the Consideration Shares Issue Price, the *pro forma* financial effects of the Proposed Acquisition on the consolidated NTA of the Group are as follows:

	Before the Proposed Acquisition	**After Completion of the Proposed Acquisition**
Consolidated NTA attributable to the Shareholders (US$'000)	34,250	34,250
Number of Shares (excluding treasury shares)	124,570,227	190,512,937[(1)]
Consolidated NTA per Share attributable to the Shareholders (US cents)	27.495	17.978[(1)]

Note:

(1) The actual number of Shares issued by the Company as consideration for the Proposed Acquisition cannot be determined as at the date hereof, as it will be based on the Consideration divided by the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date plus S$0.03. However, assuming that S$0.31 is used as the Consideration Shares Issue Price, the number of Shares to be issued as Consideration Shares will be 65,942,710.

2.6.3 Earnings per Share ("**EPS**")

Purely for illustrative purposes only, assuming that S$0.867, being the average of the closing prices of the Company's shares in the five (5) business days prior to the date of the SPA plus S$0.03, is used as the Consideration Shares Issue Price, the *pro forma* financial effects of the Proposed Acquisition on the EPS of the Group are as follows:

	Before the Proposed Acquisition	**After Completion of the Proposed Acquisition**
Consolidated profit/(loss) after taxation and minority interests (US$'000)	(3,362)	(1,946)
Weighted average number of Shares (excluding treasury shares)	106,939,537	130,517,668[(1)]
Consolidated earnings/(loss) per Share (US cents)	(3.144)	(1.491)[(1)]

Note:

(1) The actual number of Shares issued by the Company as consideration for the Proposed Acquisition cannot be determined as at the date hereof, as it will be based on the Consideration divided by the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date plus S$0.03. However, assuming that S$0.867 is used as the Consideration Shares Issue Price, the weighted average number of Shares to be issued as Consideration Shares will be 23,578,131.

Purely for illustrative purposes only, assuming that S$0.31, being the lowest price at which the Company's Shares had traded at in the past 12 months plus S$0.03, is used as the Consideration Shares Issue Price, the *pro forma* financial effects of the Proposed Acquisition on the consolidated EPS of the Group are as follows:

	Before the Proposed Acquisition	**After Completion of the Proposed Acquisition**
Consolidated profit/(loss) after taxation and minority interests (US$'000)	(3,362)	(1,946)
Weighted average number of Shares (excluding treasury shares)	106,939,537	172,882,247[(1)]
Consolidated earnings/(loss) per Share (US cents)	(3.144)	(1.126)[(1)]

Note:

(1) The actual number of Shares issued by the Company as consideration for the Proposed Acquisition cannot be determined as at the date hereof, as it will be based on the Consideration divided by the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date plus S$0.03. However, assuming that S$0.31 is used as the Consideration Shares Issue Price, the weighted average number of Shares to be issued as Consideration Shares will be 65,942,710.

2.7 STATEMENT OF THE AUDIT COMMITTEE

The audit committee has reviewed the terms of the Proposed Acquisition, and is of the unanimous opinion that the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

2.8 CHAPTER 10 OF THE LISTING MANUAL

Relative Figures under Rule 1006 of the Listing Manual

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual in respect of the Proposed Acquisition are set out below.

Rule	Proposed Acquisition
Rule 1006(a) – the net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable, as this is not a disposal of assets.
Rule 1006(b) – the net profits (being the Revised PAT) attributable to the assets acquired, compared with the Group's net profits	-40%(1)
Rule 1006(c) – the aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	18%(2) or 29%(3)
Rule 1006(d) – the number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	18%(4) or 30%(5)
Rule 1006(e) – the aggregate volume or amount of proved and probable reserves to be disposed of, compared with the Group's proved and probable reserves	Not applicable, as the Company is not a mineral, oil and gas company.

Notes:

(1) Based on the audited consolidated financial statements of the Group for financial year ended 30 June 2016, the net loss of the Group is approximately US$3.516 million. Based on the Accounts, the net profits (being the Revised PAT) attributable to the assets acquired (i.e. approximately 80% of total net assets of the Target Group) is approximately US$1.416 million.

(2) The Consideration for the Sale Shares is US$14.4 million. The Company's market capitalisation of S$116,086,219.70 is computed based on 132,609,344 Shares (excluding treasury shares) and the weighted average price of S$0.8754 per Share transacted on 2 February 2017, being the Market Day preceding the signing of the SPA.

(3) Assuming that US$9.6 million, being the maximum amount that could be issued as Performance Shares, is taken into account in computing the "consideration" in Rule 1006(c), the "consideration" for the Sale Shares would be US$24 million. The Company's market capitalisation of S$116,086,219.70 is computed based on 132,609,344 Shares (excluding treasury shares) and the weighted average price of S$0.8754 per Share transacted on 2 February 2017, being the Market Day preceding the signing of the SPA.

(4) The actual number of Shares issued by the Company as consideration for the Proposed Acquisition cannot be determined as at the date of this Circular, as it will be based on the Consideration divided by the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date plus S$0.03. Purely for illustrative purposes only, assuming that S$0.867, being the average of the closing prices of the Company's Shares in the five (5) business days prior to the date of the SPA plus S$0.03, is used as the Consideration Shares Issue Price, the number of Shares to be issued as Consideration Shares will be 23,578,131. This is compared to the 132,609,344 Shares in issue as at the date of the SPA.

(5) Assuming that 15,718,754 Shares (being the maximum number of Shares that could be issued as Performance Shares if S$0.867 is used as the Performance Shares Issue Price) is taken into account in computing the "number of equity securities issued by the Company as consideration for" the Proposed Acquisition, the total number of Shares to be issued by the Company as consideration for the Proposed Acquisition is 39,296,885 Shares. This is compared to the 132,609,344 Shares in issue as at the date of the SPA.

2.9 SERVICE AGREEMENT

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

3. THE PROPOSED ISSUE AND ALLOTMENT OF THE CONSIDERATION SHARES

3.1 On Completion, the Consideration Shares shall be issued to the Vendors in the following proportion:

Name of Vendor	Percentage of Consideration Shares
Mr Ansar Farooq Rahman	8.78%
Mr Brett David Clark	3.16%
Mr Anthony James Schoer	7.32%
Mr Kamil Mehmood	41.74%
Mr Sebastian Seow Poon Shin	2.11%
Sharp Ventures, LLC	17.55%
BF Asia Holdings LLC	17.55%
CGCM Employee Share Program LLC	1.79%
Total	**100%**

3.2 For illustration purposes only, based on the lowest and the highest traded price of the Company's shares for the last six (6) months, the number of Consideration Shares to be issued will be as follows:

(i) assuming that the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date is S$0.49 (being the lowest traded price of the Company's shares for the last six (6) months), the number of Shares to be issued as Consideration Shares will be 39,312,000 (approximately 28.76% of the Company's issued share capital as at the Latest Practicable Date and 22.33% of the Company's enlarged share capital (assuming that 39,312,000 Shares were issued as Consideration Shares); and

(ii) assuming that the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date is S$0.915 (being the highest traded price of the Company's shares for the last six (6) months), the number of Shares to be issued as Consideration Shares will be 21,632,000 (approximately 15.82% of the Company's issued share capital as at the Latest Practicable Date and 13.66% of the Company's enlarged share capital (assuming that 21,632,000 Shares were issued as Consideration Shares).

3.3 For illustration purposes only, based on the lowest and the highest traded price of the Company's shares for the last 12 months, the number of Consideration Shares to be issued will be as follows:

(i) assuming that the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date is S$0.28 (being the lowest traded price of the Company's Shares for the last 12 months), the number of Shares to be issued as Consideration Shares will be 65,942,710 (approximately 48.24% of the Company's issued share capital as at the Latest Practicable Date and 32.54% of the Company's enlarged share capital (assuming that 65,942,710 shares were issued as Consideration Shares); and

(ii) assuming that the average of the closing prices of the Company's shares in the five (5) business days prior to the Completion Date is S$1.09 (being the highest traded price of the Company's Shares for the last 12 months), the number of Shares to be issued as Consideration Shares will be 18,252,000 (approximately 13.35% of the Company's issued share capital as at the Latest Practicable Date and 11.78% of the Company's enlarged share capital (assuming that 18,252,000 Shares were issued as Consideration Shares).

3.4 Shareholders' approval for the proposed issue and allotment of the Consideration Shares is sought in a separate resolution (namely, Resolution 2) from the resolution to approve the Proposed Acquisition (namely, Resolution 1) at the EGM. Shareholders should note that Resolution 2 is an Inter-conditional Resolution. **Please refer to Paragraph 1.4 for more details on the Inter-conditional Resolutions.**

3.5 The Consideration Shares shall be issued free from all encumbrances and shall rank *pari passu* in all respects with the shares of the Company existing as at their date of issue except for any dividends, distributions or entitlements the Record Date of which falls on or before the date of issue and allotment of the Consideration Shares.

3.6 The Company had submitted an additional listing application to the SGX-ST for the listing of and quotation for the Consideration Shares on the SGX-ST and has received in-principle approval from the SGX-ST for the listing and quotation of the Consideration Shares. An announcement was made on 12 June 2017 to notify the Shareholders that the listing and quotation notice from the SGX-ST has been obtained. Shareholders should take note that the listing and quotation notice from the SGX-ST is not to be taken as an indication of the merits of the Consideration Shares, the Company, its subsidiaries and their securities.

