

CIRCULAR DATED 8 JUNE 2016

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

If you are in doubt about the contents of this Circular or the action that you should take, you should consult your stockbroker, bank manager, solicitor or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Forise International Limited (the **"Company"**) represented by physical share certificate(s), you should immediately forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form 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.

FORISE INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200804077W)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED DIVERSIFICATION OF THE BUSINESS SCOPE OF THE GROUP TO INCLUDE THE NEW BUSINESS OF PROVIDING STRATEGIC PLANNING, CORPORATE ADVISORY, FINANCIAL RESTRUCTURING ADVISORY AND MANAGEMENT CONSULTING SERVICES

Financial Adviser to the Company in respect of the Proposed Diversification



GENESIS CAPITAL PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200403939H)

IMPORTANT DATES AND TIMES:

Latest Date and Time for Lodgement of Proxy Form	:	21 June 2016 at 10.00 a.m.
Date and Time of Extraordinary General Meeting	:	23 June 2016 at 10.00 a.m.
Place of Extraordinary General Meeting	:	4 Shenton Way, SGX Centre 2, #17-01 Singapore 068807

TABLE OF CONTENTS

	Page
DEFINITIONS	2
LETTER TO SHAREHOLDERS	
1. INTRODUCTION	5
2. THE PROPOSED DIVERSIFICATION	5
3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	36
4. DIRECTORS' RECOMMENDATION	36
5. EXTRAORDINARY GENERAL MEETING	36
6. ACTION TO BE TAKEN BY SHAREHOLDERS	37
7. DIRECTORS' RESPONSIBILITY STATEMENT	37
8. FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT	37
9. DOCUMENTS AVAILABLE FOR INSPECTION	38
NOTICE OF EXTRAORDINARY GENERAL MEETING	39
PROXY FORM	

DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated.

“Associates”	:	(a) in relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none">(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 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
“Audit Committee”	:	The audit committee of the Company as at the Latest Practicable Date, unless the context otherwise requires
“Board” or “Directors”	:	The board of directors of the Company
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 8 June 2016 in relation to the Proposed Diversification
“Company”	:	Forise International Limited
“Companies Act”	:	Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
“Controlling Shareholder”	:	A person who holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company (subject to the SGX-ST determining that such person is not a Controlling Shareholder), or a person who in fact exercises control over the Company
“Director(s)”	:	The director(s) of the Company, for the time being
“EGM”	:	The extraordinary general meeting of the Company, notice of which is set out on pages 39 to 40 of this Circular

DEFINITIONS

“Existing Business”	:	The existing business of the Group which consists principally of its contract manufacturing business, which comprises mainly of the design, manufacture, distribution and sale of men’s and women’s undergarments and children’s and infants’ apparel, and alongside that, the trading of garments, e-commerce and internet sales
“FY”	:	The financial year ended or ending 31 December
“Latest Practicable Date”	:	26 May 2016, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The SGX-ST Listing Manual, as from time to time amended, modified or supplemented
“Memorandum”	:	The Memorandum of Association of the Company
“New Business”	:	The business of providing strategic planning, corporate advisory, financial restructuring advisory and management consulting services
“Notice of EGM”	:	The Notice of EGM as set out on pages 39 to 40 of this Circular
“Ordinary Resolution”	:	The ordinary resolution as set out in the Notice of the EGM
“PRC” or “China”	:	The People’s Republic of China, excluding Hong Kong Special Administrative Region and the Macau Special Administrative Region for the purposes of this Circular and for geographical reference only
“Proposed Diversification”	:	The proposed diversification of the Group’s business scope to include the business of providing strategic planning, corporate advisory, financial restructuring advisory and management consulting services
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share(s)”	:	Ordinary share(s) in the capital of the Company
“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with Shares

DEFINITIONS

“Substantial Shareholder”	:	A person (including a corporation) who holds (directly or indirectly) not less than five per cent. (5%) of the total votes attached to all the voting Shares in the Company
“RMB” and “fen”	:	PRC Renminbi and cents, the lawful currency of the PRC, respectively
“S\$” and “cents”	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
“%” or “per cent.”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Cap 289) of Singapore or any statutory modification thereof, as the case may be.

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

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, the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

The expressions “**subsidiary**” or “**related corporations**” shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

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

Cautionary Note on Forward-Looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “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 does not undertake any obligation to update or revise any forward-looking statements for any reason, even if information becomes available or other events occur in the future, 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.

LETTER TO SHAREHOLDERS

FORISE INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200804077W)

Board of Directors:

Wang Xin (Executive Chairman)
Peng Weile (Executive Director)
Peng Fei (Executive Director)
Christopher Chong Meng Tak (Lead Independent Director)
Lee Kim Lian, Juliana (Independent Director)
San Meng Chee (Independent Director)

Registered Office:

80 Raffles Place
#11-20
UOB Plaza 2
Singapore 048624

Date: 8 June 2016

To: The Shareholders of Forise International Limited

Dear Sir/Madam

THE PROPOSED DIVERSIFICATION OF THE BUSINESS SCOPE OF THE GROUP TO INCLUDE THE NEW BUSINESS OF PROVIDING STRATEGIC PLANNING, CORPORATE ADVISORY, FINANCIAL RESTRUCTURING ADVISORY AND MANAGEMENT CONSULTING SERVICES

1. INTRODUCTION

- 1.1 The Directors are convening the EGM to be held at 10.00 a.m. on 23 June 2016 at 4 Shenton Way, SGX Centre 2 #17-01, Singapore 068807, to seek Shareholders' approval for the Proposed Diversification.
- 1.2 The purpose of this Circular is to provide Shareholders with relevant information pertaining to, and to explain the rationale for the Proposed Diversification, as well as to seek Shareholders' approval for the Proposed Diversification to be tabled at the forthcoming EGM. The Notice of EGM is set out on pages 39 to 40 of this Circular.
- 1.3 This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any persons (other than the Shareholder to whom this Circular is despatched to by the Company) or for any other purpose.

2. THE PROPOSED DIVERSIFICATION**2.1 Existing Business of the Group and background information**

- 2.1.1 The Group's Existing Business consists principally of its contract manufacturing business, which comprises mainly of the design, manufacture, distribution and sale of men's and women's undergarments, children's and infants' apparel. Alongside its manufacturing business, the Group is also engaged in the trading of garments, e-commerce and internet sales, fashion branding, and brand management (i.e. own label development).

LETTER TO SHAREHOLDERS

- 2.1.2 Previously, the Group had engaged in the trading of garments alongside with its business in contract manufacturing, however the Group had not maintained separate departmental performance in their accounting system on these businesses. **For information only**, the Company estimates that for the financial year ended 31 December 2015, the breakdown of its revenue is as follows:

	Business activity	Revenue contribution (RMB million)
(a)	Manufacture of men's undergarments	284
(b)	Trading of men's undergarments, women's undergarments and children's and infants' apparel	31
	Total	315

- 2.1.3 The Board had undertaken a strategic review of all the Existing Business of the Group, and a special review of the Group's receivables. Upon undertaking the special review on the Group's receivables, the Board noted that 85% of the total receivables of the Group have been outstanding for over one (1) year, and collection of such accounts receivables has been slow. The Board noted that management has issued demand letters and negotiated with its customers for settlement of the outstanding receivables, and has closely monitored the progress of the collection of the outstanding receivables. However, as collection remains slow, the Board has decided to make the allowance of impairments on the receivables, as reflected in the Company's unaudited financial results for FY2015, which was announced on the SGXNet on 27 February 2016.
- 2.1.4 Following the strategic and special review, the Board is of the opinion that it is difficult for the manufacturing component of its garment business (excluding the trading business) to turn around in the near term. The Company has ceased the manufacturing operations in the quarter ended 31 December 2015, and had disposed of all the machineries of its production facilities held under its two (2) main manufacturing subsidiaries to various third parties, retrenched all production workers and leased out its factory premises. The profit on disposal of the machineries of the Group is RMB5.7 million (which arose due to the reversal of allowance for impairment provided in prior years subsequent to the disposal of the machineries during the year). The proceeds will be retained and used for general working capital purposes.
- 2.1.5 Notwithstanding the above, the Group will continue its business activities in the trading of garments, and the Company will expend more attention on the trading business. The trading business will be managed by Chen Limei, the sales and marketing manager of the Company, and her team. Chen Limei has been in the Group's employment since 2012.
- 2.1.6 Further, as part of the Company's ongoing business strategy to broaden the Group's revenue stream and pursue business opportunities with good prospects for long-term growth, the Company intends, subject to approval of Shareholders at the EGM, to diversify the core business of the Group into the business of providing strategic planning, corporate advisory, financial restructuring advisory and management consulting services ("**New Business**"). The New Business will be led by the top management team, with the support of the middle management, which will comprise five (5) potential candidates which the Company intends to hire.

LETTER TO SHAREHOLDERS

2.1.7 In particular, the Group is proposing to undertake the New Business as the New Business is in a service based industry, and the Group does not expect the New Business to require a high level of investment. Moreover, the existing top management has sufficient experience and resources in the areas of strategic planning, corporate advisory and financial restructuring advisory, arising from their experience with prior companies. The top management believes that these past contacts will allow them an advantage in building a client base in the New Business, which given the comparatively low cost structure of the New Business, will contribute towards the performance of the New Business. The experience and network of the top management will also provide the Group with contacts and professionals whom can be hired by the Group for the purposes of the New Business. Apart from the extensive contacts in the PRC, the top management also has sufficient experience and resources in the areas of strategic planning, corporate advisory and financial restructuring advisory, arising from their experience with prior companies. The management believes that in the PRC environment, relationship, expertise, knowledge as well as service levels and standards play a key role in the New Business. Please refer to paragraph 2.4 for more details on the experience of the top management team.

