CIRCULAR DATED 15 NOVEMBER 2017

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

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.

If you have sold or transferred all your ordinary shares in the capital of Changjiang Fertilizer Holdings Limited (the "**Company**"), you should immediately forward this circular ("**Circular**"), the enclosed Notice of EGM (as defined herein) and the accompanying Proxy Form (as defined herein) to the purchaser or the transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

An application has been made to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the transfer of the Company from the SGX-ST Mainboard ("**Mainboard**") to Catalist, and for permission for the listing and quotation of the Consideration Shares, the Repayment Shares, the Professional Advisers' Shares, the Shares issued as a result of Awards and the Consolidated Shares (all as defined herein) on Catalist. The listing and quotation notice for the Consideration Shares, the Repayment Shares, the Professional Advisers' Shares, the Shares issued as a result of Awards and the Consolidated Shares, if issued by the SGX-ST, is not to be taken as an indication of the merits of the Proposed Transactions, the Target Companies, the Enlarged Group, the Company, the Shares, the Consideration Shares, the Repayment Shares, the Professional Advisers' Shares, the Shares issued as a result of Awards or the Consolidated Shares (all as defined herein). Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Mainboard. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the Shares traded on Catalist. You should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with your professional adviser(s).

Neither the Monetary Authority of Singapore ("Authority") nor the SGX-ST has examined or approved the contents of this Circular. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular. Neither the Authority nor the SGX-ST has in any way considered the merits of the shares or units of shares being offered for investment. The lodgement of this Circular with the SGX-ST, acting as agent on behalf of the Authority, does not imply that the SFA (as defined herein), or any other legal or regulatory requirements, or requirements under the Catalist Rules (as defined herein), have been complied with.

YOUR ATTENTION IS DRAWN TO SECTION 18 TITLED "RISK FACTORS" OF THIS CIRCULAR WHICH HIGHLIGHTS CERTAIN MATERIAL RISKS RELATING TO THE TARGET COMPANIES, THEIR BUSINESSES AND INDUSTRIES AND OWNERSHIP OF THE SHARES. SHAREHOLDERS ARE ADVISED TO TAKE THESE FACTORS INTO CONSIDERATION WHEN DECIDING ON THE PROPOSED TRANSACTIONS.

(After the passing of Resolution 16)

CHANGJIANG FERTILIZER HOLDINGS LIMITED

(Company Registration Number: 200713878D)
(Incorporated in Singapore on 30 July 2007)
(to be renamed "Olive Tree Estates Limited" following completion of the Proposed Transactions)

OLIVE TREE ESTATES LIMITED

(Company Registration Number: 200713878D)
(Incorporated in Singapore on 30 July 2007)

CIRCULAR TO SHAREHOLDERS IN RELATION TO:

(1) PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF WBH INVESTMENTS PTE. LTD. FOR THE AGGREGATE CONSIDERATION OF S$7,047,806.03;

(2) PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF CHIU TENG 8 PTE. LTD. FOR THE AGGREGATE CONSIDERATION OF S$17,420,791.00;

(3) PROPOSED ACQUISITION OF THE KEMPAS LAND (AS DEFINED HEREIN) FOR A PURCHASE CONSIDERATION OF RM12.0 MILLION (APPROXIMATELY S$3.9 MILLION);

(4) PROPOSED ALLOTMENT AND ISSUANCE OF 1,858,049,252 CONSIDERATION SHARES (AS DEFINED HEREIN) AT THE ISSUE PRICE OF S$0.005 FOR EACH CONSIDERATION SHARE;

(5) PROPOSED WHITEWASH RESOLUTION FOR THE WAIVER BY INDEPENDENT SHAREHOLDERS OF THEIR RIGHT TO RECEIVE A MANDATORY GENERAL OFFER FROM THE OBLIGED PARTIES (AS DEFINED HEREIN) FOR ALL THE SHARES IN ISSUE NOT ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY THE OBLIGED PARTIES ON COMPLETION (AS DEFINED HEREIN);

(6) PROPOSED ALLOTMENT AND ISSUANCE OF UP TO 136,000,000 PROFESSIONAL ADVISERS' SHARES (AS DEFINED HEREIN);