4. THE PROPOSED ISSUE AND ALLOTMENT OF THE PERFORMANCE SHARES

4.1 The actual number of Performance Shares to be issued to the Vendors varies according to the financial performance of the Target Group in the next three (3) financial years ending 30 June namely FY2018, FY2019 and FY2020 and will be determined based on the following:

(a) the number of Performance Shares worth US$9.6 million multiplied by a fraction, the numerator of which is the Performance Earnings (as defined below), and the denominator of which is US$3 million (up to a maximum of US$3 million over US$3 million); and

(b) "**Performance Earnings**" means with respect to FY2018, FY2019 and FY2020, the extent to which the aggregate audited consolidated PAT of the Target Group in the two (2) such fiscal years with the highest PAT ("**Two Best Years**") exceeds US$3 million,

which effectively means:

(i) if the PAT of the Target Group in the Two Best Years is more than or equal to US$6 million, the actual number of Performance Shares to be issued to the Vendors will be US$9.6 million worth of shares;

(ii) if the PAT of the Target Group in the Two Best Years is more than US$3 million but less than US$6 million, the actual number of Performance Shares to be issued to the Vendors will be a fraction of US$9.6 million worth of shares, which fraction is set out in this Paragraph 4.1(a);

(iii) if the PAT of the Target Group in the Two Best Years is less than or equal to US$3 million, no Performance Shares will be issued to the Vendors.

4.2 The Performance Shares shall be issued to the Vendors in the following proportion:

Name of Vendor	Percentage of Performance Shares
Mr Ansar Farooq Rahman	5.85%
Mr Brett David Clark	2.10%
Mr Anthony James Schoer	4.88%
Mr Kamil Mehmood	37.18%
Mr Sebastian Seow Poon Shin	1.40%
Sharp Ventures, LLC	23.40%
BF Asia Holdings LLC	23.40%
CGCM Employee Share Program LLC	1.79%
Total	**100%**

The Performance Shares will be issued to all the Vendors and not only the Target Group Management, as these other Vendors will continue to be advisors to the Target Group in support of the business activities of the Target Group in or originating from Asia. These Vendors will leverage on their contacts and network in Asia to the benefit of the Target Group and as such, will be contributing to the performance of the Target Group.

4.3 For illustration purposes only, based on the lowest and the highest traded price of the Company's Shares for the last six (6) months, the number of Performance Shares to be issued will be as follows:

(i) assuming that the average of the closing prices of the Company's Shares in the five (5) business days prior to the Completion Date is S$0.49 (being the lowest traded price of the Company's shares for the last six (6) months), the number of Shares to be issued as Performance Shares will be 26,208,000 (approximately 19.17% of the Company's issued share capital as at the Latest Practicable Date and 12.96% of the Company's enlarged share capital (assuming that 39,312,000 Shares were issued as Consideration Shares and 26,208,000 Shares were issued as Performance Shares)); and

(ii) assuming that the average of the closing prices of the Company's Shares in the five (5) business days prior to the Completion Date is S$0.915 (being the highest traded price of the Company's shares for the last six (6) months), the number of Shares to be issued as Performance Shares will be 14,421,333 (approximately 10.55% of the Company's issued share capital as at the Latest Practicable Date and 8.35% of the Company's enlarged share capital (assuming that 21,632,000 Shares were issued as Consideration Shares and 14,421,333 Shares were issued as Performance Shares)).

4.4 For illustration purposes only, based on the lowest and the highest traded price of the Company's Shares for the last 12 months, the number of Performance Shares to be issued will be as follows:

(i) assuming that the average of the closing prices of the Company's Shares in the five (5) business days prior to the Completion Date is S$0.28 (being the lowest traded price of the Company's Shares for the last 12 months), the number of Shares to be issued as Performance Shares will be 43,961,806 (approximately 32.16% of the Company's issued share capital as at the Latest Practicable Date and 17.83% of the Company's enlarged share capital (assuming that 65,942,710 Shares were issued as Consideration Shares and 43,961,806 Shares were issued as Performance Shares)); and

(ii) assuming that the average of the closing prices of the Company's Shares in the five (5) business days prior to the Completion Date is S$1.09 (being the highest traded price of the Company's Shares for the last 12 months), the number of Shares to be issued as Performance Shares will be 12,168,000 (approximately 8.90% of the Company's issued share capital as at the Latest Practicable Date and 7.28% of the Company's enlarged share capital (assuming that 18,252,000 Shares were issued as Consideration Shares and 12,168,000 Shares were issued as Performance Shares)).

4.5 Shareholders' approval for the proposed issue and allotment of the Performance Shares is sought in a separate resolution (namely, Resolution 3) from the resolution to approve the Proposed Acquisition (namely, Resolution 1) at the EGM. Shareholders should note that Resolution 3 is an Inter-conditional Resolution. **Please refer to Paragraph 1.4 for more details on the Inter-conditional Resolutions.**

4.6 The Performance Shares shall be issued free from all encumbrances and shall rank *pari passu* in all respects with the shares of the Company existing as at their date of issue except for any dividends, distributions or entitlements the Record Date of which falls on or before the date of issue and allotment of the Performance Shares.

4.7 The Company had submitted an additional listing application to the SGX-ST for the listing of and quotation for the Performance Shares on the SGX-ST and has received in-principle approval from the SGX-ST for the listing and quotation of the Performance Shares. An announcement was made on 12 June 2017 to notify the Shareholders that the listing and quotation notice from the SGX-ST has been obtained. Shareholders should take note that the listing and quotation notice from the SGX-ST is not to be taken as an indication of the merits of the Performance Shares, the Company, its subsidiaries and their securities.

4.8 **Financial Effects of the Proposed Issue and Allotment of the Performance Shares**

4.8.1 Bases and Assumptions

The *pro forma* financial effects are presented for illustration purposes only and are not intended to reflect the actual future financial situation of the Company or the Group following the completion of the proposed issue and allotment of the Performance Shares.

The *pro forma* financial effects of the proposed issue and allotment of the Performance Shares have been prepared based on, *inter alia*, the audited consolidated financial statements of the Group for the financial year ended 30 June 2016 and the Accounts and based on the following assumptions:

(a) (for the purposes of computing the Group's NTA per Share) that the Proposed Acquisition (which entails the issue and allotment of the Consideration Shares) and the proposed issue and allotment of the Performance Shares were completed on 30 June 2016;

(b) (for the purposes of computing the Group's EPS) that the Proposed Acquisition (which entails the issue and allotment of the Consideration Shares) and the proposed issue and allotment of the Performance Shares were completed on 1 July 2015;

(c) that the number of Shares issued as Consideration Shares is 23,578,131, based on the assumption that S$0.867, being the average of the closing prices of the Company's Shares in the five (5) business days prior to the date of the SPA plus S$0.03, is used as the Consideration Shares Issue Price. The actual number of Shares issued by the Company as consideration for the Proposed Acquisition cannot be determined as at the date hereof, as it will be based on the Consideration divided by the average of the closing prices of the Company's Shares in the five (5) business days prior to the Completion Date plus S$0.03;

(d) that the number of Shares to be issued as Performance Shares will be 15,718,755, based on the assumption that S$0.867, being the average of the closing prices of the Company's shares in the five (5) business days prior to the date of the SPA plus S$0.03, is used as the Performance Shares Issue Price and based on the assumption that the maximum number of Shares worth US$9.6 million is issued as Performance Shares. The actual number of Performance Shares to be issued by the Company after the end of FY2020 cannot be determined as at the date of this Circular, as it will be based on US$9.6 million divided by the average of the closing prices of the Company's Shares in the five (5) business days prior to the date of allotment plus S$0.03, and on the financial performance of the Target Group in the Two Best Years; and

(e) that the aggregate audited PAT of the Target Group for the Two Best Years is US$6 million.

4.8.2 NTA per Share

Based on the above assumptions, the *pro forma* financial effects of the proposed issue and allotment of the Performance Shares on the consolidated NTA per Share of the Group are as follows:

	Before the Proposed Acquisition	**After Completion of the Proposed Acquisition**	**After Completion of the Proposed Issue and Allotment of the Performance Shares**
Consolidated NTA attributable to the Shareholders (US$'000)	34,250	34,250	39,050
Number of Shares (excluding treasury shares)	124,570,227	148,148,358	163,867,113
Consolidated NTA per Share attributable to the Shareholders (US cents)	27.495	23.119	23.831

4.8.3 EPS

Based on the above assumptions, the *pro forma* financial effects of the proposed issue and allotment of the Performance Shares on the EPS of the Group are as follows:

	Before the Proposed Acquisition	**After Completion of the Proposed Acquisition**	**After Completion of the Proposed Issue and Allotment of the Performance Shares**
Consolidated profit/ (loss) after taxation and minority interests (US$'000)	(3,362)	(1,946)	2,854
Weighted average number of Shares (excluding treasury shares)	106,939,537	130,517,668	146,236,423
Consolidated earnings/ (loss) per Share (US cents)	(3.144)	(1.491)	1.952

5. THE PROPOSED ADOPTION OF THE NEW SILKROUTES PERFORMANCE SHARE PLAN 2017

5.1 LISTING OF SHARES

5.1.1 Application has been made to the SGX-ST for the dealing in and listing and quotation on the SGX-ST of the new Shares to be allotted and issued pursuant to the PSP ("**Award Shares**"), subject to separate Independent Shareholders' approval being obtained for the PSP. An announcement on the receipt of the listing and quotation notice was made on 12 June 2017.

5.1.2 Shareholders should take note that the listing and quotation notice from the SGX-ST, if granted, is not to be taken as an indication of the merits of the PSP, the Award Shares, the Company, its subsidiaries and their securities.

5.2 RATIONALE FOR THE PSP

5.2.1 The Board is proposing to implement the PSP so that the Company will have the option and flexibility to pay eligible employees' bonuses in the form of cash, Shares or a combination of cash and Shares, resulting in a better and more flexible salary and cash-flow management for the Company.

5.2.3 The PSP gives the Company the flexibility to impose specific or medium-term performance targets or to impose time-based service conditions, or a combination of both, as a means to reward and steer its executives to better performance and to retain employees with suitable skill sets and talents to drive the growth of the Group.

5.2.4 A performance-based award may be granted under the PSP, for example, with a Performance Target based on the successful completion of a project, or on the Company meeting certain specified corporate target(s). The Company may also grant Awards under the PSP after the satisfactory completion of time-based service conditions, that is, after the Participants have served the Group for a specified number of years or after a further period of service beyond the completion date of the Performance Targets. The Company may also impose an extended Vesting Period beyond the completion date of the Performance Targets in order to encourage Participants to continue serving the Group.

