

GLOBAL INVESTMENTS LIMITED

(A mutual fund company incorporated with limited liability in Bermuda)

LETTER TO SHAREHOLDERS – 27 MARCH 2014

GLOBAL INVESTMENTS LIMITED

(A mutual fund company incorporated with limited liability in Bermuda)

Board of Directors

Mr Boon Swan Foo (Chairman and Non-Executive Director)
Mr Adrian Chan Pengee (Independent Director)
Mr Ronald Seah Lim Siang (Independent Director)
Mr Tan Kok Wee (Independent Director)
Mr Jason See Yong Kiat (Manager Nominated Director)
Mr Ng Kuan Chow (Alternate Director to Mr Jason See Yong Kiat)

27 March 2014

To: The Shareholders of
Global Investments Limited

Dear Sir/Madam

1. INTRODUCTION

1.1 We refer to:

(a) the Notice of Annual General Meeting of Global Investments Limited (the "**Company**") dated 27 March 2014 (the "**Notice of AGM**"), accompanying the annual report of the Company for the financial year ended 31 December 2013 ("**FY2013**", and the annual report for FY2013, the "**Annual Report 2013**") and convening the 2014 Annual General Meeting (the "**2014 AGM**") of the Company to be held on 29 April 2014; and

(b) The proposed Resolution 6 in the Notice of AGM relating to the proposed renewal of a general mandate (the "**Share Purchase Mandate**") to authorise the directors of the Company (the "**Directors**") to make purchases from time to time (whether by way of Market Purchases (as defined in paragraph 2.3.3(a) below) or Off-Market Purchases (as defined in paragraph 2.3.3(b) below) made in accordance with an equal access scheme) of up to a maximum of 10 per cent. of the issued ordinary share capital of the Company (the "**Shares**") as at the date of the 2014 AGM (subject to any proportionate adjustments as may result from any capital subdivision and/or consolidation of the Company), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as defined in paragraph 2.3.4 below).

1.2 The purchase or acquisition of Shares by the Company will be made in accordance with the memorandum of association of the Company (the "**Memorandum**"), the bye-laws of the Company (the "**Bye-laws**"), the listing manual of Singapore Exchange Securities Trading Limited (the "**SGX-ST**", and the listing manual of the SGX-ST, the "**Listing Manual**") and the Companies Act 1981 of Bermuda, as amended or modified from time to time (the "**Bermuda Companies Act**") and such other laws and regulations as may for the time being be applicable.

1.3 The purpose of this Letter is to provide information relating to and to explain the rationale for the proposed renewal of the Share Purchase Mandate.

2. PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 Background

2.1.1 The Share Purchase Mandate was originally approved by shareholders of the Company (the "**Shareholders**") at a Special General Meeting held on 5 December 2011 and Shareholders have approved the renewal of the mandate at each subsequent Annual General Meeting ("**AGM**").

At the AGM held on 29 April 2013 (the "**2013 AGM**"), the Shareholders had approved, *inter alia*, the renewal of the Share Purchase Mandate. The authority and limitations on the Share Purchase Mandate were set out in the letter to Shareholders dated 2 April 2013 and Resolution 5 set out in the notice of the 2013 AGM dated 2 April 2013.

2.1.2 The Share Purchase Mandate was expressed to take effect on the date of the passing of Resolution 5 at the 2013 AGM and will expire on the conclusion of the 2014 AGM. Accordingly, the Directors propose that the Share Purchase Mandate be renewed at the 2014 AGM.

The Company has not made any purchases or acquisitions of its Shares pursuant to the Share Purchase Mandate.

2.2 Rationale for Proposed Renewal of the Share Purchase Mandate

The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

(a) in line with international practice, the Share Purchase Mandate will provide the Company with greater flexibility in managing its capital and maximising returns to its Shareholders. To the extent that the Company has capital and surplus funds which are in excess of its possible financial needs, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner;

(b) share repurchase programmes help buffer short-term share price volatility and off-set the effects of short-term speculation by investors and, in turn, bolster Shareholder confidence; and

(c) the Share Purchase Mandate will provide the Company the flexibility to undertake share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. The purchases or acquisitions may, depending on market conditions at the relevant time, lead to an enhancement of the net asset value and/or earnings per share and would allow the Company to optimally allocate its resources and maximise Share value and is one of the ways through which the return on equity of the Company and its subsidiaries (the "**Group**") may be enhanced.

The purchase or acquisition of Shares will only be undertaken if beneficial to the Company and the Shareholders. While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 10 per cent. limit described in paragraph 2.3.1 below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10 per cent. limit as authorised or at all and that no purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position or financial position of the Company or the Group as a whole.