2.2 Details of the New Business

2.2.1 Following the receipt of Shareholders' approval, the Group proposes to undertake the New Business, which will include the following services:

- (a) Assisting the management and board of corporations to formulate and evaluate plans and actions that create a competitive advantage and improve their performance, including but not limited to formulating and developing growth strategies and putting in place operations and financial processes to measure and sustain profitability and growth;
- (b) Advising and assisting corporations in implementing strategic business plans and tackling organizational challenges, including creating value from corporate turnarounds, unlocking efficiency gains through company restructuring, and creating new value from mergers and acquisitions;
- (c) Providing advisory or consultancy advice, strategic advice and financial restructuring services to companies, creditors, investors and other stakeholders, in particular in corporate reorganisations, debt-restructuring, informal work-outs and formal insolvency procedures; and
- (d) Providing advice relating to mergers and acquisitions such as the sourcing of acquisition or disposal targets.

2.2.2 In particular, the Company intends to undertake the following steps in providing the services pursuant to paragraphs 2.2.1(a) and 2.2.1(b) above:

- (a) The Group will understand and analyse the client's existing business and strategic plans and the industry;
- (b) The Group will understand and analyse the client's competitors, its competitive niche and management advantage;

LETTER TO SHAREHOLDERS

- (c) The Group will analyse the macro economy trend and their relevant impacts on the client's industry and business;
 - (d) The Group will understand and analyse the financial situation of the client, including its balance sheet, profit and loss statement, and cash flow statements; and
 - (e) In consideration of all of the above, the Group will provide a suitable solution or plan, tailored to the client's situation, business and industry.
- 2.2.3 The Company plans to commence its New Business in the PRC, the second largest economy in the world and also a developing economy. The PRC economy comprises various small and medium enterprises that require professionals' assistance throughout its growth and regardless of the state of the economy. The Company intends for the target clientele of the New Business to be small and medium enterprises in the PRC, which comprise businesses with revenues of between RMB50 million to RMB1 billion or have a profitability of between RMB10 million to RMB100 million. The Company expects that when the economy is underperforming, such small and medium enterprises will require assistance in re-positioning, restructuring and introducing strategic partners to their businesses, and when the economy is performing well, such small and medium enterprises may also require assistance in strategic planning and exploring of new opportunities. Further, given the status of its targeted clientele in the economy, they will likely lack an in-house corporate advisory team, and will be likely to be willing and financially able to hire external professional consultants in their corporate restructuring and re-positioning.
- 2.2.4 The revenue for the New Business is expected to be derived from commissions in respect of the services described in paragraphs 2.2.1(c) and 2.2.1(d) above, and from referral fees, management, advisory or consultancy fees charged to the clients for the services described in paragraphs 2.2.1(a) and 2.2.1(b) above.
- 2.2.5 The Company intends that its entry into the New Business can be by organic growth, or acquisition of companies engaged in such businesses or joint ventures and acquisitions. In the event of undertaking joint ventures and acquisitions, the Company will comply with the requirements of the Listing Manual, including Chapter 10. Shareholders' approval is sought, alongside the Proposed Diversification, for the authority to invest in, purchase or otherwise acquire or dispose of from time to time, any such assets, investments, shares and interests in any entity that is in the New Business for the purpose of or in connection with the New Business on such terms and conditions as the Directors deem fit. Nevertheless, the Company notes that the first major transaction to be undertaken by the Company after approval by Shareholders of the Proposed Diversification is obtained, being a transaction which any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual is 20% or more, will still be subject to Shareholders' approval, and the Company will seek Shareholders' approval prior to undertaking such proposed major transaction.
- 2.2.6 In deciding whether to undertake acquisitions, the Company will take the following factors into account:
- (a) the relative costs involved in organic growth as compared to through acquisitions;
 - (b) the time frame involved;

LETTER TO SHAREHOLDERS

- (c) whether there is any expertise associated with the acquisition target;
 - (d) whether there is any goodwill associated with the acquisition target; and
 - (e) any other competitive advantages that is currently enjoyed by the acquisition target.
- 2.2.7 The Group may also explore joint venture and/or strategic alliances to carry out the New Business as and when the opportunity arises. The decision on whether a project should be undertaken by the Group on its own or in collaboration with third parties will be made by the Board after taking into consideration various factors, such as the nature and scale of the project, risks associated with the project, nature of expertise required, the period of time that is required to complete the project, and taking into account the opportunities available. Taking into consideration these factors, and after evaluating the pros and cons of each potential joint venture arrangement, the Company will only enter into joint ventures when it is beneficial to the Group and the expansion of the New Business. The Company expects to be able to contribute its client base and experience to joint ventures. While the Company currently has no plans of entering into any joint ventures and/or strategic alliances, the existing top management team has existing good relationships with a few associates in the area of the New Business, which the Company can consider entering into joint ventures with.
- 2.2.8 At the initial stage, the Group intends to embark on the New Business in the PRC. However, the Group does not plan to restrict the New Business to any specific geographical markets as each project and geographical market will be evaluated and assessed by the Board on its merits.
- 2.2.9 The current management has potential clients ready to engage the Group for the provision of the services under the New Business, and service agreements with these potential clients can be executed as soon as practicable upon receipt of Shareholders' approval of the Proposed Diversification. The Company has undertaken some test projects on a limited scale in respect of the New Business, which involve minimal risk other than the non payment of fees, which risk is present in most commercial contracts. As announced in the Company's financial results for the first quarter ended 31 March 2016 on 9 May 2016, the Group has undertaken some test projects in the first quarter ended 31 March 2016 with a contribution to the Group's revenue and performance of RMB1.8 million. Immediately after Shareholders' approval is obtained, the Group intends to tap on the top management's existing clientele, while sourcing for new clients concurrently. Thereafter, the Group will intensify its efforts in sourcing for new clients through new leads and referrals from existing clients. As such service agreements do not incur capital expenditure, but only incur time of the existing management, costs to the Company of these service agreements are minimal, and if additional employees are hired, then the costs would comprise the remuneration of such employees.
- 2.2.10 Going forward and as the New Business expands, the Group expects to hire more experienced employees to undertake the New Business, and the Group may also set up a new office in Beijing, PRC, thus committing or deploying more funds in the New Business. Accordingly, the Company is seeking Shareholders' approval for Proposed Diversification at the EGM to be convened, prior to expanding the New Business to a larger scale. Nevertheless, the company expects that this outlay of funds will be lower as compared to industries requiring fixed assets or inventory and substantial investments,

LETTER TO SHAREHOLDERS

and such outlay will mainly be related to the working capital of the New Business, covering staff expenses, office rental, marketing expenses (including travel), administration expenses and other expenses associated with operations of service based companies.

- 2.2.11 While the New Business does not present a material risk to the Group as it requires minimal capital outlay from the Group, the Company wishes to provide Shareholders with the opportunity to approve the diversification of the Group's businesses into the New Business. Moreover, the independent Directors of the Group are of the view that it would be good corporate governance practice to obtain Shareholders' approval prior to undertaking the New Business on a substantively larger scale.

2.3 Rationale for the Proposed Diversification

The Group proposes to diversify its Existing Business to include the New Business for the following reasons:

- 2.3.1 Potential in the New Business to provide additional and recurrent revenue streams with a view to achieving long-term growth

The Company has identified the New Business as a business activity which will provide the Group with sustainable and long term prospects of profitability and growth for the Group. The Group believes that the New Business is expected to provide additional and recurrent revenue streams for the Group which may include commissions, management, advisory or consultancy fees, with a view to enhancing Shareholder's value over the long term and achieving long-term growth.

- 2.3.2 The Proposed Diversification may provide a more diversified business and income base, reducing reliance on the Existing Business

The Group has recorded a net loss since FY2012 and has been placed on the Watch-list of the SGX-ST on 4 March 2015. The textile industry which the Group's Existing Business is in remains competitive and challenging. The Company is mindful of the need to diversify away from its Existing Business and create new profitable revenue streams. However, the Group is constrained by the new businesses it can enter into, due to the lack of substantial cash reserved that is envisaged to be required for capital intensive businesses.

For a start, the Board believes that the Proposed Diversification would allow the Group to have better prospects of profitability and ensure longer-term growth, and the New Business represents the first step by the Company to building up a profitable revenue stream. The Proposed Diversification would provide the Group with diversified returns and would contribute an additional stream of revenue and earnings for the Group. This would enable the Group to extend its revenue base so that it is not dependent entirely on its Existing Business for its revenue.

The Company further intends to minimise the costs and losses of its Existing Business. In particular, the Company had decided to continue its trading business, rather than manufacturing operations of garments. By avoiding the costs associated with manufacturing, the Company is able to contain operation costs and expend more attention on the trading business.

LETTER TO SHAREHOLDERS

By diversifying its business to include the New Business, the Group will also be able to gain access to new business opportunities, and if the New Business can generate profitability for the Group, it will represent an enhanced Shareholders' value. However, the Group is not closed to the possibility that it may need to venture into other businesses other than the New Business. The Company has currently not finalised any substantive specific businesses to diversify into other than the New Business, and will make the relevant announcements to keep Shareholders updated when other businesses are identified.