5.2.5 Under the PSP, it is contemplated that the award of fully paid Shares, issued free of charge to Participants under the PSP would incentivise Participants to excel in their performance and encourage greater dedication and loyalty to the Company. Through the PSP, the Company will be able to recognise and reward past contributions and services and motivate Participants under the PSP to continue to strive for the Company's long-term prosperity. The PSP will further strengthen and enhance the Company's competitiveness in attracting and retaining employees with suitable talents. The PSP aims to foster an ownership culture within the Company, and align the interests of Participants with the interests of the Shareholders.

5.3 MANDATE FOR ISSUE AND ALLOTMENT OF SHARES PURSUANT TO THE PSP

The Company will be seeking the approval of the Shareholders for the mandate to offer and grant Award(s) in accordance with the rules of the PSP (the "**Rules**"), and pursuant to Section 161 of the Companies Act, to allot and issue from time to time such number of new Shares as may be required to be issued comprised in the Award(s) that may be granted under the PSP provided always that the aggregate number of the new Shares (excluding treasury shares) available under the PSP shall not exceed 15% of the total issued share capital of the Company from time to time, as determined in accordance with the Rules (as summarised below).

5.4 SUMMARY OF THE RULES

The following is a summary of the principal terms of the PSP and is qualified in its entirety by reference to the more detailed information in the Rules, a copy of which is annexed hereto in Appendix 1 and available for inspection at the registered office of the Company from the date of this Circular up to and including the date of the EGM:

5.4.1 Eligibility of Participants

Group Employees, Group Executive Directors and non-executive Directors who, in the opinion of the RC, have contributed or will contribute to the success of the Group are eligible to participate in the PSP at the absolute discretion of the RC, provided that, as of the Offer Date, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors.

Controlling Shareholders and their Associates who meet the criteria as set out above are eligible to participate in the PSP, provided that (a) the participation of each Controlling Shareholder or his Associate prior to the first grant of an Award to him is specifically approved by Independent Shareholders in a general meeting of the Company by a separate resolution, and (b) each grant of an Award, including the actual number and terms of the Award to be granted to each Controlling Shareholder or his Associate only be effected with the specific prior approval of Independent Shareholders in a general meeting of the Company by a separate resolution.

5.4.2 Entitlements of Participants

Participants are not required to pay for the grant of Awards. Award(s) represent the right of a Participant to whom the Award is granted to receive fully paid Shares free of charge, upon him achieving the Performance Target, if any, or upon the fulfilment of the conditions specified for the vesting of, and release of the Shares comprised in the Awards.

5.4.3 Size of the PSP

The aggregate number of Shares for which an Award may be granted on any date under the PSP, when added to the number of Shares issued and/or issuable or transferred/transferable in respect of (a) all Awards granted under the PSP and (b) all Shares, options or awards granted under any other share option or share scheme of the Company then in force, shall not exceed 15% of the total issued Shares of the Company (excluding treasury shares, if any) on the day preceding that date.

In addition, the aggregate number of Shares over which Awards may be granted under the PSP to Controlling Shareholders and their Associates must not exceed 25% of the Shares available under the PSP, and the number of Shares over which an Award may be granted under the PSP to each Controlling Shareholder or his Associate must not exceed 10% of the Shares available under the PSP.

5.4.4 Duration of the PSP

The PSP shall continue to be in force at the discretion of the RC, subject to a maximum period of 10 years, commencing on the date the PSP is adopted by Shareholders at a general meeting of the Company provided that the PSP may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution at a general meeting of the Company, and any relevant authorities which may then be required.

5.4.5 Grant of Awards

Subject to the Rules, the number of Shares which are the subject of each Award to be granted to a Participant under the PSP shall be determined at the absolute discretion of the RC, which shall take into consideration, where applicable, factors such as the Participant's rank, scope of responsibilities, past performance, length of service, contribution to the success and development of the Group, potential for future development of the Participant and the prevailing market and economic conditions. The RC may, in its absolute discretion, elect to grant Awards to selected Participants as a form of payment or part payment of their bonuses.

The RC shall, in its absolute discretion, determine in relation to an Award (a) the Group Employee; (b) the Offer Date; (c) the number of Shares which are the subject of the Award; (d) the Performance Target for the Participant (if any); (e) the Performance Period for the Participant (if any); (f) the Vesting Schedule (if any); and (g) any other condition which the RC may decide in relation to that Award.

An Award is personal to the Participant to whom it is given and shall not, prior to the allotment and issue or transfer to the Participant of the Shares to which the Award relates, be transferred (other than to a Participant's personal representative on the death of the Participant), charged, assigned, pledged or otherwise disposed of, unless with the prior approval of the RC. If a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award without the prior approval of the RC, the Award concerned shall immediately lapse.

5.4.6 Vesting of Awards

Subject to the Rules, Awards shall vest and the RC shall release to the Participant Shares comprised in the Award upon the fulfilment of the conditions specified for the vesting of, and release of the Shares comprised in the Award.

Awards which are subject to the Participant achieving specified Performance Target may only be vested, and consequently any Shares comprised in such Awards shall only be delivered, upon the RC being satisfied at its absolute discretion, that the Performance Target has been satisfied and the extent to which they have been satisfied (whether fully or partially), or upon the RC waiving such Performance Target, as the case may be. In cases of partial satisfaction, the RC may determine the extent to which an Award may vest and the number of Shares comprised in that Award to be released. If the RC determines in its sole discretion that the Performance Target has not been satisfied in full, and that such Award should accordingly not vest in a Participant, in whole or in part, to the extent that such Award or part thereof has not vested, it shall lapse and be of no effect.

An Award which is not released, shall immediately lapse without any claim whatsoever against the Company and/or the Group, in the event of (a) the decision of the RC, acting in good faith and on fair and reasonable grounds, to revoke or annul such Award; (b) the bankruptcy of a Participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of an Award; and (c) the misconduct of a Participant as determined by the RC at its sole and absolute discretion.

In addition, an Award which is not released, shall immediately lapse without any claim whatsoever against the Company and/or the Group upon the cessation of employment of a Participant with the Group for any reason whatsoever provided that:

(a) where the Participant ceases to be in the employment of the Group by reason of (i) ill health, injury or disability; (ii) redundancy; (iii) retirement at or after the legal retirement age; (iv) retirement before the legal retirement age with the consent of the RC; (v) the subsidiary by which he is employed ceasing to be a Group company, or the undertaking or part of the undertaking of such subsidiary being transferred otherwise than to another Group company; or (vi) the termination of his employment by the Company or other relevant Group company for

reason other than due to the Participant's act of gross or wilful misconduct or the Participant's material breach of his service or employment contract, confidentiality obligation, policies or code of business conduct or other written policies practices or procedures of the Group; or

(b) in any other event (including any other reason for the cessation of employment) approved in writing by the RC, then the RC may, acting in good faith and on a fair and reasonable basis preserve all or any part of any Award and decide either to vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period and subject to the provisions of the PSP. In exercising its discretion, the RC will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the conditions specified for the vesting of, and release of the Shares comprised in the Award have been satisfied.

A Participant shall be deemed to have ceased employment as of the date the notice of termination of employment is tendered by or is given to him, unless such notice is withdrawn prior to its effective date. Further, the transfer of employment of a Participant within the Group shall not be regarded as his employment having ceased by reason only of such transfer.

For the avoidance of doubt, the Shares comprised in an Award shall nevertheless be released to a Participant as long as he has fulfilled the conditions for the vesting of, and release of the Shares comprised in the Award. If a Participant has fulfilled the conditions specified for the vesting of, and release of the Shares comprised in an Award but dies before the Shares under the Award are released, the Shares under the Award shall in such circumstances be given to the personal representatives of the Participant.

5.4.7 Release of Awards

Subject to such necessary consents or other required action of any competent authority under any regulations or enactments for the time being in force and subject to compliance with the terms of the PSP and the Constitution of the Company, the Company shall as soon as practicable but in any event within one (1) month (or such other period as may be permitted by the Listing Manual) after the vesting of an Award, allot and issue the relevant Shares and despatch to CDP the relevant share certificates by ordinary post or such other mode as the RC may deem fit.

If the Company holds any treasury shares, the Company may instead of the issue of new Shares, deliver Shares to Participants upon vesting of their Awards by way of the transfer of treasury shares to the Participants. As at the Latest Practicable Date, the Company possesses 2,014,200 treasury shares and has in force a share purchase mandate obtained at the annual general meeting of the Company held on 31 October 2016 and valid until the next annual general meeting or the date by which the next annual general meeting is required by law to be held. In determining whether to purchase Shares for delivery, the RC will take into account factors such as (but not limited to) the amount of cash available, the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of the various modes of settlement.

Shares issued and allotted upon the vesting of an Award shall be subject to all the provisions of the Companies Act and the Constitution of the Company (including all provisions thereof relating to the voting, dividend, transfer and other rights attached to such Shares, including those rights which arise from a liquidation of the Company), and shall rank *pari passu* in all respects with the then existing issued Shares except for any dividend, right, allotment or other distribution, the Record Date for which being prior to the relevant vesting date of the Award.

5.4.8 Administration of the PSP

The PSP shall be administered by the RC duly authorised and appointed by the Board, in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the RC shall participate in any deliberation or decision in respect of Awards granted or to be granted to him or his Associate.

5.4.9 Modification of the PSP

Subject to the Rules, any or all the provisions of the PSP may be modified and/or altered at any time and from time to time by resolution of the RC, except that any modification or alteration which would be to the advantage of Participants shall not be made except with the prior approval of Shareholders in general meeting, and no modification or alteration shall be made except in compliance with the Listing Manual or such other stock exchange on which the Shares are quoted or listed and such other regulatory authorities as may be necessary.

5.4.10 **Shareholders should note that the above is only a summary of the more substantive aspects of the PSP. Shareholders should refer to the complete copy of the Rules for full details.**

5.5 FINANCIAL EFFECTS OF THE PSP

5.5.1 Share capital

The PSP will result in an increase in the number of issued Shares to the extent that new Shares are allotted and issued upon the vesting and release of the Awards under the PSP.