2.3 **Authority and Limits of the Share Purchase Mandate**

The authority relating to, and limitations placed on, purchases or acquisitions of Shares by the Company under the Share Purchase Mandate, if renewed at the 2014 AGM, are summarised below:

2.3.1 **Maximum Number of Shares**

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10 per cent. of the Shares of the Company as at the date of the 2014 AGM (subject to any proportionate adjustments as may result from any capital subdivision and/or consolidation of the Company).

2.3.2 **Duration of Authority**

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2014 AGM at which the renewal of the Share Purchase Mandate is approved up to:

(a) the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held;

(b) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked by the Company in a general meeting; or

(c) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever occurs the earliest.

2.3.3 **Manner of Purchases or Acquisitions of Shares**

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

(a) On-market purchases of Shares on the SGX-ST ("**Market Purchases**"); and/or

(b) Off-market purchases of Shares, otherwise than on the SGX-ST ("**Off-Market Purchases**"), made in accordance with an equal access scheme.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Memorandum, the Bye-laws, the Listing Manual and the Bermuda Companies Act, as they consider fit in the interests of the Company in connection with or in relation to any Off-Market Purchase scheme or schemes. An Off-Market Purchase scheme must, however, satisfy all the following conditions:

(i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares *i.e.* on a pro-rata basis;

(ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and

(iii) the terms of all the offers are the same, except that there shall be disregarded differences in (1) consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements and (2) the offers introduced solely to ensure that each person is left with a whole number of Shares.

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

(I) the terms and conditions of the offer;

(II) the period and procedures for acceptances;

(III) the reasons for the proposed share buy-back;

(IV) the consequences, if any, of share buy-backs by the Company that will arise under the Singapore Code on Take-over and Mergers (the "**Take-over Code**") or other applicable take-over rules;

(V) whether the share buy-back, if made, would have any effect on the listing of the Shares on the SGX-ST;

(VI) details of any share buy-back made by the Company in the previous twelve (12) months (whether via Off-Market Purchases in accordance with an equal access scheme or Market Purchases), setting out the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and

(VII) whether the Shares purchased will be cancelled or held as treasury shares.

2.3.4 **Purchase Price**

The purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for a Share will be determined by the Directors subject to, and in accordance with, the Listing Manual and the Bye-laws. The purchase price to be paid for the Shares as determined by the Directors, in the case of a Market Purchase and an Off-Market Purchase pursuant to an equal access scheme, must not exceed:

(a) in the case of a Market Purchase, 105 per cent. of the Average Closing Price of the Shares; and

(b) in the case of an Off-Market Purchase, 120 per cent. of the Average Closing Price of the Shares,

in each case, excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses of the purchase or acquisition (the "**Maximum Price**").

For these purposes:

"**Average Closing Price of the Shares**" means the average of the closing market prices of the Shares over the last five (5) Market Days and on which transactions in the Shares were recorded, before the day on which the Market Purchase was made by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant period of five (5) Market Days;

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for the Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

"**Market Day**" means a day on which the SGX-ST is open for trading in securities.

2.4 **Status of Purchased Shares**

Shares purchased or acquired by the Company, in its capacity as a mutual fund company under Bermuda law, are deemed cancelled immediately on purchase or acquisition (and all rights and privileges of the former holders of such Shares will expire on such cancellation). Accordingly, the issued share capital of the Company, but not the Company's authorised share capital, will be diminished by the nominal value of those Shares purchased or acquired by the Company. The Company will be able to issue Shares equal in aggregate par value to the aggregate par value of those Shares purchased and cancelled as if those Shares had never been issued. Shares purchased or acquired by the Company will be automatically delisted by the SGX-ST, and certificates issued to the former holder (if applicable) in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

2.5 **Source of Funds**

Pursuant to the Bye-laws and the Bermuda Companies Act, the Company may repay the capital paid-up on purchased or acquired Shares out of paid-in capital, share premium or other reserves and pay the premium (if any) on purchased or acquired Shares out of the realised or unrealised profits of the Company, share premium or other reserves of the Company, so long as the Company is, and shall after the payment be, able to pay its liabilities as they become due.

The Company intends to utilise its internal funds to finance its purchase or acquisition of the Shares. The Company does not intend to obtain or incur any borrowings to finance its purchase or acquisition of the Shares. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that it would materially affect the working capital requirements of the Group.

2.6 **Financial Effects**

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired and the price paid for such Shares. The financial effects on the Company and the Group arising from purchases or acquisitions of Shares pursuant to the Share Purchase Mandate, based on the audited financial statements of the Company and the Group for FY2013, are based on the assumptions set out below.