2.3.3 The Proposed Diversification will give the Group the flexibility to enter into transactions relating to the New Business in the ordinary course of business

Once the Shareholders approve the Proposed Diversification, the Group may, in the ordinary course of business, enter into transactions relating to the New Business without having to seek Shareholders' approval. This can be done as long as such transactions do not change the Group's risk profile, and will eliminate the need for the Company to convene separate general meetings on each occasion to seek Shareholders' approval as and when potential transactions relating to the New Business arises. This will allow the Group greater flexibility to pursue business opportunities which may be time-sensitive in nature, and will hopefully substantially reduce the expenses associated with the convening of general meetings from time to time. Nevertheless, the Company notes that the first major transaction to be undertaken by the Company after approval by Shareholders of the Proposed Diversification is obtained, being a transaction which any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual is 20% or more, will still be subject to Shareholders' approval, and the Company will seek Shareholders' approval prior to undertaking such proposed major transaction.

2.3.4 The New Business is expected to bring the Group a wider network of contacts and business opportunities

The Directors believe that the New Business will augment and strengthen the Group, as well as its Existing Business, by, *inter alia*, providing access to financial services and funding, and exponentially increasing the Group's network of contacts, which may potentially lead to fresh business opportunities for the Group. When the New Business becomes successful, the Group can demonstrate to the market that it has developed a new and viable business, which will open the Group to easier access to the financial market for funding.

2.4 Key management personnel for the New Business

2.4.1 The top management team of the Company, comprising Wang Xin, Peng Weile and Peng Fei, has experience in advising small and medium enterprises in the manufacturing industry, real estate development industry, hospitality and tourism, retail industry and the finance industry particularly asset management, private wealth and investments, and has on previous occasions assisted companies in turning around and improving their businesses. The top management team of the Company has also, through their working experience, gathered sufficient experience and knowledge relating to the capital markets and have during their working experience, completed various exercises and projects in relation to the capital markets.

LETTER TO SHAREHOLDERS

2.4.2 Wang Xin has over 20 years of experience in the corporate advisory and management consulting field. Wang Xin serves as the chairman of various companies incorporated in the PRC and overseas, and has sufficient experience and resources to help each prospective client of the New Business in its strategic and business planning. His experience in serving as the chairman and other managerial roles in companies over the past 20 years will greatly contribute to the operations of the New Business. Further, Wang Xin's years of serving as top managerial roles in companies have helped him gain recognition amongst the businessmen in the PRC, and have built up the network of Wang Xin. The New Business will tap on Wang Xin's experience and his vast network of contacts. Certain of his work experience as it relates to the New Business are as follows:

Company	Time period	Position and job scope	Work experience and achievements
Beijing Fu Hua Real Estate Development Ltd., a company in the business of real estate and property development in the PRC.	2013 to 2014	Chairman Formulates and sets strategic directions and oversees the business and management	Wang Xin strategized and advised the company to focus on the tourism real estate development industry as he analysed and predicted that the real estate industry was then facing market saturation and risk of oversupply, as well as adverse government policies, allowing the company to differentiate itself from other real estate developers and capitalising on the relatively stable PRC tourism market. The focus by the company on the tourism real estate industry reduced the risk exposure of the company to the general real estate industry in the PRC.
Dongyan Hi-tech (Beijing) Environment Protection Technology Co., Ltd., a company principally engaged in water purifying, air purification, smart bathroom facilities as well as the development of other household electronic devices	2010 to 2015	Chairman Formulates and sets strategic directions and oversees the business and management	Wang Xin advised the company to diversify its business into the production and distribution of environment protection and purification devices in light of the deterioration of the environmental situation in the PRC. The expansion of product range rode on the boom in the use of air purification and water treatment devices in the PRC from 2012 onwards, and resulted in an improvement in the company's sales and operating results.

LETTER TO SHAREHOLDERS

Company	Time period	Position and job scope	Work experience and achievements
Beijing Dongyan 21st Century Environmental Technology Co., Ltd, company principally engaged in the business of water purifying, air purification, smart bathroom facilities and other household electronic devices.	2009 to present	Chairman Formulates and sets strategic directions, and oversees the business and management	Wang Xin advised the company to expand its research into product development after he analysed and identified the company's strengths and weaknesses. He advised the company in implementing a project to enhance employee loyalty. The company expanded its product range of environment protection and purification devices, hence resulting in an improvement in company sales and performance.
Beijing Kang Ji Jia Hua Water Purification Technology Ltd., a company principally engaged in the business of water purification, machine distribution and management	2006 to 2009	Chairman Formulates and sets strategic directions, and oversees the business and management	Wang Xin identified the unique market in the distribution and provision of management services of water vending machines in the PRC, and led the company in strategising its business, marketing and management plans, both for the water vending machines business and for the company's other businesses. Wang Xin further built up the sales team and network of the company, and the company's market share and performance grew rapidly under Wang Xin's lead.
Beijing Le Pu Da Company Ltd., a company principally engaging in the business of distribution of barrelled water	1997 to 2005	Founder and Chairman Formulates and sets strategic directions, and oversees the business and management	Wang Xin led the company in strategising its business, marketing and management plans, and built up the company's sales team and network. This resulted in the company becoming one of the first providers of barrelled water in Beijing, PRC, and the fast growth in market share and performance of the company.

LETTER TO SHAREHOLDERS

2.4.3 Peng Weile has over 13 years of experience in investment banking, direct investment, asset management and corporate advisory. Peng Weile is well-connected in several countries such as Singapore, the PRC, Hong Kong and Malaysia, and will be able to contribute to expand the Group's network of contacts for the purposes of the New Business. Certain of his work experience as it relates to the New Business are as follows:

Company	Time period	Position and job scope	Work experience and achievement
Fu Hua Holdings Ltd, an investment holding company which has various businesses, including investment banking, asset management and wealth management ¹	2014 to present	Managing Director Executes and assists in the domestic and global investment business of the group	Peng Weile assisted the Executive President in strategising company's business focus to achieve higher shareholders' value. He was instrumental in the company's move into investment banking, asset management and wealth management. The company concentrated its resources on investment banking, asset management and wealth management as its core business, which resulted in the businesses growing rapidly and the client becoming a leading player in the market.
Beijing Weihao Investment Ltd	2009 to 2013	Executive Director Head of Investment Banking Department Managed the investment banking department	He provided corporate advisory and has successfully participated in various initial public offerings and reverse takeovers on the stock exchanges of various jurisdictions, acting as the financial adviser. He advised a private-owned coal mine in China in completing a reverse takeover on the Australian Stock Exchange. He assisted many companies in their fund raising prior to and during their listing on stock exchanges including assisting an LCD and touch screen manufacturer planning to list in the United States of America in its fund raising, and assisting in the fund raising of a manufacturer of traditional Chinese medicine which was then planning to list on the SME Board of the Shenzhen Stock Exchange.

¹ Mr Wang Xin, a Controlling Shareholder and the Executive Chairman of the Company, is a substantial shareholder and chairman of Fu Hua Holdings Limited.

LETTER TO SHAREHOLDERS

Company	Time period	Position and job scope	Work experience and achievement
			In the course of assisting companies in their listing on the relevant exchanges, he also assisted the companies in the industry studies and research and valuation process, analysed their strengths and weaknesses, and analysed the risk factors of the companies and the risk factors accompanying the industries which the companies are in.
Deutsche Morgan Grenfell & Partners Securities Pte Ltd (currently known as RHB Securities Singapore Pte. Ltd.)	2007 to 2009	Assistant Vice President, Institutional Equities Team Raised funds through initial public offering and placements for many companies	He has successfully assisted many companies in their fund raising exercise during their listing on the SGX-ST, including Sky China Petro. Services Ltd., China Kunda Technology Company Limited, and Oceanus Group Limited. In the course of assisting companies in their fund raising, he has also assisted the companies in the industry studies and research and valuation process and analysed the risk factors of the companies and risk factors accompanying the industries which the companies are in.
HL Bank Singapore	2005 to 2007	Manager, Equity Capital Markets Team	He has successfully assisted various companies in their fund raising during their listing on the SGX-ST, including China Fisheries Group Limited, Yanlord Land Group Limited, and China Oilfield Technology Service Limited. In the course of assisting companies in their fund raising, he also assisted the companies in the industry studies and research and valuation process and analysed the risk factors of the companies and risk factors accompanying the industries which the companies are in.

LETTER TO SHAREHOLDERS

Company	Time period	Position and job scope	Work experience and achievement
London Asia Capital LLC, a private equity firm based in London	2003 to 2005	Investment Manager Responsible for investment analysis and due diligence work	He had participated in more than 10 initial public offering projects, which included listings on the SGX-ST, The Stock Exchange of Hong Kong Limited, and The London Stock Exchange. In particular, he had successfully assisted in the fund-raising and listing of Devotion Eco-thermal Ltd, an environmental equipment manufacturer, on the SGX-ST.

- 2.4.4 Peng Fei has over 20 years of investment management and corporate advisory experience, and has held various key management positions in various listed and unlisted companies, where he was responsible for managing the companies' business strategy planning and investment activities. Peng Fei had also worked in companies listed on stock exchanges, where he was responsible for the company's mergers and acquisition projects. Peng Fei's experience in identifying, negotiating and executing acquisitions and investments by the companies he had worked for previously, and analysing the potential in acquisition targets and new business segments of such companies, will assist him in his provision of financial and corporate services to clients pursuant to the New Business. Certain of his work experience as it relates to the New Business are as follows:

Company	Time period	Position and job scope	Work experience and achievement
Fu Hua Holdings Ltd, an investment holding company which has various businesses, including investment banking, asset management and wealth management ¹	2013 to present	Executive President Responsible for managing the domestic and global investment business of the group	He spearheaded the company in strategising company's business focus to achieve higher shareholders' value. He was instrumental in the company's move into investment banking, asset management and wealth management. The company, under the leadership of Peng Fei, concentrated its resources on investment banking, asset management and wealth management as its core business, which resulted in the businesses growing rapidly and the client becoming a leading player in the market.