The number of new Shares issued will depend on, *inter alia*, the size of the Awards granted under the PSP.

5.5.2 NTA

The grant of Awards under the PSP will result in a charge to the Company's and the Group's income statements, which is equal to the fair value of the Awards over the period from the date of grant of the Awards to the date of vesting and release of the Awards.

If new Shares are issued to the Participants under the PSP, there would be no effect on the consolidated NTA of the Company and the Group. However, if instead of issuing new Shares to the Participants, existing Shares are purchased for delivery to the Participants, the consolidated NTA of the Company would decrease by the cost of the Shares purchased.

5.5.3 EPS

The PSP will have a dilutive impact on the Company's consolidated EPS following the increase in the number of issued Shares to the extent that new Shares are allotted and issued pursuant to the vesting and release of Awards under the PSP.

The PSP will result in a charge to earnings equivalent to the fair value of the Awards at the date of grant over the period from the date of grant of the Awards to the vesting date.

5.5.4 Potential Cost of Granting Awards

As Participants are not required to pay for the grant of the Awards, such grant of Awards will have a financial effect on the Company.

FRS 102 is effective for the financial statements of the Company for the financial year beginning 1 January 2005. FRS 102 requires the recognition of an expense in respect of Awards granted under the PSP with a corresponding increase in the reserve account over the Vesting Period. The expenses will be based on the fair value of the Awards at the date of the grant and will be recognised over the expected Vesting Period. As at each financial year ended, the Company will revise its estimated number of Shares under the Awards that are expected to become exercisable on the vesting date and recognise the effect of the revision of estimates in the income statement with a corresponding adjustment to the reserve account over the remaining Vesting Period. After the vesting date, no adjustment to the charge to the income statement will be made.

The expense recognised in the income statement depends on whether or not the Performance Target attached to an Award is measured by reference to the market price of the Shares. This is known as a "**market condition**". If the Performance Target is a market condition, the probability of the Performance Target being met is taken into account in estimating the fair value of the Award granted at the date of grant, and no adjustments to the amounts charged to the income statement are made whether or not the market condition is met.

However, if the Performance Target is not a market condition, the fair value per Share of the Awards granted at the date of grant is used to compute the expense to be recognised in the income statement at the end of each financial year, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to vest. Thus, where the vesting conditions do not include a market condition and if the Awards do not ultimately vest, the amount charged to the income statement would be reversed at the end of the Vesting Period.

5.6 THE PROPOSED PARTICIPATION BY CONTROLLING SHAREHOLDERS AND THEIR ASSOCIATES IN THE PSP

5.6.1 It is the intention of the Company that all Group Employees, including those who are Controlling Shareholders and their Associates, should be remunerated for their contribution to the Group on the same basis with no differentiation between Group Employees who are Controlling Shareholders or their Associates, and Group Employees who are not. The extension of the PSP to allow Controlling Shareholders and their Associates to participate in the PSP will ensure that they are equally entitled, with the other employees who are not Controlling Shareholders or their Associates, to take part and benefit from this system of remuneration. The Company is of the view that the Controlling Shareholders and their Associates should not be unduly discriminated against by virtue only of their shareholdings in the Company. The Company is also of the view that the extension of the PSP to Controlling Shareholders and their Associates will enhance their long-term commitment to the Group as it will ensure that they will continue to have a stake in the Company even if they decrease their shareholdings in the Company in the future.

5.6.2 The Directors are of the view that the participation in the PSP by Controlling Shareholders and their Associates: (i) will act as an additional incentive for Controlling Shareholders and their Associates, who are Group Employees and Directors of any company within the Group, to improve their performance, as the value of the Awards will be best realised when the results of their performance correlate directly with higher values of the Shares; and (ii) is in the best interests of the Company as such Controlling Shareholders and their Associates are able to help to set the vision and direction of the Group, define objectives and roles of management and thus stand in a unique position to contribute to the growth and prosperity of the Group.

5.6.3 As a safeguard against abuse, all members of the Board (and not just members of the RC) who are neither Controlling Shareholders nor their Associates will be involved in deliberations in respect of Awards to be granted to or held by Controlling Shareholders and their Associates and the terms and conditions, including the performance conditions and Vesting Periods attached to such Awards. Furthermore, specific approval of the Independent Shareholders in general meeting by a separate resolution is required for the grant of Awards to Controlling Shareholders and their Associates as well as the actual number of and terms of such Awards.

5.6.4 As at the Latest Practicable Date, no Controlling Shareholder or their Associate has been identified for purposes of being granted Awards under the PSP. However, in the event a Controlling Shareholder or their Associate is so identified, specific approval of the Independent Shareholders in general meeting by a separate resolution will be sought for participation and for each grant of Awards including the actual number of Shares to be comprised thereunder and the terms thereof.

5.7 THE PROPOSED PARTICIPATION BY NON-EXECUTIVE DIRECTORS IN THE PSP

5.7.1 The PSP is extended to non-executive Directors (including independent Directors) of the Company. Although the non-executive Directors are not involved in the day-to-day running of the Group, they play an invaluable role in the Group's success by applying their experience, drawing on their knowledge and utilising their expertise for the benefit of the Group. It is desirable that the non-executive Directors (including independent Directors) be allowed to participate in the PSP so as to give recognition to their services and contributions and to further align their interests with that of the Group and the Shareholders. The extension of the PSP to non-executive Directors (including independent Directors) will also allow the Company to continue to attract onto its Board, directors who will be able to assist in furthering the business interests of the Group. This will help enhance the growth and long-term profitability of the Group.

5.7.2 In order to minimise any possible conflicts of interest, and so as not to compromise the objectivity of independent members of the Board who may, in the future, be selected to participate in the PSP, the non-executive Directors (including independent Directors) would primarily continue to be remunerated for their services by way of Directors' fees.

5.7.3 The RC when deciding on the selection of non-executive Directors to participate in the PSP, and the number of Shares and/or Awards to be offered (in accordance with the PSP) will take into consideration the nature and extent of their input, assistance and expertise rendered to the committees on which they sit and the impact thereof on the growth, success and development of the Company and the Group, as well as their involvement and commitment to the Board. Non-executive Directors (including independent Directors) will abstain from making any recommendation as a Director and abstain from voting as a member of the Company when the grant of Awards to him is being considered. As at the date of this Circular, the non-executive Directors are:

Name of Director	**Appointment**
Ho Sheng	Chairman of the Board and Lead Independent Director
Pao Kiew Tee	Independent Director
Chen Chou Mei Mei Vivien	Independent Director

5.7.4 As part of the Company's objective to attract talent to the Group, the RC may in future grant Awards to other non-executive Directors who may be appointed from time to time to the Group.

5.8 ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the PSP must abstain from voting on any resolution relating to the PSP (including, where applicable, implementation of the PSP and participation by and grant of Awards to Controlling Shareholders and their Associates) and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

6.1 The interests of the Directors and the Substantial Shareholders in the share capital of the Company as at the Latest Practicable Date are set out below:

	Direct Interest		Deemed Interest	
	No. of Shares	**(%)**	**No. of Shares**	**(%)**
Directors				
Mr Ho Sheng	-	-	-	-
Dr Goh Jin Hian	200,000	0.146	5,096,849[(1)]	3.728
Mr Lee Soek Shen	-	-	11,184,400[(2)]	8.181
Mr Oo Cheong Kwan Kelvyn	-	-	-	-
Mr Pao Kiew Tee	-	-	-	-
Ms Chen Chou Mei Mei Vivien	-	-	526,000[(3)]	0.385
Substantial Shareholders				
Mr Cai Sui Xin	-	-	22,541,038[(4)]	16.488
Fortune Woods Global Investment Limited	18,798,433	13.750	1,751,608[(5)]	1.281
General Nice Resources (Hong Kong) Limited	1,990,997	1.456	20,550,041[(6)]	15.032
General Nice Development Ltd	-	-	22,541,038[(7)]	16.488
General Nice Investment (China) Limited	-	-	22,541,038[(8)]	16.488
General Nice Group Holdings Limited	-	-	22,541,038[(9)]	16.488
Smartful Global Holdings Limited	12,325,000	9.015	-	-
Mr Xiao De	-	-	12,325,000[(10)]	9.015
Goodwood Associates Pte. Ltd.	-	-	11,184,400[(11)]	8.181
Mr Lee Soek Shen	-	-	11,184,400[(2)]	8.181
Velvet Global Limited	6,908,600	5.053	-	-
Mr Tan Wei Yang Melvin	-	-	6,908,600[(12)]	5.053
Mr Lam Sze Kuen	-	-	6,908,600[(13)]	5.053

Notes:

(1) Dr Goh Jin Hian is deemed to be interested in the Shares held in the name of Citibank Nominees Pte Ltd, a nominee company.

(2) Mr Lee Soek Shen's deemed interest in the Company arises from his interest in the Shares held by Goodwood Associates Pte. Ltd., as Mr Lee Soek Shen is the sole shareholder of Goodwood Associates Pte. Ltd.

(3) Ms Chen Chou Mei Mei Vivien is the sole shareholder of Avec Inc. which holds Shares in the Company, as such she is deemed to be interested in the Shares held by Avec Inc. Ms Chen Chou Mei Mei Vivien has an interest in a family trust "Chow Wen Hsien Estate" which has Shares in the Company, as such she is deemed to be interested in the Shares held by the family trust. Ms Chen Chou Mei Mei Vivien is deemed to be interested in Shares held in the name of a nominee.

(4) Mr Cai Sui Xin's deemed interest in the Company arises from his deemed interest in the Shares in respect of which General Nice Group Holdings Limited has a deemed interest, and also through his deemed and direct interests in General Nice Investment (China) Limited and General Nice Development Ltd.

(5) Fortune Woods Global Investment Limited is deemed to be interested in the 1,751,608 Shares held in the name of OCBC Securities Private Limited, a nominee company.

(6) General Nice Resources (Hong Kong) Limited's deemed interest in the Company arises from its deemed interest in the Shares held by Fortune Woods Global Investment Limited.