2.6.1 **Purchase or Acquisition out of Capital or Profits**

Pursuant to the Bye-laws and the Bermuda Companies Act, the Company may repay the capital paid-up on purchased or acquired Shares out of paid-in capital, share premium or other reserves and pay the premium (if any) on purchased or acquired Shares out of the realised or unrealised profits of the Company, share premium or other reserves of the Company, so long as the Company is, and shall after the payment be, able to pay its liabilities as they become due.

There will be no impact on the amount available for the distribution of cash dividends by the Company where purchases or acquisitions of Shares by the Company are made out of the Company's capital.

Where purchases or acquisitions of Shares by the Company are made out of profits (if any), the amount available for the distribution of cash dividends by the Company will be correspondingly reduced.

2.6.2 **Number of Shares Acquired or Purchased**

As at 14 March 2014 (the "**Latest Practicable Date**"), the issued capital of the Company comprised 1,191,982,617 Shares. No Shares are reserved for issue by the Company as at the Latest Practicable Date. Purely for illustrative purposes, on the basis of 1,191,982,617 Shares in issue as at the Latest Practicable Date, the purchase by the Company of 10 percent. of its issued Shares will result in the purchase or acquisition of 119,198,261 Shares.

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

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 119,198,261 Shares at the maximum price of S$0.1457 for one Share (being the price equivalent to 105 per cent. of the average of the closing market prices of the Shares over the last five Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 119,198,261 Shares is approximately S$17,367,187 (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses).

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 119,198,261 Shares at the maximum price of S$0.1666 for one Share (being the price equivalent to 120 per cent. of the average of the closing market prices of the Shares over the last five Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 119,198,261 Shares is approximately S$19,858,430 (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses).

2.7 **Illustrative Financial Effects**

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 2.6.2 and 2.6.3 above, the financial effects of the:

(a) purchase or acquisition of 119,198,261 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases; and

(b) purchase or acquisition of 119,198,261 Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases,

on the consolidated financial statements of the Company and the Group for FY2013 would have been as follows:

(a) Market Purchase

	Group		Company	
	Before share purchase	**After share purchase**	**Before share purchase**	**After share purchase**
	As at 31 December 2013 S$'000	**As at 31 December 2013 S$'000**	**As at 31 December 2013 S$'000**	**As at 31 December 2013 S$'000**
Non-current assets				
Investment in associate	9,393	9,393	–	–
Investment in subsidiaries	–	–	104,989	104,989
Loans and receivables	92,410	92,410	–	–
Financial assets at fair value through profit or loss	54,867	54,867	54,867	54,867
	156,670	156,670	159,856	159,856
Current assets				
Cash and cash equivalents	20,346	2,979	17,668	301
Aircraft	–	–	–	–
Financial assets at fair value through profit or loss	–	–	–	–
Available-for-sale financial assets	102,983	102,983	85,310	85,310
Intercompany receivables	–	–	8,345	8,345
Other assets	1,063	1,063	991	991
	124,392	107,025	112,314	94,947
Total Assets	281,062	263,695	272,170	254,803
Liabilities				
Interest bearing liabilities	–	–	–	–
Other liabilities	11,317	11,317	2,425	2,425
Total Liabilities	11,317	11,317	2,425	2,425
Net assets attributable to shareholders	269,745	252,378	269,745	252,378
Equity				
Share capital	502,870	485,503	502,870	485,503
Capital reserve	(65,846)	(65,846)	(65,846)	(65,846)
Available-for-sale financial assets revaluation reserve	19,652	19,652	3,392	3,392
Translation reserve	1,743	1,743	–	–
Accumulated losses	(188,674)	(188,674)	(170,671)	(170,671)
Total Equity	269,745	252,378	269,745	252,378
No. of issued and paid-up shares (in thousands)	1,191,983	1,072,784	1,191,983	1,072,784
Weighted average number of shares (in thousands)	1,020,153	900,955	1,020,153	900,955
Net profit	28,774	28,774	32,795	32,795
Basic earnings per share (cents per share)	2.82	3.19	3.21	3.64
Net asset value per ordinary share (S$ per share)	0.226	0.235	0.226	0.235