(7) PROPOSED ALLOTMENT AND ISSUANCE OF UP TO 100,000,000 REPAYMENT SHARES (AS DEFINED HEREIN) TO DANIEL LONG AT THE PRE-CONSOLIDATION ISSUE PRICE OF S$0.005 FOR EACH REPAYMENT SHARE;

(8) PROPOSED ALLOTMENT AND ISSUANCE OF UP TO 300,000,000 REPAYMENT SHARES TO NG CHEE BENG AT THE PRE-CONSOLIDATION ISSUE PRICE OF S$0.005 FOR EACH REPAYMENT SHARE;

(9) PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF ALL OF THE COMPANY'S SUBSIDIARIES INCORPORATED IN THE PEOPLE'S REPUBLIC OF CHINA;

(10) PROPOSED SHARE CONSOLIDATION OF EVERY 40 ORDINARY SHARES INTO ONE (1) CONSOLIDATED SHARE (AS DEFINED HEREIN) (FRACTIONAL ENTITLEMENTS TO BE DISREGARDED);

(11) PROPOSED ADOPTION OF THE "OLIVE TREE PERFORMANCE SHARE PLAN";

(12) PROPOSED APPOINTMENT OF THE NEW DIRECTOR (AS DEFINED HEREIN) UPON COMPLETION OF THE PROPOSED ACQUISITIONS;

(13) PROPOSED ADOPTION OF A GENERAL MANDATE FOR THE ISSUE AND ALLOTMENT OF NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY;

(14) PROPOSED TRANSFER OF THE LISTING OF THE COMPANY FROM THE MAINBOARD TO CATALIST;

(15) PROPOSED ADOPTION OF THE AMENDED AND RESTATED CONSTITUTION OF THE COMPANY; AND

(16) PROPOSED CHANGE OF NAME OF THE COMPANY TO "OLIVE TREE ESTATES LIMITED".

Sponsor and Financial Adviser to the Company

RHT CAPITAL PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 201109968H)

Independent Financial Adviser in respect of the Proposed Whitewash Resolution and Proposed Repayment of Amounts Owing to Daniel Long

ZICO CAPITAL PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 201613589E)

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	13 December 2017 at 10.30 a.m.
Date and time of EGM	:	15 December 2017 at 10.30 a.m.
Place of EGM	:	114 Lavender Street #18-01, Singapore 338729

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CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Cai Jianhua (Executive Chairman and Executive Director) Daniel Long (Acting CEO and Executive Director) Zhu Xuecheng (Deputy CEO and Executive Director) Teo Moh Gin (Lead Independent Non-Executive Director) Alan Cheong (Independent Non-Executive Director) Aloysius Wee (Independent Non-Executive Director)
PROPOSED DIRECTORS	:	Daniel Ee (Independent Non-Executive Chairman) Daniel Long (CEO and Executive Director) Alan Cheong (Independent Non-Executive Director) Aloysius Wee (Independent Non-Executive Director)
COMPANY SECRETARY	:	Ng Joo Khin (Advocate and Solicitor of the Supreme Court of Singapore)
REGISTERED OFFICE OF THE COMPANY	:	10 Collyer Quay #27-00 Ocean Financial Centre Singapore 049315
PRINCIPAL PLACE OF BUSINESS	:	114 Lavender Street #06-01 CT Hub 2 Singapore 338729 Tel: +65 67022639 (General) Fax: Not applicable
SPONSOR AND FINANCIAL ADVISER TO THE COMPANY	:	**RHT Capital Pte. Ltd.** 9 Raffles Place #29-01 Republic Plaza Tower 1 Singapore 048619
INDEPENDENT AUDITOR TO THE COMPANY AND REPORTING ACCOUNTANT TO THE ENLARGED GROUP	:	**Nexia TS Public Accounting Corporation** 100 Beach Road #30-00 Shaw Tower Singapore 189702 **Director-in-charge:** Meriana Ang Mei Ling (Member of Institute of Singapore Chartered Accountants)