¹ Mr Wang Xin, a Controlling Shareholder and the Executive Chairman of the Company, is a substantial shareholder and chairman of Fu Hua Holdings Limited.

LETTER TO SHAREHOLDERS

Company	Time period	Position and job scope	Work experience and achievement
Reignwood International Investment Ltd, a global Chinese enterprise and brand active in four major business sectors, including consumer products, lifestyle, industrial and financing	2011 to 2013	President Responsible for the group's global investment activities	<p>He advised the company and was instrumental in the company's strategic diversification into new business segments and territories and led the company's expansion into overseas activities.</p> <p>He advised and led the company to identify, negotiated and executed the company's acquisition of a property in London. The property in London is now undergoing development into a five-star hotel and service apartment building. He engineered the company's investment into one of the largest coal mining companies in inner Mongolia.</p>
Aluminum Corporation of China Ltd, a state-owned enterprise and one of the largest aluminum producers in the world	2009 to 2011	Vice president Responsible for the mergers and acquisitions and investments by the company	<p>He originated the company's investment and joint venture with Rio Tinto into an ore project in Guinea, West Africa. He analysed, proposed and executed the investments and joint ventures, and established a coalition comprising over 10 largest Chinese enterprises in different business sectors to support the transaction. After completion of the investment into the ore project, the mine was able to supply 80 million tons of high quality ore to the market providing the company and other companies in the PRC with a long term stable supply of raw material.</p> <p>His experience has allowed him to identify strengths and weaknesses of each company, and analyse its potential for growth and prospects.</p>

LETTER TO SHAREHOLDERS

Company	Time period	Position and job scope	Work experience and achievement
Venturepharm Inc., a company engaging in clinical research and pharmaceutical development	2005 to 2008	Vice president Responsible for undertaking corporate finance and investments of the company	Peng Fei assisted the company in its acquisition of VDM Pharmaceutical Corp., a leading pharmaceutical sales and marketing company in the PRC, and thereafter the integration of VDM Pharmaceutical Corp. into Venturepharm Inc. During the course of this project, he analysed and understood the structures and policies of both VDM Pharmaceutical Corp. and Venturepharm Inc., and developed plans for the proper integration of such structures and policies. Peng Fei had also assisted the company to successfully issue convertible bonds in Hong Kong.
Investment Consulting Ltd, a company headquartered in London and providing investment corporate finance and consultancy and advisory services in respect of mergers and acquisitions to its clients	2003 to 2005	Director Responsible for providing corporate finance, merger and acquisitions, and investment advisory services to clients	During the course of his employment, Peng Fei provided corporate finance, merger and acquisitions, and investment advisory services to various clients. In particular, he assisted a client in its investment into a stock trading software company in the PRC, and subsequently assisted it in its successful listing on The London Stock Exchange.
Dinovec Investment Ltd., a private equity firm based in the United States of America.	1997 to 2001	Deputy Director Responsible for undertaking corporate finance and investments of the company	Peng Fei participated in more than 20 projects undertaken by the company. In particular, he assisted the company to successfully co-invest in a Chinese transportation company with an American company, and participated in a fund raising project of a Chinese client in the United States of America.

LETTER TO SHAREHOLDERS

Company	Time period	Position and job scope	Work experience and achievement
			In the course of assisting the company in its investment decisions, and in undertaking projects and assisting clients in their fund raising, he undertook due diligence, industry studies, research and valuation, and analysed the risk factors of companies and risk factors accompanying the industries which the companies are in.

- 2.4.5 Peng Weile and Peng Fei are also familiar with business development in the PRC, and the capital markets in the PRC and other jurisdictions such as Hong Kong and Singapore, and will be able to advise clients and develop customized solutions for clients based on their requirements.
- 2.4.6 In its immediate plans, the Company intends to focus on clients in the industries set out in paragraph 2.4.1 which it is familiar with, and the Company has currently identified certain clients in the abovementioned industries. The Company notes that most if not all of these target clients are in different industries from the Company, and are not competitors of the Company. Many of these currently identified target clients have long-term relationships with the top management team, and the top management team is familiar with the industries in which these companies are in as they had previously advised other companies in such industries. At the same time, the Company will source for new clients through referrals from existing clients and also based on their extensive business network. The Company intends to provide these target clients advisory services on business strategies, business development, capital restructuring, and introduction of potential partners and investors.
- 2.4.7 The projects that have been undertaken by the top management team include:
- (a) Wang Xin has, with regards to a company principally engaged in the business of water purifying, air purification, smart bathroom facilities as well as the development of other household electronic devices, undertaken a project to plan, manage, develop and execute the company's aim to diversify into new business segments. Wang Xin has analysed the company's existing situation, strengths and weaknesses, together with the situation in the PRC, and advised that the company focus on expanding in the northern China market due to its network, brand awareness and resources. In respect of diversifying into new business segments, Wang Xin also planned and managed the company's business in the production and distribution of environment protection and purification devices in light of the deterioration of the environment in the PRC, resulting in the local residents becoming more willing to purchase such devices. As a result, the company expanded its product range of environment protection and purification devices. The expansion of product range rode on the boom in the use of air purification and water treatment devices in the PRC from 2012 onwards, resulting in an increase in sales and great improvement in the company's operating results.

LETTER TO SHAREHOLDERS

- (b) Wang Xin has, with regards to another company principally engaged in the business of water purifying, air purification, smart bathroom facilities as well as the development of other household electronic devices, led several projects for identification of the company's strategic weakness which included a limited product range and limited margins due to a PRC focused sales, and planned strategy to overcome these weakness including initiating expanded research into product development and implementing a project to enhance employee loyalty by, *inter alia*, revamping the remuneration scheme for employees and implementing a share option scheme for its key management team, which will be linked to the performance of such personnel, to align their interests with that of the company. Under the management of Wang Xin, the company expanded its product range of environment protection and purification devices. The expansion of product range rode on the boom in the use of air purification and water treatment devices in the PRC from 2012 onwards, resulting in an increase in sales. Further, the performance of the company's management team improved with the implementation of the share option scheme, resulting in better revenue and profits for the company.
- (c) Wang Xin has, with regards to a company in the business of real estate and property development in the PRC, studied the real estate industry which was then facing market saturation and risk of oversupply, as well as adverse government policies. Wang Xin looked at the developments of the real estate industry in other countries, and developed a plan for the company focused on the tourism real estate development industry, differentiating itself from other real estate developers, and capitalising on the relatively stable PRC tourism market. The focus by the Company on the tourism real estate industry reduced the risk exposure of the company to the general real estate industry in the PRC, limited its competitors, and resulted in the company having a business that was not affected by the oversupply facing residential, industrial and commercial properties nor changes in PRC government policies.
- (d) Peng Weile has advised a company primarily in the business of manufacturing and sale of environmental thermal equipment on, *inter alia*, production department workflow, procurement and sales department workflow, financial system and procedure, and comparison with industry norms and market circumstances, and had also assisted in designing improvements in processes and workflow for the operating and financial systems of the company. The company was previously manufacturing traditional industrial boilers, and its profits had been low due to the bad outlook of, and high competition in, the industry. Peng Weile undertook an integrated review and analysis of the industry and market conditions in the PRC, and studied the business structures and development of companies in the same industries in foreign countries. Arising from the review, Peng Weile suggested that the company manufacture boilers utilising new energy instead of oil, which is cheaper and more environmentally friendly. As the company intended to tap into the capital markets, Peng Weile and his team also designed and developed a road map to fulfil the company's future capital requirements, including advising the company on, *inter alia*, pre-listing fund raising, capital structure design, choice of capital market, and method of listing. Peng Weile further designed a three year system of financial compliance for the company to ensure that it will be attractive to potential investors and capital markets. The company adopted the advice of Peng Weile and his team and made adjustments to its operating, management and financial systems, resolving its bottle-neck issues and resulting in the company's operations becoming more efficient with improved inventory, working capital and supply management, and shorter turnaround days.

LETTER TO SHAREHOLDERS

After the change in the company's focus from traditional industrial boilers to boilers utilising new energy, the company also managed to obtain funding from various private equity funds and venture capitalists, its business improved, and was eventually listed on the SME Board of the Shenzhen Stock Exchange.