(b) Off-Market Purchase

	Group		Company	
	Before share purchase	**After share purchase**	**Before share purchase**	**After share purchase**
	As at 31 December 2013 S$'000	**As at 31 December 2013 S$'000**	**As at 31 December 2013 S$'000**	**As at 31 December 2013 S$'000**
Non-current assets				
Investment in associate	9,393	9,393	–	–
Investment in subsidiaries	–	–	104,989	104,989
Loans and receivables	92,410	92,410	–	–
Financial assets at fair value through profit or loss	54,867	54,867	54,867	54,867
	156,670	156,670	159,856	159,856
Current assets				
Cash and cash equivalents	20,346	488	17,668	200
Aircraft	–	–	–	–
Financial assets at fair value through profit or loss	–	–	–	–
Available-for-sale financial assets	102,983	102,983	85,310	85,310
Intercompany receivables	–	–	8,345	5,955
Other assets	1,063	1,063	991	991
	124,392	104,534	112,314	92,456
Total Assets	281,062	261,204	272,170	252,312
Liabilities				
Interest bearing liabilities	–	–	–	–
Other liabilities	11,317	11,317	2,425	2,425
Total Liabilities	11,317	11,317	2,425	2,425
Net assets attributable to shareholders	269,745	249,887	269,745	249,887
Equity				
Share capital	502,870	483,012	502,870	483,012
Capital reserve	(65,846)	(65,846)	(65,846)	(65,846)
Available-for-sale financial assets revaluation reserve	19,652	19,652	3,392	3,392
Translation reserve	1,743	1,743	–	–
Accumulated losses	(188,674)	(188,674)	(170,671)	(170,671)
Total Equity	269,745	249,887	269,745	249,887
No. of issued and paid-up shares (in thousands)	1,191,983	1,072,784	1,191,983	1,072,784
Weighted average number of shares (in thousands)	1,020,153	900,955	1,020,153	900,955
Net profit	28,774	28,774	32,795	32,795
Basic earnings per share (cents per share)	2.82	3.19	3.21	3.64
Net asset value per ordinary share (S$ per share)	0.226	0.233	0.226	0.233

Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical numbers for FY2013 and is not necessarily representative of future financial performance.

Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10 per cent. of the Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10 per cent. of the Shares or at all.

IN PARTICULAR, THE DIRECTORS DO NOT INTEND TO EXERCISE THE SHARE PURCHASE MANDATE UP TO THE MAXIMUM LIMIT AND TO SUCH AN EXTENT IF SUCH EXERCISE WOULD MATERIALLY AND ADVERSELY AFFECT THE LIQUIDITY AND CAPITAL ADEQUACY POSITION OR FINANCIAL POSITION OF THE GROUP.

2.8 **Tax Implications**

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

2.9 **Listing Rules**

Rule 886(1) of the Listing Manual specifies that a listed company shall notify all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off- Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such notification currently requires, *inter alia,* the inclusion of the date of purchase, details of the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In addition, as per Rule 1207(19)(c) of the Listing Manual, the Company would not purchase or acquire any Shares through Market Purchases during the period of one (1) month immediately preceding the announcement of the Company's full-year results and the period of two (2) weeks immediately preceding the announcement of the first quarter, second quarter and third quarter results.

Pursuant to Rule 723 of the Listing Manual, the Company has to ensure that at least 10 per cent. of the Shares are at all times held by the "public" (the public being persons other than directors, chief executive officer, substantial shareholders or controlling shareholders of the Company and its subsidiary companies and associates of the aforesaid persons, as defined in the Listing Manual). As at the Latest Practicable Date, approximately 89.61 per cent. of the issued Shares are held by public Shareholders. Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10 per cent. limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading. Before deciding to effect a purchase of Shares, the Directors will also consider whether, notwithstanding such purchase, a sufficient float in the hands of the public will be maintained to provide for an orderly market for trading in the Shares.

The Directors will use their best efforts to ensure that the Company does not effect a purchase or acquisition of Shares if the purchase or acquisition of Shares would result in the number of Shares remaining in the hands of the public falling to such a level as to cause market illiquidity or adversely affect the listing status of the Company.

2.10 **Take-over Implications**

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

2.10.1 **Obligation to make a Take-Over Offer**

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

2.10.2 **Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Unless the contrary is established, the following persons will be presumed to be acting in concert:

(a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);

(b) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforementioned for the purchase of voting rights, all with each other. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20 per cent. but not more than 50 per cent. of the voting rights of the first-mentioned company;

(c) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer where they have reason to believe a bona fide offer for their company may be imminent;

(d) partners; and

(e) an individual, his close relatives, his related trusts, and any person accustomed to act according to the instructions, companies controlled by any of the above and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforementioned for the purchase of voting rights, all with each other.