(7) General Nice Development Ltd's deemed interest in the Company arises from its deemed interest in the Shares in respect of which General Nice Resources (Hong Kong) Limited has deemed or direct interest.

(8) General Nice Investment (China) Limited's deemed interest in the Company arises from its deemed interest in the Shares in respect of which General Nice Resources (Hong Kong) Limited has deemed or direct interest.

(9) General Nice Group Holdings Limited's deemed interest in the Company arises from its deemed interest in the Shares in respect of which General Nice Development Ltd and General Nice Investment (China) Limited have deemed interest.

(10) Mr Xiao De's deemed interest in the Company arises from his deemed interest in the Shares held by Smartful Global Holdings Limited.

(11) Goodwood Associates Pte. Ltd. is deemed to be interested in the 11,184,400 Shares held in the name of DBS Vickers (Singapore) Pte Ltd, CIMB Securities (Singapore) Pte Ltd and UBS Securities Pte Ltd, all of which are nominee companies.

(12) Mr Tan Wei Yang Melvin's deemed interest in the Company arises from his direct interest in the Shares held by Velvet Global Limited.

(13) Mr Lam Sze Kuen's deemed interest in the Company arises from his direct interest in the Shares held by Velvet Global Limited.

6.2 None of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, other than through their shareholdings (if any) in the Company.

7. APPROVALS AND DIRECTORS' RECOMMENDATIONS

After having considered, amongst other things, the terms and/or rationale of the Proposed Acquisition (which is the subject of Resolutions 1, 2 and 3), the Directors are of the view that the Proposed Acquisition is in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of the Proposed Acquisition.

All of the Directors are eligible to participate in, and are therefore interested in the PSP. Accordingly, the Directors have abstained from making any recommendation to Shareholders in respect of the PSP.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 50 to 52 of this Circular, will be held on 21 July 2017, at 10.00 a.m. at Temasek Club, 131 Rifle Range Road, Singapore 588406, Seletar Room for the purpose of considering, and if thought fit, passing with or without any modifications, the ordinary resolutions set out in the aforementioned notice.

9. ACTIONS TO BE TAKEN BY SHAREHOLDERS

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 should complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company not less than 48 hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.

A Depositor shall not be regarded as a Shareholder of the Company 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.

10. ABSTENTION FROM VOTING

10.1 The Company will ensure that Shareholders who are entitled to participate in the PSP will abstain from voting at the EGM in respect of Ordinary Resolution 4 relating to the proposed adoption of the PSP.

10.2 Shareholders who are entitled to participate in the PSP should abstain from voting at the EGM in respect of Ordinary Resolution 4 in relation to the proposed adoption of the PSP. Such Shareholders should not accept appointments as proxies or otherwise for voting at the EGM in respect of the Ordinary Resolution 4 unless specific instructions have been given in the proxy form on how the votes are to be cast for Ordinary Resolution 4 to be proposed at the EGM.

10.3 All the Directors will be eligible to participate in the PSP. Therefore, the Directors (who are also Shareholders) shall also abstain and shall procure his or her Associates to abstain from voting at the EGM on Ordinary Resolution 4 as set out in the Notice of EGM. Such Directors will not accept appointments as proxies for voting at the EGM in respect of the Ordinary Resolution 4 unless specific instructions have been given in the proxy form on how the votes are to be cast for Ordinary Resolution 4 to be proposed at the EGM.

11. 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 Acquisition, the Consideration Shares, the Performance Shares, the PSP, and 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.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 460 Alexandra Road, #24-06 PSA Building, Singapore 119963 during normal office hours from the date hereof up to and including the date of the EGM:

(a) the SPA;

(b) the Constitution; and

(c) the Annual Report of the Company for the financial year ended 30 June 2016.

Yours faithfully
for and on behalf of the Board of Directors of
NEW SILKROUTES GROUP LIMITED

Dr Goh Jin Hian
Executive Director and Chief Executive Officer

APPENDIX I

RULES OF THE NEW SILKROUTES PERFORMANCE SHARE PLAN 2017

1. NEW SILKROUTES PERFORMANCE SHARE PLAN 2017

The New Silkroutes Performance Share Plan 2017 shall mean the performance share plan herein, as modified or altered from time to time and shall be referred to as the "**PSP**".

2. DEFINITIONS

2.1 In this PSP, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"Associate"	:	(a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
"Auditors"	:	The auditors of the Company for the time being
"Award"	:	A contingent award of Shares granted under the PSP
"Board"	:	The board of Directors from time to time
"CDP"	:	The Central Depository (Pte) Limited
"Committee"	:	The Remuneration Committee of the Company, or such other committee comprising Directors and such other persons (if any) duly authorised and appointed by the Board to administer the PSP from time to time
"Constitution"	:	The Constitution of the Company, as amended or modified from time to time
"Company"	:	New Silkroutes Group Limited
"Companies Act"	:	Companies Act (Cap. 50) of Singapore, as amended, modified or supplemented from time to time

APPENDIX I

"Control"	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
"Controlling Shareholder"	:	A person who: (i) holds directly or indirectly 15% or more of the total number of issued Shares excluding treasury shares, or (ii) who in fact exercises Control over the Company
"CPF"	:	Central Provident Fund
"Director"	:	A director of the Company from time to time
"Financial Year"	:	Financial year of the Company ended or ending 30 June (as the case may be)
"Group"	:	The Company and its subsidiaries
"Group Employee"	:	Any confirmed employee of the Group (including any Group Executive Director) selected by the Committee to participate in the PSP in accordance with the rules thereof
"Group Executive Director"	:	A director of the Company and/or its subsidiaries, as the case may be, who is a Group Employee and performs an executive function
"Independent Shareholders"	:	Shareholders other than Participants or Associates of Participants
"Listing Manual"	:	The listing manual of the SGX-ST, as amended, supplemented or modified from time to time
"Market Day"	:	A day on which the SGX-ST is open for the trading of securities
"Non-Executive Director"	:	A Director who is not a Group Employee and who does not perform an executive function in the Group, including an independent Director
"Offer Date"	:	The date on which an Award is made
"Participant"	:	A person who is selected by the Committee to participate in the PSP in accordance with the rules thereof
"Performance Period"	:	The period during which the Performance Targets shall be satisfied, if any
"Performance Target"	:	The performance target prescribed by the Committee to be fulfilled by a Participant for any particular Performance Period under the PSP, if any
"PSP"	:	The New Silkroutes Performance Share Plan 2017 set out herein, as modified or altered from time to time

"Record Date"	:	The date as at the close of business on which Shareholders of the Company must be registered in order to participate in any dividends, rights, allotments or other distributions (as the case may be)
"Rules"	:	The rules of the PSP, as the same may be amended from time to time
"Securities Account"	:	A securities account maintained by a Depositor with CDP but not including a securities sub-account maintained with a Depository Agent
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	The registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares
"Shares"	:	Issued and paid-up ordinary shares in the capital of the Company
"Substantial Shareholder"	:	A person (including a corporation) who has an interest in not less than 5% of the total issued Shares excluding treasury shares
"Vesting Period"	:	The period during which an Award may vest, if any
"Vesting Schedule"	:	In relation to an Award, a schedule in such form as the Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall be released on the Performance Target(s) being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period
"%"or "per cent."	:	Per centum or percentage

2.2 The terms "**Depositor**" and "**Depository Register**" and "**Depository Agent**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Cap. 289) of Singapore.

2.3 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 and vice versa. References to persons shall include corporations.

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

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

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

3. OBJECTIVES OF THE PSP

The objectives of the PSP are as follows:

(a) to recognise and reward past contributions and services;

(b) to motivate Participants to continue performing and out-perform their standards and efficiency and to maintain a high level of contribution to the Group;

(c) to retain key Group Employees whose contributions are important to the long-term growth and success of the Group;

(d) to attract potential employees with relevant skills and talents necessary to enhance the Group's business; and

(e) to align the interests of the Participants with the interests of Shareholders.

4. ELIGIBILITY OF PARTICIPANTS

4.1 Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the PSP:

(a) Group Employees;

(b) Group Executive Directors; and

(c) Non-Executive Directors who, in the opinion of the Committee, have contributed or will contribute to the success of the Group,

provided that, as of the Offer Date, such persons:

(i) have attained the age of 21 years;

(ii) are not undischarged bankrupts; and

(iii) have not entered into any compositions with their respective creditors.

4.2 Subject to the absolute discretion of the Committee, Controlling Shareholders and their Associates who meet the criteria as set out in Rule 4.1 above are eligible to participate in the PSP, provided that:

(a) the participation of each Controlling Shareholder or his Associate prior to the first grant of an Award to him is specifically approved by Independent Shareholders in a general meeting of the Company by a separate resolution; and

(b) each grant of an Award, including the actual number and terms of the Award to be granted to each Controlling Shareholder or his Associate may only be effected with the specific prior approval of Independent Shareholders in a general meeting of the Company by a separate resolution.

The Company will at such time provide the rationale and justification for any proposal to grant any Award to a Controlling Shareholder or his Associate.

4.3 Any Director who is a member of the Committee shall not be involved in the Committee's deliberations and decisions in respect of Awards to be granted to or held by that Director or his Associate.

4.4 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive scheme implemented by the Company or any other company within the Group.

4.5 Subject to the Companies Act and any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted from time to time (if applicable), the terms of eligibility for participation in the PSP may be amended from time to time at the absolute discretion of the Committee.

5. LIMITATIONS UNDER THE PSP

5.1 The aggregate number of Shares for which an Award may be granted on any date under the PSP, when added to the number of Shares issued and/or issuable or transferred/transferable in respect of:

(a) all Awards granted under the PSP; and

(b) all Shares, options or awards granted under any other share option or share scheme of the Company then in force,

shall not exceed 15% of the total issued Shares of the Company (excluding treasury shares) on the day preceding that date.

5.2 The following additional limits must not be exceeded:

(a) the aggregate number of Shares over which Awards may be granted under the PSP to Controlling Shareholders and their Associates must not exceed 25% of the Shares available under the PSP; and

(b) the number of Shares over which an Award may be granted under the PSP to each Controlling Shareholder or his Associate must not exceed 10% of the Shares available under the PSP.