- (e) Peng Weile has advised a company primarily in the business of real estate development in the PRC and in particular, the Jilin city, on the diversification of its business outside its then existing business of real estate development in Jilin, and also concurrently advised the company on how to manage its working capital and its fund raising activities to meet its diversification plans. Peng Weile analysed the company's financial situation and strengths and weaknesses, and the real estate market of the PRC, and developed a plan for a focused diversification into other locations of Jilin city as well as surrounding Jilin city in the Jilin province to leverage on the company's existing network, connection and resources, as well as carried out a market survey and cost-benefit analysis of the residential and commercial real estate segments, setting out criteria for the selection of each type of project. The company adopted the advice and focused their efforts on the Jilin real estate, allowing the company to manage their risk when the real estate market weakened due to over supply and changes in governmental policies, avoiding losses through expansion into other geographical territories. Peng Weile also referred strategic partners to the company. These measures allowed the company to increase the success of its projects notwithstanding adverse market circumstances.
- (f) Peng Weile had, after evaluating the returns from each product range of a company primarily in the business of wine trading in the PRC, and availability of the company's resources, developed plans for the company to focus its resource and management efforts on a few of its competitive core products. Peng Weile also advised the company on product positioning and established a media and marketing programme to increase sales. At the same time, Peng Weile advised the company on appropriate means for fund raising and the preferred methods for the company to access the capital markets, as well as on changes to its capital structure to increase return on equity and improve attractiveness of the company to future investors. The company restructured its business operations based on the plans developed by Peng Weile and enhanced its marketing and media programme, thus improving customer recognition of its products. The company also focused on its competitive core products, which led to an increase in its revenue and profit margin. Subsequent to the restructuring, the company was approached by several investors.
- (g) As the peer-to-peer lending business was a new industry in the PRC, Peng Weile had advised a company primarily in the business of providing a platform for peer-to-peer financial services on the development and expansion of its business within the context of the uncertain PRC regulations concerning this business. Peng Weile carried out feasibility market studies to determine the viability and demand for the business in the industry, and based on the clients size and resources available, developed programmes for the structured expansion of the client's business, focusing in particular on regulatory compliance and internal compliance, reducing the rate of default of loans, thereby improving confidence of the users of the platform and increasing business through the platform. Peng Weile also advised client to enhance its user education programme and improve transparency of processes for its users to increase user confidence. The enhancement in compliance and business processes allowed the client to reduce the default rates, improved user satisfaction and

LETTER TO SHAREHOLDERS

confidence, and improved user interaction increased user's willingness to utilize the platform. The products team and compliance team also adopted the systems that were advised, reducing the failure rates of new products developed.

- (h) Peng Weile, while being the senior investment consultant of BDO Shu Lun Pan CPA Co., Ltd, has provided various consultancy and corporate advisory services to his clients with regards to initial public offerings, mergers and acquisitions, pre-initial public offerings fund raising, including but not limited to designing improvements in processes and workflow for the operating and financial systems of clients, advising on the products, expansion plans and diversification plans of the clients, and advising on appropriate means of fund raising and improvement of the capital and organisational structures of the clients to improve attractiveness of the clients to future and potential investors. During such time, Peng Weile has, *inter alia*, provided consultancy and advisory services to a large size state-owned enterprise in the Northern China on its group restructuring and preparation for listing.
- (i) While Peng Weile was working with Beijing Weihao Investment Ltd, he had participated in various initial public offerings and reverse takeovers on the stock exchanges of various jurisdictions, acting as the financial adviser of such initial public offerings or reverse takeovers. In the course of assisting companies in their listing on the exchanges, Peng Weile has, *inter alia*, undertaken work such as advising clients on their structuring and financial issues, assisting the companies in the industry studies and research to present the companies' businesses in a way that can attract the best valuation from investors and the capital markets, assisting the companies to analyse and present its competitive advantages and weaknesses, analysing the risk factors of the companies and risk factors accompanying the industries which the companies are in. During such time, Peng Weile has successfully assisted various companies in their fund raising prior to and during their listing on stock exchanges, including assisting a private-owned coal mine in the South West part of China in completing a reverse takeover on the Australian Stock Exchange, assisting an LCD and touch screen manufacturer planning to list in the United States of America in its fund raising, and assisting in the fund raising of a manufacturer of traditional Chinese medicine which was then planning to list on the SME Board of the Shenzhen Stock Exchange.
- (j) Peng Weile was previously a broker with the Institutional Equities Team of Deutsche Morgan Grenfell & Partners Securities Pte Ltd, where he assisted companies in their initial public offering placements and fund raising. In the course of assisting companies in their fund raising, Peng Weile has, *inter alia*, undertaken work such as assisting the companies in the industry studies and research to present the companies' businesses in a way that can attract the best valuation from investors and the capital markets, and analysing the risk factors of the companies and risk factors accompanying the industries which the companies are in. Peng Weile has successfully assisted various companies in their fund raising during their listing on the SGX-ST, including Sky China Petro. Services Ltd., China Kunda Technology Company Limited, and Oceanus Group Limited.
- (k) Peng Weile was previously a broker with HL Bank Singapore, where he has participated in various share placements and initial public offerings, acting as underwriter and/or placement agents of such share placements and initial public offerings. In the course of assisting companies in their share issuances and listing on the SGX-ST, Peng Weile has, *inter alia*, undertaken work such as assisting the

LETTER TO SHAREHOLDERS

companies in the industry studies and research to present the companies' businesses in a way that can attract the best valuation from investors and the capital markets, and analysing the risk factors of the companies and risk factors accompanying the industries which the companies are in. Peng Weile has successfully assisted various companies in their fund raising during their listing on the SGX-ST, including China Fisheries Group Limited, Yanlord Land Group Limited, and China Oilfield Technology Service Limited.

- (l) Peng Fei was responsible for the mergers and acquisitions projects of a state-owned enterprise and one of the largest aluminum producers in the world, and was responsible for identifying, analysing, negotiating and executing acquisitions and investments by the company. His experience has allowed him to identify strengths and weaknesses of each company, and analyse its potential for growth and prospects. One of the larger investment led by Peng Fei was the company's investment and joint venture with Rio Tinto into an ore project in Guinea, West Africa. Peng Fei analysed, proposed and executed the investments and joint ventures, and established a coalition comprising over 10 largest Chinese enterprises in different business sectors to support the transaction. After completion of the investment into the ore project, the mine was able to supply 80 million tons of high quality ore to the market providing the company and other companies in the PRC with a long term stable supply of raw material.
- (m) Peng Fei led projects of a global Chinese enterprise and brand active in four major business sectors, including consumer products, lifestyle, industrial and financing in respect to the strategic diversification of the company's operations into new business segments and territories. The projects led the company's expansion into overseas activities. Peng Fei led the team that identified, negotiating and executed the company's acquisition of a property in London in 2011 and led the conceptualisation and execution of the plans for the development of the property into a hotel and service apartment to enhance returns on the property. Peng Fei also led the team that identified, negotiated and executed the company's investment into one of the largest coal mining companies in Inner Mongolia. The property in London is now undergoing development into a five-star hotel and service apartment building. The mining company in Inner Mongolia was, subsequent to the investment by the company, listed on the Hong Kong Stock Exchange.

2.4.8 The New Business does not only include services to turn the businesses of companies around, but to also assist companies by, *inter alia*, improving their existing businesses, restructuring, enhancing the value and performance of the companies, market positioning and improving processes. The clientele of the Company will therefore not be restricted to failing companies. As the targeted clientele of the New Business is small and medium enterprises, the Group believes that having capital markets related knowledge will allow the Group to provide more all-rounded advice to its clients, as such advice will be able to take into account the clients' intentions to enter the capital markets to obtain funding and/or to gain access to a wide platform for mergers and acquisitions. In particular, the Company would first understand the business conditions of the clients, and based on the economic and market conditions of the PRC market and the capital markets at that time, provide clients with advice as required by the clients, such as advice on, *inter alia*, business strategies, business development, restructuring, mergers and acquisitions, fund raising and listing.

LETTER TO SHAREHOLDERS

2.4.9 The Company is optimistic that by leveraging on the experience and network of the top management team, the Company will be competitive against its competitors. The Company will also employ the following five (5) potential candidates for the purposes of the New Business:

(a) Yuan Hui

Yuan Hui has more than 10 years of experience in corporate advisory, and has gained experience through his employment with Arthur D. Little, Value Partners Management Consulting, The Balloch Group, Finergy Capital and Zijin Trust Co., Ltd. He has assisted in various investment projects and assisted in business expansions, market research, due diligence, and analysis of feasibility of new investments and projects. Certain of his work experience as it relates to the New Business are as follows:

Company	Time period	Position and job scope	Work experience and achievements
Zijin Trust Co., Ltd., a financial institution providing trust, wealth management and financial services	2013 to present	General manager Responsible for the business and operations of the Beijing office	He was responsible for an investment of RMB300 million in a residential development project in the PRC. He was also involved in the setting up and management of an RMB150 million real estate investment trust for a commercial building development project in the PRC. He also advised the fund-raising of various investment projects in the PRC, which have allowed him to identify strengths and weaknesses of each investment target, and analyse its potential for growth and prospects.
Finergy Capital, a private equity fund based in the PRC	2010 to 2012	Vice President Provides corporate advisory services	He undertook various investment projects in the natural resources, financial, coal, chemical, retail, media and real estate industries, mainly in the PRC, during which he assisted his clients in project evaluation, negotiations and due diligence.

LETTER TO SHAREHOLDERS

Company	Time period	Position and job scope	Work experience and achievements
The Balloch Group, an independent advisory and merchant bank providing investment banking services and managing proprietary private equity investments	2008 to 2010	Vice President Provides corporate advisory services	<p>He was responsible for the RMB300 million acquisition by a media company listed in a PRC stock market of another leading advertising company in the PRC. He advised the client in the planning and structuring the transaction, valuation of the target, negotiations, and structuring of the business strategies and management plans of the target company after the acquisition.</p> <p>He also advised in the US\$300 million merger of two leading media companies in the PRC, during which he was involved in the planning and structuring the transaction, and assisted both parties in planning the business strategies and financial models of the merged company.</p>
Value Partners Management Consulting, a global management consulting company	2007 to 2008	Senior advisory consultant Provides corporate advisory services	<p>He advised a financial services group, a European energy equipment manufacturer, and a leading media company on their business strategies to enter the PRC market. He also advised many companies in the PRC and European markets in sourcing for, selecting and evaluating potential joint venture or acquisition parties.</p>
Arthur D. Little, an international management consulting firm	2005 to 2007	Advisory consultant Provides corporate advisory services	<p>He advised a leading cement company in the expansion of its business in the PRC, including evaluating the cement industry in the PRC as a whole and in different geographical areas of the PRC, evaluating competitors, and identifying potential investment opportunities and joint ventures in the PRC to grow the business of the company.</p> <p>His other clients include companies in various jurisdictions, such as the PRC, Asia and Europe, and which are in the telecommunications, real estate and energy industries, and investment holding companies.</p>

LETTER TO SHAREHOLDERS

(b) Su Yu Jie

Su Yu Jie has been with ShineWing Certified Public Accountants and providing corporate advisory and business strategy consulting since 2009. She has participated in various offshore investments, acquisitions and mergers projects undertaken by listed and unlisted companies, and have provided services such as undertaking due diligence exercises and analysis on projects to determine the management risks and internal control risks, evaluating the financials of the clients and the relevant industries of the clients, and providing suggestions in relation to such issues. Certain of her work experience as it relates to the New Business are as follows:

Company	Time period	Position and job scope	Work experience and achievements
ShineWing Certified Public Accountants, a accounting and consulting firm in the PRC and Hong Kong	2009 to 2015	Senior Projects Manager Provides corporate advisory services	She has, <i>inter alia</i> , advised a natural resources company in the PRC in its offshore acquisition projects; advised a manufacturing company in the PRC in its organisational restructuring; advised a technology company in the PRC in its organisational and management structure. Her clients include companies mainly in the PRC and in the financial, oil and gas, manufacturing, construction, trading, retail industries.