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

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

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30 per cent. or more, or if the voting rights of such Directors and their concert parties fall between 30 per cent. and 50 per cent. of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1 per cent. in any period of six (6) months.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30 per cent. or more, or, if such Shareholder holds not less than 30 per cent. but not more than 50 per cent. of the Company's voting rights, the voting rights of such Shareholder would increase by more than one (1) per cent. in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

As at the Latest Practicable Date, none of the Directors will become obligated to make a mandatory offer, as a result of the relevant increase in the percentage of their shareholding interest in the Company (if applicable), in the event the Company purchases and cancels the maximum number of 119,198,261 Shares under the Share Purchase Mandate. Based on the Register of Substantial Shareholders of the Company as at the Latest Practicable Date, the Directors are not aware of any person with an interest in one or more Shares constituting not less than 5 per cent. of the total votes attached to all the Shares in the Company (a "**Substantial Shareholder**") (together with persons acting in concert with them) who may become obligated to make a mandatory offer, as a result of the relevant increase in the percentage of their shareholding interest in the Company, in the event that the Company purchases and cancels the maximum number of 119,198,261 Shares under the Share Purchase Mandate. As at the Latest Practicable Date, the only Substantial Shareholder of the Company, who is also a Director of the Company, is Mr Boon Swan Foo who holds 123,883,652 Shares representing approximately 10.39% of the total number of issued Shares as at the Latest Practicable Date and representing approximately 11.55% of the total number of issued Shares assuming that the Company purchases and cancels the maximum number of 119,198,261 Shares under the Share Purchase Mandate.

The Share Purchase Mandate is not intended to assist any Shareholder or its concert parties to obtain or consolidate control of the Company. The Directors of the Company will decide when, how many and on what terms to purchase any Shares pursuant to the Share Purchase Mandate in the interests of the Company and its Shareholders as a whole, taking into account various commercial considerations such as the financial effects of the share purchases on the Company.

Shareholders are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity as to whether they would incur an obligation to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate.

2.11 **Details of Previous Share Purchases**

The Company has not undertaken any purchase or acquisition of its own Shares in the 12 months immediately preceding the Latest Practicable Date.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDER'S INTERESTS

3.1 Directors

As at the Latest Practicable Date, the interests of the Directors in Shares as recorded in the Register of Directors' shareholdings are as follows:

	Number of Shares					
	Direct Interest	**%[1]**	**Deemed Interest**	**%[1]**	**Total Interest**	**%[1]**
Directors						
Mr Boon Swan Foo	123,883,652	10.39	–	–	123,883,652	10.39
Mr Adrian Chan Pengee[2]	–	–	23,000	0.002	23,000	0.002
Mr Ronald Seah Lim Siang	–	–	–	–	–	–
Mr Tan Kok Wee	–	–	–	–	–	–
Mr Jason See Yong Kiat	–	–	–	–	–	–
Mr Ng Kuan Chow (Alternate Director to Mr Jason See Yong Kiat)	–	–	–	–	–	–

Notes:

(1) Based on the total number of 1,191,982,617 issued Shares as at the Latest Practicable Date.

(2) Mr Adrian Chan Pengee is deemed to be interested in the 23,000 Shares held by his wife.

3.2 Substantial Shareholder

As at the Latest Practicable Date, the interests of the Substantial Shareholder in Shares as notified to the Company are as follows:

	Number of Shares					
	Direct Interest	**%[1]**	**Deemed Interest**	**%[1]**	**Total Interest**	**%[1]**
Substantial Shareholders						
Boon Swan Foo	123,883,652	10.39	–	–	123,883,652	10.39

Note:

(1) Based on the total number of 1,191,982,617 issued Shares as at the Latest Practicable Date.

3.3 Disclosure of Interest

Neither any of the Directors nor the Substantial Shareholder (other than in his or her or its capacity as a Shareholder) has any interest, direct or indirect, in the proposed renewal of the Share Purchase Mandate.

4. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 6 set out in the Notice of AGM.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading.

Where information in this Letter 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 this Letter in its proper form and context.

6. ADVICE TO SHAREHOLDERS

Shareholders who are in any doubt as to the action that they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

7. SGX-ST

The SGX-ST takes no responsibility for the accuracy of any statements or opinions made in this Letter.

8. DOCUMENTS ON DISPLAY

The following documents are available for inspection during normal business hours at the Company's registered office at Penboss Building, 50 Parliament Street, Hamilton HM 12, Bermuda and at the office of ST Asset Management Ltd, the manager of the Company, at 60B Orchard Road, #06-18 Tower 2, The Atrium@Orchard, Singapore 238891:

(a) the Memorandum and the Bye-laws;

(b) the Annual Report 2013; and

(c) the letter to Shareholders dated 2 April 2013.

Yours faithfully
For and on behalf of
Global Investments Limited

Boon Swan Foo
Chairman