5.3 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the PSP.

6. GRANT OF AWARDS

6.1 Subject to Rule 4 and Rule 5, the Committee may, in its absolute discretion, grant Awards at any time during the period when the PSP is in force, provided that no grant of Awards shall be made:

(a) during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its Financial Year; and

(b) during the period commencing one month before the announcement of the Company's full year financial statements (if required to announce quarterly financial statements), or one month before the announcement of the Company's half year and full year financial statements (if not required to announce quarterly financial statements),

and in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Awards may only be vested, and hence any Shares comprised in such Awards may only be delivered, on or after the second Market Day from the date on which the aforesaid announcement is released.

6.2 Subject to Rule 4 and Rule 5, the number of Shares which are the subject of each Award to be granted to a Participant under the PSP shall be determined at the absolute discretion of the Committee, which shall take into consideration, where applicable, factors such as:

(a) the Participant's rank;

(b) the Participant's scope of responsibilities;

(c) the Participant's past performance;

(d) the Participant's length of service;

(e) the Participant's contribution to the success and development of the Group;

(f) the Participant's potential for future development; and

(g) the prevailing market and economic conditions.

The Committee may, in its absolute discretion, elect to grant Awards to selected Participants as a form of payment or part payment of their bonuses.

6.3 The Committee shall, in its absolute discretion, determine in relation to an Award:

(a) the Group Employee;

(b) the Offer Date;

(c) the number of Shares which are the subject of the Award;

(d) the Performance Target for the Participant (if any);

(e) the Performance Period for the Participant (if any);

(f) the Vesting Schedule (if any); and

(g) any other condition which the Committee may decide in relation to that Award.

Upon its decision to grant the Award, the Committee shall as soon as practicable send to the Participant an Award letter confirming such Award and specifying the above.

6.4 The Committee may amend or waive the Performance Period, the Performance Target(s) and/or the Vesting Schedule (if any) in respect of any Award:

(a) in the event of a take-over offer being made for the Shares or if under the Companies Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or

(b) if anything happens which causes the Committee to conclude that:

(i) a changed Performance Target(s) and/or Vesting Schedule would be a fairer measure of performance, and would be no less difficult to satisfy; or

(ii) a Performance Target(s) and/or Vesting Schedule should be changed or waived,

and shall notify the Participants of such change or waiver. Any such modification, alteration or waiver is not a modification of the rules of the PSP for the purposes of Rule 13.

6.5 An Award is personal to the Participant to whom it is given and shall not, prior to the allotment and issue or transfer to the Participant of the Shares comprised in the Award, be transferred (other than to a Participant's personal representative on the death of the Participant), charged, assigned, pledged or otherwise disposed of, unless with the prior approval of the Committee. If a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award without the prior approval of the Committee, that Award shall immediately lapse.

6.6 The Company will make an immediate announcement upon any grant of Awards and including therein such information as required under Rule 704(29) of the Listing Manual.

6.7 Participants are not required to pay for the grant of Awards. Award(s) represent the right of a Participant to whom the Award is granted to receive fully paid Shares free of charge, upon him achieving the Performance Target, if any, or upon the fulfilment of the conditions specified for the vesting of, and release of the Shares comprised in the Awards.

7. VESTING OF AWARDS

7.1 Subject to Rule 7 and Rule 9 herein, Awards shall vest and the Committee shall release to the Participant, Shares comprised in the Award upon the fulfilment of the conditions specified for the vesting of, and release of the Shares comprised in the Award.

7.2 Awards which are subject to the Participant achieving specified Performance Target may only be vested, and consequently any Shares comprised in such Awards shall only be delivered, upon the Committee being satisfied at its absolute discretion, that the Performance Target has been satisfied and the extent to which they have been satisfied (whether fully or partially), or upon the Committee waiving such Performance Target, as the case may be. In cases of partial satisfaction, the Committee may determine the extent to which an Award may vest and the number of Shares comprised in that Award to be released. If the Committee determines in its sole discretion that the Performance Target has not been satisfied in full, and that such Award should accordingly not vest in a Participant, in whole or in part, to the extent that such Award or part thereof has not vested, it shall lapse and be of no effect.

7.3 An Award shall, to the extent not yet released, immediately lapse without any claim whatsoever against the Company and/or the Group, in the event of:

(a) the decision of the Committee, acting in good faith and on fair and reasonable grounds, to revoke or annul such Award;

(b) the cessation of employment of a Participant with the Group for any reason whatsoever, subject to Rule 7.4 and Rule 7.5;

(c) the bankruptcy of a Participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of an Award; or

(d) the misconduct of a Participant as determined by the Committee at its sole and absolute discretion .

7.4 For the purpose of Rule 7.3(b), the Participant shall be deemed to have ceased employment as of the date the notice of termination of employment is tendered by or is given to him, unless such notice is withdrawn prior to its effective date. Further, the transfer of employment of a Participant between the Group shall not be regarded as his employment having ceased by reason only of such transfer.

7.5 In any of the following events, namely:

(a) where the Participant ceases to be in the employment of the Group by reason of:

(i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);

(ii) redundancy;

(iii) retirement at or after the legal retirement age;

(iv) retirement before the legal retirement age with the consent of the Committee;

(v) the subsidiary by which he is employed ceasing to be a company within the Group, or the undertaking or part of the undertaking of such subsidiary being transferred otherwise than to another company within the Group; or

(vi) the termination of his employment by the Company or other relevant company in the Group for reason other than due to the Participant's act of gross or wilful misconduct or the Participant's material breach of his service or employment contract, confidentiality obligation, policies or code of business conduct or other written policies practices or procedures of the Group; or

(b) in any other event (including any other reason for the cessation of employment) approved in writing by the Committee,

then the Committee may, acting in good faith and on a fair and reasonable basis preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period and subject to the provisions of the PSP. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including but not limited to, the contributions made by that Participant and the extent to which the conditions specified for the vesting of, and release of the Shares comprised in the Award have been satisfied.

7.6 For the avoidance of doubt, the Shares comprised in an Award shall nevertheless be released to a Participant as long as he has fulfilled the conditions for the vesting of, and release of the Shares comprised in the Award.

7.7 If a Participant has fulfilled the conditions specified for the vesting of, and release of the Shares comprised in an Award but dies before the Shares under the Award are released, the Shares under the Award shall in such circumstances be given to the personal representatives of the Participant.

8. RELEASE OF AWARDS

8.1 Subject to:

(a) such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and

(b) compliance with the Rules and the Constitution of the Company,

the Company shall as soon as practicable but in any event within 1 month (or such other period as may be permitted by the Listing Manual) after the vesting of an Award in accordance with Rule 7, allot and issue the relevant Shares comprised in the Award and despatch to CDP the relevant share certificates by ordinary post or such other mode as the Committee may deem fit. Any proposed issue of new Shares will be subject to there being in force at the relevant time the requisite Shareholders' approval under the Companies Act for the issue of Shares. Any allotment of new Shares pursuant to an Award will take into account the rounding of odd lots.

8.2 Where new Shares are to be allotted upon the vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST for permission to deal in and for quotation of such Shares.

8.3 Shares which are the subject of an Award shall be issued in the name of CDP to the credit of the Securities Account of that Participant maintained with CDP, the securities sub-account maintained with a Depository Agent or the CPF investment account maintained with a CPF agent bank.

8.4 Shares issued and allotted upon the vesting of an Award shall be subject to all the provisions of the Companies Act and the Constitution of the Company (including all provisions thereof relating to the voting, dividend, transfer and other rights attached to such Shares, including those rights which arise from a liquidation of the Company), and shall rank *pari passu* in all respects with the then existing issued Shares except for any dividend, right, allotment or other distribution, the Record Date for which being prior to the relevant vesting date of the Award.

8.5 Except as set out in Rule 8.1 and subject to Rule 10, an Award does not confer on a Participant any right to participate in any new/further issue of Shares.

8.6 The Company shall keep available sufficient unissued Shares to satisfy the delivery of the Shares pursuant to vesting of the Awards.

8.7 Notwithstanding any other Rule of this PSP to the contrary, and notwithstanding references to subscription, issue and allotment of Shares or new Shares, the Company reserves to itself the right to deliver treasury shares in lieu of new Shares to Participants upon vesting of their Awards.

9. TAKE-OVER AND WINDING UP OF THE COMPANY

9.1 Notwithstanding Rule 7 but subject to Rule 9.5, in the event of a take-over being made for the Shares, a Participant shall (notwithstanding that the Vesting Period for the Award has not expired) be entitled to the Shares under the Awards if he has met the conditions specified for the vesting of, and release of Shares comprised in the Award which falls within the period commencing on the date on which such offer for a take-over of the Company is made or, if such offer is conditional, the date on which such offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:

(a) the expiry of 6 months thereafter, unless prior to the expiry of such 6-month period, at the recommendation of the offeror and with the approvals of the Committee and (if so required) the SGX-ST and the Securities Industry Council, such expiry date is extended to a later date being a date falling not later than the expiry of the Vesting Period during which the conditions for the vesting of, and release of the Shares comprised in the Award are to be fulfilled; or

(b) the date of expiry of the Vesting Period during which the conditions for the vesting of, and release of the Shares comprised in the Award are to be fulfilled.

Provided always that if during such period, the offeror becomes entitled or bound to exercise rights of compulsory acquisition under any relevant regulatory provisions or legislation and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Participant shall be obliged to fulfil the conditions for the vesting of, and release of the Shares comprised in the Award before the expiry of such specified date or the expiry date of the Vesting Period relating thereto, whichever is earlier, before an Award can be vested.

For the avoidance of doubt, the vesting of such Awards will not be affected by the take-over offer and the provisions of this Rule 9.1 shall not come into operation in the event that a take-over offer which is conditional does not or is not declared unconditional.

9.2 If under any applicable laws, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, each Participant who has fulfilled the conditions specified for the vesting of, and release of Shares comprised in the Award shall be entitled, notwithstanding the provisions under this Rule 9 but subject to Rule 9.5, to any Shares under the Awards so determined by the Committee to be vested and released to him during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later.