(c) Li Sha Sha

Li Sha Sha has been providing consultancy and legal services since her employment with Jincheng Tongda & Neal in 2009. Certain of her work experience as it relates to the New Business are as follows:

Company and position	Time period	Position and job scope	Work experience and achievements
Jincheng Tongda & Neal, a full-service law firm in the PRC	2009 to current	Lawyer Provides corporate advisory services, advises on due diligence and prepares legal documents	She has provide corporate advise and advised on due diligence process, assisted in the drafting of documents, negotiations and due diligence in the acquisition of shares in a PRC chemical company by a Holland chemical company. She advised a PRC steel manufacturing company in its internal reorganisation; advised a PRC machinery manufacturing company in its restructuring; and advised a PRC property developer in its restructuring and acquisition transaction.

LETTER TO SHAREHOLDERS

(d) Guo Chenkai

Guo Chenkai has many years of experience in risk assessment and risk management, through his employment with PricewaterhouseCooper Consulting, JT Asset Management Company and Fu Hua Holdings Ltd. Guo Chenkai will be resigning from his position with Fu Hua Holdings Ltd prior to joining the Company.

Certain of his work experience as it relates to the New Business are as follows:

Company	Time period	Position and job scope	Work experience and achievements
Fu Hua Holdings Ltd., an investment holding company which has various businesses, including investment banking, asset management and wealth management ¹	2015 to present	Investment Director Undertakes investments, fund raising, and risk management on behalf of the company	He evaluates and undertakes investment decisions. He analyses and evaluates projects. He leads the market research team, which researches and evaluates market conditions and industries, thereby developing new investment products for the company, all mainly in the PRC.
JT Asset Management Company, an asset management company based in the PRC	2014 to 2015	Risk Manager Provides risk management advisory services	He was responsible for maintaining and improving the company's risk management system, and also developed and improved the business management system of the company by working with the other departments, all mainly in the PRC. He researched into financial indicators of underlying assets and the market to formulate risk control suggestions, evaluated potential risks relating to investment products, and formulated investment strategies. He also participated in designing the internal risk controls, investment restrictions and product risk ratings of the company.

¹ Mr Wang Xin, a Controlling Shareholder and the Executive Chairman of the Company, is a substantial shareholder and chairman of Fu Hua Holdings Limited.

LETTER TO SHAREHOLDERS

Company	Time period	Position and job scope	Work experience and achievements
Pricewaterhouse Cooper Consulting, a multinational professional services firm	2008 to 2014	Manager Risk Management and Internal Control Service Provides internal control audit services	He provided internal control audit services to companies mainly in the PRC and in various industries, including the asset management, asset custodian and bank industries. Through the provision of such services, he evaluated the risks faced by these companies and assisted in formulating risk prevention and management measures for his clients.

(e) Zheng Lei

Zheng Lei's work experience includes, *inter alia*, evaluation of business proposals and investments, risk assessment and management, through his employment with Leadyond Capital, 21st Century Venture Capital and Fu Hua Holdings Ltd, during which he assisted in the sourcing, evaluation and valuation of investment projects, which require undertaking of due diligence and market and industry research. Zheng Lei will be resigning from his position with Fu Hua Holdings Ltd prior to joining the Company.

Certain of his work experience as it relates to the New Business are as follows:

Company	Time period	Position and job scope	Work experience and achievements
Fu Hua Holdings Ltd, an investment holding company which has various businesses, including investment banking, asset management and wealth management ¹	2015 to present	Senior Investment Manager Evaluates investment projects	He assisted in the sourcing and selecting investment projects and products, undertaking of due diligence and market research, and the evaluation, design and packaging of new investment products of the company, all mainly in the PRC.
21st Century Venture Capital, a venture capitalist fund	2014 to 2015	Senior Investment Manager Evaluates investment projects	He assisted the company in selecting, evaluating and valuing investment projects and potential investment opportunities, undertook market and industry research, designed financing plans and targets for such projects, undertook due diligence and risk assessment on such projects, studied the feasibility of such projects, and took part in the risk management of such projects, all mainly in the PRC.

¹ Mr Wang Xin, a Controlling Shareholder and the Executive Chairman of the Company, is a substantial shareholder and chairman of Fu Hua Holdings Limited.

LETTER TO SHAREHOLDERS

Company	Time period	Position and job scope	Work experience and achievements
Ledyond Capital, a private equity firm based in Beijing, PRC	2012 to 2014	Investment manager Evaluates investment projects	He assisted the company in selecting, evaluating and valuing investment projects and potential investment opportunities, undertook market and industry research, designed financing plans and targets for such projects, undertook due diligence and risk assessment on such projects, studied the feasibility of such projects, and took part in the risk management of such projects, all mainly in the PRC.

2.4.10 The top management with the other management level employees listed above will be actively involved in the management and operations of the New Business. Their experience and past contacts will allow them an advantage in building a client base in the New Business. The Company also intends to employ additional employees with relevant experience to support the expansion of the New Business. Arising from background of the top management team, there are contacts of professionals which the Group can hire for the purposes of operating and expanding the New Business. The Company has begun evaluating the background and expertise of these contacts, and will commence its hiring process upon receipt of Shareholders' approval of the Proposed Diversification. The Group's management team may also, where appropriate, seek the advice of external industry experts when making decisions in respect of the New Business. In selecting partners and/or professionals, the Group will take into account, *inter alia*, their relevant expertise, experience and track records. Such relevant personnel, including directors and senior management, will obtain the requisite licences or permits, as the case may be, to carry out such activity.

2.4.11 There are no licences required for the purposes of the New Business in the PRC, and there is no requirement for the top management to obtain any licences for the provision of services pursuant to the New Business.

2.5 Funding for the Proposed Diversification

2.5.1 The Group plans to finance the New Business through a combination of internal funds, bank borrowings as well as working with joint venture partners who will be able to provide funding for projects. The Directors will determine the optimal mix of internal funding and external funding, taking into account the cash flow of the Group and prevailing bank borrowing costs. Excluding the current core Existing Business, the Group currently has no major liabilities.

2.5.2 In addition, as and when necessary and deemed appropriate, the Group may explore secondary fund raising exercises by tapping the capital markets such as placements, capitalisation exercises and convertible instruments.

2.5.3 As a start, the Company intends to utilise approximately US\$1 million of internal funds to fund the initial cash outlay of the New Business. Based on the last announced results of the Company, as at 31 March 2016, the cash in hand of the Company amounted to approximately RMB37.6 million. The Company expects that there will not be any huge

LETTER TO SHAREHOLDERS

capital outlay upon the commencement of the New Business, and the initial outlay of approximately US\$1 million will mainly relate to the staff expenses, office rental, marketing expenses (including travel), administration expenses and other expenses associated with operations of service based companies. In particular, the Company intends to (a) hire new employees with the relevant experience to manage the Company's clients and to provide follow up services to the clients; (b) set up a new office in Beijing, PRC for the purposes of the New Business; (c) set up a compliance department; and (d) implement a risk management system. These will also constitute the major costs of operation of the New Business. The Company expects that the initial outlay of approximately US\$1 million will be able to cover the costs up to two (2) years of operations of the New Business. However, this is a conservative estimate, and the Company expects that when commenced, the New Business will generate cash flow and profits in itself, which will continue to fund the operations of the New Business.

2.6 Requirements under the Listing Manual

- 2.6.1 Pursuant to Practice Note 10.1 of the Listing Manual, Shareholders' approval is not required if a transaction will result in an expansion of an issuer's existing core business, unless such transaction changes the issuer's risk profile.
- 2.6.2 The Proposed Diversification will result in an expansion of the Group's business to new business sector(s) and may also result in an expansion to new geographical market(s). In particular, the Company may consider, after commencing its business in the PRC, expanding into Singapore and Hong Kong, given that its target clientele commonly have operations in these two (2) countries apart from the PRC. Accordingly, it is envisaged that the Proposed Diversification may change the Group's risk profile. Accordingly, the Directors propose to convene the EGM to seek Shareholders' approval for the Proposed Diversification.
- 2.6.3 Upon the approval by Shareholders of the Proposed Diversification, the Group may in the ordinary course of business, enter into transactions relating to the New Business that will not change the risk profile of the Group, without having to seek Shareholders' approval, notwithstanding that any relative figure(s) under Rule 1006 of the Listing Manual exceeds 20%.
- 2.6.4 For the avoidance of doubt, notwithstanding approval by the Shareholders of the Proposed Diversification:
- (a) the first major transaction to be undertaken by the Company after approval by Shareholders of the Proposed Diversification is obtained, being a transaction which any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual is 20% or more, will still be subject to Shareholders' approval;
 - (b) in respect of an acquisition of assets, where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual is 100% or more, or where such acquisition will result in a change in control of the Company, Chapter 10 of the Listing Manual (including Rule 1015) will continue to apply to any such acquisition, and such acquisition must be made conditional upon the approval of, *inter alia*, Shareholders;

LETTER TO SHAREHOLDERS

- (c) where a transaction constitutes an interested person transaction (as defined under the Listing Manual), Chapter 9 of the Listing Manual will continue to apply to any such transaction; and
- (d) in light of Practice Note 10.1 of the Listing Manual, if a transaction changes the risk profile of the Company, Shareholders' approval will be sought for such transaction.

2.7 Financial Reporting

For the purposes of reporting the financial performance of the Group, in accordance with the applicable accounting standards and the Listing Manual, where the financial results of the New Business is material, it will be accounted for and disclosed as a separate segment in the Group's financial statements. The Group's financial statements, which include the financial results of the New Business, will continue to be periodically announced in accordance with the requirements set out in Chapter 7 of the Listing Manual.

2.8 Risk Factors

- 2.8.1 To the best of the Directors' knowledge and belief, all the risk factors that are material to prospective investors in making an informed judgment on the Proposed Diversification into the New Business are set out below. The New Business involves a number of risks, some of which, including market, liquidity, credit, operational, legal and regulatory risks, may be material. Shareholders should evaluate carefully the following considerations and the other information in this Circular. The risks set out below are not intended to be exhaustive and are not the only risks which the Group faces in respect of the New Business. Some risks are not yet known to the Company and there may be risks which the Company currently believes are not material but may subsequently turn out to be. As such, the following should not be construed as a comprehensive list of all risk factors relating to the New Business. If any of the following considerations, risks or uncertainties develops into actual events, the business, financial position, results of operations, cash flow and/or prospects of the Group may be materially and/or adversely affected.
- 2.8.2 This Circular may contain projections or other forward-looking statements regarding future events or future financial performance of countries, markets, or companies. Such projections and statements are only predictions and actual events or results may differ materially. Such projections and statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. The Company believes these factors include those described under this section of the Circular. These factors should be read in conjunction with any other cautionary statements that are included in this Circular and in other filings by the Company.
- 2.8.3 **Risks relating to the New Business**

(a) Unpredictable nature of revenue and profitability

Services offered by the Group are expected to be of a one-off transactional services and of a recurring nature. Fees for the transactional services will vary from transaction to transaction, and will depend on the nature and size of the transaction, and will be negotiated and determined on a transaction-by-transaction basis. The one-off nature of transactional services will impact on the predictability of the revenue for the New Business. In addition, while the Group will seek where it is able

LETTER TO SHAREHOLDERS

to collect upfront payments and/or payments in installments as the transaction progresses, premature termination of the transaction will affect the ability of the Group to collect its full fees.

In particular, the Group intends to implement the following to ensure that payments due are collectable:

- (i) The Group intends to undertake due diligence and know-your-client checks on its prospective clients before acceptance of such prospective clients. The know-your-client checks will include questions such as the background of the core businesses of the client, the background of the principle owner and/or client including credit checks and other customary checks undertaken by banks of their clients, the organisational structure and shareholding structure of the client, the background of the management team of the client, the operational background and financial background of the client, the client's competitive strengths and weaknesses, the client's existing issues and problems, the client's goals and the client's areas of improvements;
- (ii) The Group may collect deposits or upfront appointment fee, payable immediately upon the execution of the service agreement or engagement letter;
- (iii) The Group's fees will be payable in milestones, over the course of the provision of the services; and
- (iv) The Group will undertake appropriate debt collection efforts including, maintaining the relationship between the project manager and the clients, sending timely reminders, and court proceedings as last resort.

(b) *The New Business is subject to competition risks*

The success of the New Business will depend to a large extent on the Group's ability to establish itself in the corporate advisory industry. Due to the number of existing firms in the PRC offering corporate advisory services, the Group will face competition and will have to differentiate itself, or offer its services on more competitive terms, in order to compete successfully.

There can be no assurance that the Group's plan to penetrate the market will be commercially successful, or that it will be able to obtain attractive fees. The Group may in addition need to increase its expenditure on marketing activities to develop market awareness and relationships with potential clients. If such expenditure does not result in a corresponding increase in revenue, this will represent a cost to the Group.

(c) *The New Business is heavily dependent on the Group's reputation*

The New Business relies to a large extent on reputation and market perception. The Group will be operating in an industry where the Group's integrity (and the perception thereof) as well as the trust and confidence of the clients are of critical importance. Negative publicity (whether or not justified) associated with the Group or any of its officers or employees may adversely impact the Group's reputation and result in a loss of clients. Accordingly, any perception of, or alleged mismanagement, fraud or

LETTER TO SHAREHOLDERS

failure to discharge legal, contractual, regulatory or fiduciary duties, responsibilities, liabilities, or obligations may have an adverse effect on the Group's growth prospects, business operations and financial performance.

(d) *The Group's success in the New Business depends on the Group's ability to retain highly skilled personnel and on the performance of middle level management*

The Group's success in the New Business depends on its ability to leverage on the existing expertise and contacts of the top management. In the event that the employment of the above personnel with the Group is terminated, this will adversely affect the ability of the Group to operate in the New Business and compete successfully. While the Group is optimistic that these individuals will be able to attract customers to engage the Group's services in the New Business, execution and delivery of the services will be carried out to a significant extent by middle management and other employees. The quality of the middle management and other employees employed, as well as any negligence or fraud by these employees, will affect the delivery of the services by the Group in the New Business and expose the Group to potential legal liability. While the Group will seek to manage its risk through appropriate contractual provisions, the Group may nonetheless have to defend against claims commenced by its clients, which may include claims for failure to deliver services or to deliver services promptly, claims for failure of the services to address the issues of the clients adequately, or claims for loss of profits. While not all of these may be claimable, the Group may nonetheless have to incur time and effort in striking out such claims and/or defending such claims in first instance.

(e) *The Group has no prior experience in the New Business*

Presently, the Group has no prior experience and no proven track record in carrying out the New Business. While the Group believes that its existing top management personnel and potential candidates have the expertise and contracts to develop and manage the New Business, it will nonetheless be required to establish and train a team of employees to execute delivery of the services. Delays in achieving this will impact on how fast the Group can expect returns from the New Business.

(f) *The Group's performance in the New Business will be subject to exposure to macro-economic risks*

The Group's performance in the New Business will be affected by the prevailing economic conditions in the PRC.

Weak economic conditions in the PRC may lead to reduced number and size of corporate and related transactions, and increased reluctance to spend on services offered under the New Business. This will impact on the fees which may be charged by the Group for its services offered under the New Business.

LETTER TO SHAREHOLDERS

(g) Regulatory changes may limit the Group's activities in the New Business and/or subject the Group to regulatory risk

While the New Business is currently not regulated in the PRC, save for routine regulatory compliance requirements applicable to all businesses in the PRC, any changes in the applicable regulatory framework may restrict or modify the range of services the Group is able to offer, such services as further described in paragraphs 2.2.1 and 2.2.2 above, or require licenses for part or all of the New Business. If any of these events occur, and if the Group is not able to adapt or obtain the requisite licenses, it may have an adverse effect on the Group's growth prospects, results of operations and/or financial condition.

2.8.4 Risks associated with undertaking business in the PRC

(a) The PRC legal system has inherent uncertainties that could negatively impact our business, and the current PRC legal environment could limit the legal protection available to the Group

The PRC legal system is a civil law system based on written statutes. Unlike common law systems, prior court decisions may be cited for reference but have limited value as precedents, if at all. Since 1979, the PRC legal system has evolved rapidly and numerous laws and regulations governing economic matters trade have been promulgated by the relevant authorities. As these laws and regulations are relatively new, interpretation and enforcement of these laws and regulations involve significant uncertainties and varying degrees of inconsistency. The Group cannot predict the effect of future legal developments in the PRC, including the promulgation of new laws, changes in existing laws and their interpretation and enforcement. Furthermore, due to the limited volume of published cases and the non-binding nature of prior court decisions, the outcome of dispute resolution may not be as predictable as in other countries with common law systems. In addition, any litigation in the PRC may be protracted, resulting in substantial costs and diversion of our resources and management attention. These inherent uncertainties may limit the legal protection available to the Group when any dispute arises out of or relating to contracts with the clients based in the PRC.