If under any relevant regulatory provisions or legislation, the relevant authority issues a notice of amalgamation, for the purposes of, or in connection with the amalgamation of the Company with another company or companies, each Participant who has fulfilled the conditions for the vesting of, and release of the Shares comprised in his Award shall be entitled, notwithstanding Rule 9 and the non-expiry of the Vesting Period for the Award but subject to Rule 9.5, to any Awards so determined by the Committee to be vested in him during the period commencing on the date upon which the notice of amalgamation is issued by the relevant authority and ending either on the expiry of 60 days thereafter or the date upon which the amalgamation becomes effective, whichever is later.

9.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Awards, notwithstanding that Shares may have been vested in the Participants but not released, shall be deemed or become null and void.

9.4 In the event of a members' voluntary winding-up (other than for amalgamation or reconstruction), the Shares under the Awards shall be released to the Participant for so long as, in the absolute determination by the Committee, the Participant has met the conditions specified for the vesting of, and release of Shares comprised in the Award 2 business days prior to the proposed general meeting of the Company.

9.5 If in connection with the making of a general offer referred to in Rule 9.1 or the scheme referred to in Rule 9.2 or the winding-up referred to in Rule 9.4, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the payment of cash or by any other form of benefit, no release of Shares under the Award shall be made in such circumstances.

9.6 Notwithstanding anything in these Rules, the Committee may waive the full compliance of the conditions for the vesting of, and release of the Shares comprised in the Award on the part of the Participant upon the occurrence of any of the events provided in this Rule 9. As soon as reasonably practicable following any such event, the Committee may, acting in good faith and on fair and reasonable grounds, decide to vest some or all of the Shares which are the subject of any Award. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the conditions specified for the vesting of, and release of the Shares comprised in the Award, have been satisfied.

10. ADJUSTMENT EVENTS

10.1 If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits, reserves, rights issue, reduction (including any reduction arising by reason of the Company purchasing or acquiring its issued Shares), subdivision, consolidation or distribution, or issues for cash or for shares or otherwise howsoever) shall take place, then:

(a) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or

(b) the class and/or number of Shares over which future Awards may be granted under the PSP,

may, at the option of the Committee, be adjusted in such manner as the Committee may determine to be appropriate including retrospective adjustments where such variation occurs after the vesting date of an Award provided that the Record Date relating to such variation precedes such date of vesting and, except in relation to a capitalisation issue, the Auditors (acting as experts and not as arbitrators) provide written confirmation that in their opinion, such adjustment (or absence of adjustment) is fair and reasonable.

10.2 Unless the Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requiring adjustment:

(a) the issue of securities as consideration for an acquisition or a private placement of securities;

(b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force;

(c) an issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares to its employees including Group Executive Directors and Group Employees pursuant to a purchase or an option scheme approved by Shareholders in general meeting of the Company, including the PSP or any other share-based incentive schemes implemented by the Company;

(d) an issue of Shares or securities convertible into, or with rights to acquire or subscribe for Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business; and

(e) any issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company.

10.3 Notwithstanding the provisions of Rule 10.1 above:

(a) no such adjustment shall be made:

(i) if as a result, the Participant receives a benefit that a Shareholder does not receive;

(ii) if as a result, such adjustment will result in the number of Shares comprised in an Award, together with new Shares to be issued or issuable under the PSP and any other share-based incentive schemes, to exceed 15% of the total number of issued Shares of the Company (excluding treasury shares) for the time being; and

(iii) unless the Committee after considering all relevant circumstances considers it equitable to do so; and

(b) any determination by the Committee as to whether to make any adjustment and if so, the manner in which such adjustment should be made, must (except in relation to a capitalization issue) be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

10.4 The restriction on the number of Shares to be offered to any Grantee under Rule 5 of the PSP above, shall not apply to the number of additional Shares or Awards over additional Shares issued by virtue of any adjustment to the number of Shares and/or Awards pursuant to this Rule 10.

10.5 Upon any adjustment required to be made pursuant to this Rule 10, the Company shall notify the Participant (or his duly appointed personal representatives as the case may be) in writing and deliver to him (or his duly appointed personal representatives as the case may be) a statement setting forth the class and/or number of Shares thereafter to be issued pursuant to the grant of an Award. Any adjustment shall take effect upon such written notification being given.

11. ADMINISTRATION OF THE PSP

11.1 The PSP shall be administered by the Committee duly authorised and appointed by the Board, in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him or his Associate.

11.2 All determinations or actions of the Committee with respect to the interpretation and/or implementation of the PSP shall be decided by the affirmative vote of the majority of the members of the Committee who are not disqualified from participating by virtue of Rule 11.1 or by way of a written instrument signed by the majority of the members of the Committee who are not disqualified from participating by virtue of Rule 11.1. In the event of a tie, the chairman of the Committee shall have a second or casting vote.

11.3 The Committee shall have the power, from time to time, to make and vary such rules (not being inconsistent with the PSP) for the implementation and administration of the PSP to give effect to the provisions of the PSP and/or to enhance the benefit of the Awards to the Participants, as they may, in their absolute discretion, think fit including, but not limited to:

(a) imposing restrictions on the number of Awards that may be vested within each Financial Year;

(b) amending Performance Target(s) if by so doing, it would be a fairer measure of performance for a Participant or for the PSP as a whole.

Any matter pertaining or pursuant to the PSP and any dispute and uncertainty as to the interpretation of the PSP, any rule, regulation or procedure thereunder or any rights under the PSP shall be determined by the Committee. The decision of the Committee in relation to the same shall be final, binding and conclusive.

11.4 Neither the PSP nor the grant of Awards under the PSP shall impose on the Company or the Committee or any of its members any liability whatsoever in connection with:

(a) the lapsing or early expiry of any Awards pursuant to any provision of the PSP;

(b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of any discretion under the PSP; and/or

(c) any decision or determination of the Committee made pursuant to any provision of the PSP.

11.5 Any decision of the Committee made pursuant to any provision of the PSP (other than a matter to be certified by the Auditors) shall be final, binding and conclusive, including but not limited to any decisions pertaining to the number of Shares to be vested, or to disputes as to the interpretation of the PSP or any rule, regulation, procedure thereunder or as to any rights under the PSP. The Committee shall not be required to furnish any reason for any decision or determination made by it.

12. NOTICES AND DISCLOSURE IN ANNUAL REPORT

12.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other address or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.

12.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or at the last known address, electronic mail address or facsimile number of the Participant or the address and place of business at which he performs the whole or substantially the whole of the duties of his office or employment and if sent by post, shall be deemed to have been given on the day following the date of posting.

12.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 12.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

12.4 The following disclosures (as applicable) will be made by the Company in its annual report for so long as the PSP continues in operation:

(a) the names of the members of the Committee administering the PSP;

(b) the information required in the table below for the following Participants of the PSP:

(i) Directors of the Company;

(ii) Controlling Shareholders and their Associates; and

(iii) Participants (other than those in paragraph (b)(i) and (ii) above) who have received Shares pursuant to the vesting of Awards granted under the PSP which, represent 5% or more of the total number of Shares available under the PSP:

Name of Participant	**Total number of Shares comprised in Awards granted during the Financial Year under review (including terms)**	**Aggregate number of Shares comprised in Awards granted since commencement of PSP to the end of the Financial Year under review**	**Aggregate number of Shares comprised in Awards released since the commencement of PSP to the end of the Financial Year under review**	**Aggregate number of Shares comprised in Awards which has not been released as at the end of the Financial Year under review**

(c) any other information required to be so disclosed pursuant to the Listing Manual and all other applicable laws and requirements,

provided that if any of the above requirements is not applicable, an appropriate negative statement should be included therein.

13. MODIFICATIONS AND ALTERATIONS OF THE PSP

13.1 Subject to the Rules, any or all the provisions of the PSP may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

(a) any modification or alteration which shall alter adversely the rights attached to any Awards granted prior to such modification or alteration and which in the opinion of the Committee, materially alter the rights attaching to any Award(s) granted prior to such modification or alteration may only be made with the consent in writing of such number of Participants who, if their Awards were released to them in full, would thereby become entitled to not less than three-quarters in number of all the Shares which would be issued and allotted, as the case may be, upon the release of in full of all outstanding Awards;

(b) any modification or alteration which would be to the advantage of Participants shall not be made except with the prior approval of the Shareholders in general meeting of the Company; and

(c) no modification or alteration shall be made except in compliance with the Listing Manual or the rules of such other stock exchange on which the Shares are quoted or listed and such other regulatory authorities as may be necessary.

For the purposes of Rule 13.1(a), the opinion of the Committee as to whether any modification or alteration would adversely affect the rights attached to any Award shall be final, binding and conclusive.

For the avoidance of doubt, nothing in this Rule 13.1 shall affect the right of the Committee under any other provision of the PSP to adjust any Award.

13.2 Notwithstanding Rule 13.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the rules or provisions of the PSP in any way to the extent necessary in the opinion of the Committee, to cause the PSP to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

13.3 Written notice of any modification or alteration made in accordance with this Rule 13 shall be given to all Participants.

14. TERMS OF EMPLOYMENT UNAFFECTED

The PSP or any Award shall not form part of any contract of employment between the Company or any subsidiary (as the case may be) and any Participant and the rights and obligations of any individual under the terms of office or employment with such company within the Group shall not be affected by his participation in the PSP or any right which he may have to participate in it or any rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.

15. DURATION OF THE PSP

15.1 The PSP shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years from the date the PSP is adopted by Shareholders at a general meeting of the Company. Subject to compliance with any applicable laws and regulations in Singapore, the PSP may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution at a general meeting of the Company and any relevant authorities which may then be required.

15.2 The PSP may be terminated at any time by and at the discretion of the Committee or by ordinary resolution of Shareholders at a general meeting of the Company subject to all relevant approvals which may be required, and if the PSP is so terminated, no further Awards shall be offered by the Company hereunder.

15.3 The termination, discontinuance or expiry of the PSP shall not affect the validity of any Award(s) which have been made to Participants whether such Awards have been vested (fully or partially) or not.