2.9 Risk Management Measures and Safeguards

- 2.9.1 The Board recognizes the importance of internal control and risk assessment for the smooth running of the Group's business, including the New Business. To address the risks presented by the New Business to the Group, the Group currently already has a system of risk management and internal controls, as required by the Singapore Code of Corporate Governance 2012. If and/or when the Proposed Diversification is approved, the risks presented by the New Business to the Group will be managed under the existing system of risk management and internal controls, which will determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

LETTER TO SHAREHOLDERS

- 2.9.2 As the New Business is in a service based industry and will not be capital intensive, the Board is of the view that the risks of the New Business, principally focused on contractual and performance risks, may be mitigated through a combination of (a) appropriate legal, financial and other advice to be obtained by the Company relating to the New Business; (b) limitation of liability and/or proper disclaimer clauses in the Company's service agreements, engagement letters and contracts with its clients; and (c) due diligence and know-your-client checks on prospective clients.
- 2.9.3 The Company will carry out its internal risk evaluation and establish its preliminary risk management framework immediately upon the commencement of the New Business. Following Shareholders' approval being obtained and the commencement of the New Business, the Company intends to establish a risk committee, which will implement an enterprise risk management system based on the Enterprise Risk Management – Integrated Framework (2004) ("**COSO ERM Framework**") issued by the Committee of Sponsoring Organizations of the Treadway Commission ("**COSO**"). The COSO ERM Framework is geared towards achieving an entity's objectives, set forth in four (4) categories, namely (a) strategic objectives, being high-level goals aligned with and supporting the entity's mission; (b) operational objectives, being the effective and efficient use of the entity's resources; (c) reporting objectives, being the reliability of reporting; and (d) compliance objectives, being compliance with applicable laws and regulations. To achieve these objectives, the COSO ERM Framework consists of eight (8) components, as follows: (a) the internal environment of the organization; (b) management having in place a process to set objectives and that the chosen objectives support and align with the entity's mission and are consistent with its risk appetite; (c) events affecting achievement of an entity's objectives must be identified; (d) risks are to be analysed, considering likelihood and impact, as a basis for determining how they should be managed; (e) to develop a set of actions to align risks with the entity's risk tolerances and risk appetite; (f) having policies and procedures established and implemented to help ensure the risk responses are effectively carried out; (g) to have effective communication; and (h) to ensure that the entirety of enterprise risk management is monitored and modifications made as necessary.
- 2.9.4 The Group will involve external parties, including its external and internal auditors, towards the end of the year, after it has gained more experience in the New Business. Where necessary, the Audit Committee will (i) review with the management, external and internal auditors of the adequacy and effectiveness of the Company's internal control procedures addressing financial, operational, compliance and informational technology risks relating to the New Business; and (ii) commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position.

LETTER TO SHAREHOLDERS

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 3.1 The interests of the Directors and Substantial Shareholders in the Company based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders as at the Latest Practicable Date are as follows:

Directors	Direct Interest		Deemed Interest		Total Shareholding of Shares	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors						
Wang Xin ⁽¹⁾	–	–	1,130,500,000	53.08	1,130,500,000	53.08
Substantial Shareholders						
Forise Capital Group Limited	1,130,500,000	53.08	–	–	1,130,500,000	53.08
Forise Global Holdings Limited ⁽¹⁾	–	–	1,130,500,000	53.08	1,130,500,000	53.08
Weng Wenwei ⁽²⁾	61,500,000	2.89	100,000,000	4.69	161,500,000	7.58

Notes:

- (1) Forise Global Holdings Limited is deemed to be interested in the 1,130,500,000 Shares held by Forise Capital Group Limited by virtue of its interest in 100% of the shares of Forise Capital Group Limited. Wang Xin is also deemed to be interested in the 1,130,500,000 Shares held by Forise Capital Group Limited by virtue of his interest in 100% of the shares of Forise Global Holdings Limited.
- (2) Weng Wenwei is deemed to be interested in the 100,000,000 Shares held by G&W Investment Management Co., Ltd ("G&W") by virtue of his interest in 100% of the shares of G&W.

- 3.2 Save as disclosed in this Section 3, none of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Diversification (other than through their respective shareholdings in the Company).

4. DIRECTORS' RECOMMENDATION

The Directors, having considered, *inter alia*, the rationale for the Proposed Diversification as set out in Section 2.3 of this Circular, are of the opinion that the Proposed Diversification is in the best interest of the Company and is not prejudicial to the interests of the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of the Proposed Diversification at the EGM.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 39 to 40 of this Circular, will be held on 23 June 2016 at 10.00 a.m. for the purpose of considering and if, thought fit, passing, with or without modifications, the Ordinary Resolution set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

6. ACTION 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 office of the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time fixed for the holding of the EGM. The completion and return of the Proxy Form by such Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy should he subsequently wish to do so.

Pursuant to the new section 81SJ(4) of the Securities and Futures Act (Cap 289) of Singapore, a Depositor will not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears of the Depository Register at least 72 hours before the EGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Diversification, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

8. FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT

To the best of the Financial Adviser's knowledge and believe, this Circular constitutes full and true disclosure of all material facts about the Proposed Diversification, the Company and its subsidiaries, and the Financial Adviser is 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 Financial Adviser 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.

LETTER TO SHAREHOLDERS

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the Company's registered office at 80 Raffles Place #11-20 UOB Plaza 2, Singapore 048624 during normal business hours from the date hereof up to and including the date of the EGM:

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

Yours faithfully

For and on behalf of
The Board of Directors
Forise International Limited

Peng Weile
Executive Director
8 June 2016

NOTICE OF EXTRAORDINARY GENERAL MEETING

FORISE INTERNATIONAL LIMITED

(Company Registration No.: 200804077W)

(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of **Forise International Limited** (the “**Company**”) will be held at 4 Shenton Way SGX Centre 2 #17-01 Singapore 068807 on 23 June 2016 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

All capitalised terms used in this Notice of EGM which are not defined herein shall have the same meanings ascribed to them in the Circular dated 8 June 2016 to the shareholders of the Company.

ORDINARY RESOLUTION

THE PROPOSED DIVERSIFICATION OF THE BUSINESS SCOPE OF THE GROUP TO INCLUDE THE NEW BUSINESS OF PROVIDING STRATEGIC PLANNING, CORPORATE ADVISORY AND FINANCIAL RESTRUCTURING ADVISORY AND MANAGEMENT CONSULTING SERVICES

That:

- (a) approval be and is hereby granted for the Proposed Diversification of the business of the Group to include the New Business; and
- (b) the Company (directly and/or through its subsidiaries) be and is hereby authorised to invest in, purchase or otherwise acquire or dispose of from time to time, any such assets, investments and shares/interests in any entity that is in the New Business for the purpose of or in connection with the New Business on such terms and conditions as the Directors deem fit, and such Directors be and are hereby authorised to take such steps and exercise such discretion and do all such acts and things as they deem desirable, necessary or expedient to give effect to any such investment, purchase, acquisition or disposal; and
- (c) the Directors and each of them be and are hereby authorised to exercise such discretion to complete and do all acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they or each of them deem desirable, necessary or expedient to give effect to the matters contemplated by this Ordinary Resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group.

BY ORDER OF THE BOARD

Peng Weile
Executive Director
Singapore
Date: 8 June 2016

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) (a) A member of the Company who is entitled to attend and vote at the Extraordinary General Meeting and who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where such member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. A proxy need not be a member of the Company. If the appointer is a corporation, the proxy must be executed under seal or the hand of its duly authorized officer or attorney.
- (b) A member of the Company who is entitled to attend and vote at the Extraordinary General Meeting and who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote in his stead. Where such member appoints more than one (1) proxy, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50.

- (2) The instrument or form appointing a proxy, duly executed, must be deposited at the office of the Company’s share registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for holding the Extraordinary General Meeting in order for the proxy to be entitled to attend and vote at the Extraordinary General Meeting.
- (3) A member of the Company, which is a corporation, is entitled to appoint its authorized representative or proxy to vote on its behalf. A proxy need not be a member of the Company
- (4) **PERSONAL DATA PRIVACY** By 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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) 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 or service providers) 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 or service providers), 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 or service providers) 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.

FORISE INTERNATIONAL LIMITED

(Company Registration No. 200804077W)
(Incorporated in the Republic of Singapore)

IMPORTANT

- 1 For investors who have used their CPF monies to buy the Company's shares, this Circular is sent to them at the request of their CPF Approved Nominees solely FOR INFORMATION ONLY.
- 2 This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We _____ (Name), _____ (NRIC/Passport No.)
of _____ (Address)
being a *member/members of **FORISE INTERNATIONAL LIMITED** (the "**Company**") hereby appoint:

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

*and/or

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

or failing *him/her/them, the Chairman of the Extraordinary General Meeting of the Company as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Extraordinary General Meeting of the Company to be held at 4 Shenton Way, SGX Centre 2 #17-01, Singapore 068807 on 23 June 2016 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 or in the event of any other matter arising at the Extraordinary General Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. All resolutions put to the vote at the Extraordinary General Meeting shall be decided by way of poll.

* Please delete accordingly

(Please indicate your vote "For" or "Against" with a "X" within the box provided. Otherwise please indicate the number of votes)

No.	Resolutions relating to:	For	Against
1.	The Proposed Diversification		

All capitalised terms used in this Proxy Form which are not defined herein shall unless the context otherwise requires have the same meanings ascribed to them in the Company's Circular to Shareholders dated 8 June 2016 (including supplements and modifications thereto).

Dated this _____ day of _____ 2016.

Total No. of Shares	No. of Shares
In CDP Register	
In Register of Members	

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

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

- 1 Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap 289) of Singapore), you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
 - 2
 - (a) A member of the Company who is entitled to attend and vote at the Extraordinary General Meeting and who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where such member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. A proxy need not be a member of the Company. If the appointer is a corporation, the proxy must be executed under seal or the hand of its duly authorized officer or attorney.
 - (b) A member of the Company who is entitled to attend and vote at the Extraordinary General Meeting and who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote in his stead. Where such member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. A proxy need not be a member of the Company. If the appointer is a corporation, the proxy must be executed under seal or the hand of its duly authorized officer or attorney.
- “Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50.
- 3 The instrument appointing a proxy or proxies must be deposited at the office of the Company’s share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for the meeting.
 - 4 Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
 - 5 The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
 - 6 Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
 - 7 A corporation that 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 (Chapter 50) of Singapore.
 - 8 The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares against his name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

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