16. TAXES

All taxes (including income tax) arising from the grant and/or release of any Awards to any Participant under the PSP shall be borne by that Participant.

17. COSTS AND EXPENSES

17.1 Each Participant shall be responsible for all fees of CDP (if any) relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the release of any Awards in CDP's name, the deposit of share certificate(s) with CDP, the Participant's Securities Account with CDP, or the Participant's securities sub-account with a CDP Depository Agent or CPF investment account with a CPF agent bank and all taxes referred to in Rule 16 which shall be payable by the relevant Participant.

17.2 Save for the taxes referred to in Rule 16 and such other costs and expenses expressly provided in the PSP to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the PSP, including but not limited to, the fees, costs and expenses relating to the allotment, issue and/or delivery of Shares pursuant to the Awards shall be borne by the Company.

18. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages (including any interest arising thereof), whatsoever and howsoever arising in any matter under or in connection with the PSP, including but not limited to, the Company's delay or failure in allotting and issuing the Shares or procuring the transfer of the Shares or in applying for or procuring the listing of and quotation for the Shares allotted pursuant to the vesting of any Award on the SGX-ST or, if applicable, any other stock exchanges on which the Shares are quoted or listed.

19. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

20. CONDITION OF AWARD

Every Award shall be subject to the condition that no Shares would be issued or transferred pursuant to the vesting of any Award if such issue or transfer would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country having jurisdiction in relation to the issue of Shares hereto.

21. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the PSP must abstain from voting on any resolution relating to the PSP (including, where applicable, implementation of the PSP and participation by and grant of Awards to Controlling Shareholders and their Associates) and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast.

22. GOVERNING LAW

The PSP shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting Awards in accordance with the PSP, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

23. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT, CHAPTER 53B

No person other than the Company or a Participant shall have any right to enforce any provision of the PSP or any Award by the virtue of the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

NEW SILKROUTES GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199400571K)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("**EGM**") of the Company will be held at Temasek Club, 131 Rifle Range Road, Singapore 588406, Seletar Room on 21 July 2017 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

*All capitalised terms in the resolutions below and defined in the Circular dated 5 July 2017 to the shareholders of the Company (the "**Circular**") shall, unless otherwise defined herein, have the respective meanings ascribed thereto in the Circular.*

Shareholders should note that Ordinary Resolutions 1, 2 and 3 are inter-conditional. For the avoidance of doubt, this means that if any of Ordinary Resolution 1, 2 or 3 is not approved, each of Ordinary Resolutions 1, 2 and 3 would not be carried.

ORDINARY RESOLUTION 1 – PROPOSED ACQUISITION

Resolved that:

(a) the Company's proposed acquisition of 100% of the issued and paid-up share capital of Capital Group Investments Pte. Ltd. for a consideration of US$14.4 million ("**Consideration**") (the "**Proposed Acquisition**") be and is hereby approved; and

(b) the directors and each of them be and are hereby authorised to do all acts and things (including, without limitation, executing all such documents as may be required) as they or each of them deem desirable, necessary or expedient to give effect to Proposed Acquisition as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company.

ORDINARY RESOLUTION 2 – PROPOSED ISSUE AND ALLOTMENT OF CONSIDERATION SHARES

Resolved that:

(a) approval be and is hereby given for the issue and allotment by the Company of new shares worth US$14.4 million in satisfaction of the Consideration ("**Consideration Shares**") whereby such Consideration Shares shall be credited as fully-paid and shall rank *pari passu* in all respects with the then existing shares in the Company, save for any dividends, rights, allotments or any distributions the record date of which falls before the Completion Date, pursuant to Section 161 of the Companies Act, the Constitution and Rule 805 of the Listing Manual, on the terms and subject to the conditions of the SPA; and

(b) the directors and each of them be and are hereby authorised to do all acts and things (including, without limitation, executing all such documents as may be required) as they or each of them deem desirable, necessary or expedient to give effect to the transactions contemplated and/or authorised by this Resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company.

ORDINARY RESOLUTION 3 – PROPOSED ISSUE AND ALLOTMENT OF PERFORMANCE SHARES

Resolved that:

(a) approval be and is hereby given for the issue and allotment by the Company of new shares worth up to US$9.6 million ("**Performance Shares**") whereby such Performance Shares shall be credited as fully-paid and shall rank *pari passu* in all respects with the then existing shares in the Company, save for any dividends, rights, allotments or any distributions the record date of which falls before the date of allotment, pursuant to Section 161 of the Companies Act, the Constitution and Rule 805 of the Listing Manual, on the terms and subject to the conditions of the SPA; and

(b) the directors and each of them be and are hereby authorised to do all acts and things (including, without limitation, executing all such documents as may be required) as they or each of them deem desirable, necessary or expedient to give effect to the transactions contemplated and/or authorised by this Resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company.

ORDINARY RESOLUTION 4 – PROPOSED ADOPTION OF THE NEW SILKROUTES PERFORMANCE SHARE PLAN 2017

Resolved that the performance share plan to be known as the New Silkroutes Performance Share Plan 2017 (the "**PSP**"), the rules of which have been set out in the Circular, be and is hereby approved and adopted substantially in the form set out in the Rules of the PSP, and the remuneration committee and/or board of directors of the Company be and are hereby authorised:

(a) to establish and administer the PSP;

(b) to modify and/or amend the PSP from time to time provided that such modifications and/or amendments are effected in accordance with the provisions of the PSP and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the PSP;

(c) to grant Awards in accordance with the Rules of the PSP; and

(d) to, from time to time, allot and issue, pursuant to Section 161 of the Companies Act (Cap. 50) of Singapore and in accordance with the Rules of the PSP, such number of new shares (credited as fully paid) in the capital of the Company or deliver such number of treasury shares as may be required to be issued or delivered pursuant to the vesting and release of Awards under the PSP, provided always that the aggregate number of additional ordinary Shares to be allotted and issued pursuant to the PSP and any other share-based incentive scheme of the Company shall not exceed 15% of the total number of issued shares (excluding treasury shares) of the Company from time to time.

(See Explanatory Note)

BY ORDER OF THE BOARD

Lim Koon Hock
Joint Company Secretary
5 July 2017

Explanatory Note:

Ordinary Resolution 4, if passed, will empower the directors of the Company, from the date of this Extraordinary General Meeting until the next Annual General Meeting, to allot and issue shares in the Company, collectively of up to a number not exceeding in total 15% of the total number of issued shares (excluding treasury shares) in the share capital of the Company from time to time pursuant to the grant of share awards under the New Silkroutes Performance Share Plan 2017.

Notes:

1) (a) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act (Cap. 50) of Singapore) is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf at the EGM. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.

(b) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act (Cap. 50) of Singapore) is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy 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 form of proxy.

2) A proxy need not be a member of the Company.

3) The instrument appointing a proxy or proxies must be under the hand of the appointor or of 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 seal or under the hand of an officer or attorney duly authorised.

4) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at **460 Alexandra Road, #24-06 PSA Building, Singapore 119963** at least 48 hours before the time fixed for the EGM.

Personal Data Privacy:

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

NEW SILKROUTES GROUP LIMITED

(Incorporated in the Republic of Singapore)

PROXY FORM
EXTRAORDINARY GENERAL MEETING

IMPORTANT

1. Relevant intermediaries (as defined in Section 181 of the Companies Act (Cap. 50) of Singapore) may appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For investors who have used their CPF moneys to buy shares in the capital of New Silkroutes Group Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees ("**Agent Banks**") and is sent solely FOR INFORMATION ONLY.
3. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF Investors who wish to attend the Extraordinary General Meeting as OBSERVERS have to submit their requests through their respective Agent Banks so that their Agent Banks may register, in the required format, with the company, New Silkroutes Group Limited. (Agent Banks: please see note No. 10 on required format.)

I/We _____ (Name), NRIC/Passport Number* _____

of _____ (Address)

being a member/members of **NEW SILKROUTES GROUP LIMITED** (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			

whom failing, the Chairman of the Extraordinary General Meeting, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at Temasek Club, 131 Rifle Range Road, Singapore 588406, Seletar Room on 21 July 2017 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Extraordinary General Meeting.

	ORDINARY RESOLUTIONS	**For***	**Against***
1.	To approve the Proposed Acquisition		
2.	To approve the Proposed Issue and Allotment of Consideration Shares		
3.	To approve the Proposed Issue and Allotment of Performance Shares		
4.	To approve the Proposed Adoption of the New Silkroutes Performance Share Plan 2017		

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

Dated this _____ day of _____ 2017.

Total Number of Shares Held	
CDP Register	
Register of Members	

_____

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

IMPORTANT: PLEASE READ NOTES ON THE REVERSE.

Notes:

1. (a) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act (Cap. 50) of Singapore) is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf at the Extraordinary General Meeting. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.

   (b) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act (Cap. 50) of Singapore) is entitled to appoint more than two proxies to attend, speak and vote at the Extraordinary General 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's form of proxy 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 form of proxy.

2. A proxy need not be a member of the Company.

3. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), 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 that number of shares. If the member has shares entered against his name in the said Depository Register and 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.

4. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 460 Alexandra Road, #24-06 PSA Building, Singapore 119963 not less than 48 hours before the time set for the Extraordinary General Meeting.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his 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 its attorney or a duly authorised officer.

6. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy; failing which the instrument may be treated as invalid.

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act (Cap. 50) of Singapore.

8. The submission of an instrument or form appointing a proxy by a member of the Company does not preclude him from attending and voting in person at the Extraordinary General Meeting if he is able to do so.

9. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Extraordinary General Meeting, as certified by CDP to the Company.

10. Agent Banks acting on the request of CPF Investors who wish to attend the Extraordinary General Meeting as Observers are required to submit in writing, a list with details of the investors' name, NRIC/Passport numbers, addresses and numbers of Shares held. The list, signed by an authorised signatory of the agent bank, should reach the Company Secretary, at the registered office of the Company not later than 48 hours before the time appointed for holding the Extraordinary General Meeting.

Personal Data Privacy:

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

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