INDEPENDENT AUDITOR TO THE TARGET COMPANIES IN RESPECT OF THE PROPOSED ACQUISITIONS	:	**Nexia TS Public Accounting Corporation** 100 Beach Road #30-00 Shaw Tower Singapore 189702 **Director-in-charge:** Meriana Ang Mei Ling (Member of Institute of Singapore Chartered Accountants)
LEGAL ADVISER TO THE COMPANY AS TO SINGAPORE LAW	:	**WongPartnership LLP** 12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982
LEGAL ADVISER TO THE COMPANY AS TO MALAYSIAN LAW	:	**Tay & Partners** 6th Floor Plaza See Hoy Chan Jalan Raja Chulan 50200 Kuala Lumpur Malaysia
INDEPENDENT FINANCIAL ADVISER IN RESPECT OF THE PROPOSED WHITEWASH RESOLUTION AND PROPOSED REPAYMENT OF AMOUNTS OWING TO DANIEL LONG	:	**ZICO Capital Pte. Ltd.** 8 Robinson Road #03-00 ASO Building Singapore 048544
SHARE REGISTRAR AND SHARE TRANSFER AGENT	:	**Boardroom Corporate & Advisory Services Pte. Ltd.** 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
PRINCIPAL BANKER TO THE TARGET COMPANIES	:	**United Overseas Bank Limited** 80 Raffles Place UOB Plaza 1 Singapore 048624
INDEPENDENT VALUER OF THE TARGET COMPANIES	:	**RSM Corporate Advisory Pte. Ltd.** 8 Wilkie Road #03-08 Wilkie Edge Singapore 228095
VALUER OF THE SINGAPORE PROPERTIES	:	**Dennis Wee Realty Pte. Ltd.** 190 Lorong 6 Toa Payoh #03-512, Toa Payoh Shopping Centre Singapore 310190

VALUER OF THE MALAYSIAN PROPERTY	:	**Knight Frank Malaysia Sdn Bhd, Johor Bahru Branch** Unit 3A-1, Level 3A, Bangunan Pelangi Jalan Biru, Taman Pelangi 80400 Johor Bahru Malaysia
INDEPENDENT VALUER OF THE PRC SUBSIDIARIES	:	**Roma Appraisals Limited** 22/F, China Overseas Building, 139 Hennessy Road, Wan Chai, Hong Kong

Save where the context otherwise requires, the following definitions apply throughout this Circular:

COMPANIES WITHIN THE ENLARGED GROUP

"**Company**"	:	Changjiang Fertilizer Holdings Limited
"**CT8**"	:	Chiu Teng 8 Pte. Ltd.
"**Enlarged Group**"	:	The pro forma enlarged group of companies comprising the Company, Tree Top Realty and the Target Companies immediately following the Completion and "Enlarged Group Company" refers to any one of them
"**Target Companies**"	:	WBH and CT8, and "Target Company" refers to any one of them
"**Tree Top Realty**"	:	Tree Top Realty Sdn. Bhd., a wholly-owned subsidiary of the Company
"**WBH**"	:	WBH Investments Pte. Ltd.

COMPANIES, ORGANISATIONS AND OTHER ENTITIES

"**ACRA**"	:	Accounting and Corporate Regulatory Authority
"**Affluence Resource**"	:	Affluence Resource Pte Ltd
"**Authority**"	:	Monetary Authority of Singapore
"**BCA**"	:	Building and Construction Authority of Singapore
"**CDP**"	:	The Central Depository (Pte) Limited
"**Changjiang Huafei**"	:	Changjiang Huafei (Hunan) Co., Ltd. (长江化肥(湖南)有限公司)
"**CJFH Group**"	:	The Company and the PRC Subsidiaries and "CJFH Group Company" refers to any one of them
"**CPF**"	:	Central Provident Fund
"**CT Construction**"	:	Chiu Teng Construction Pte. Ltd.
"**CTE**"	:	Chiu Teng Enterprises Pte. Ltd.
"**CTE Resources**"	:	CTE Resources Pte. Ltd.
"**CT8 Directors**"	:	Ng Teng Yeng, Ng Chee Hwa, Ng Chee Beng and Bailey Wang
"**CT8 Vendors**"	:	CTE and CTE Resources
"**EIGL**"	:	Equinox Investment Group Limited

"**Financial Adviser**", "**RHT Capital**" or "**Sponsor**"	:	RHT Capital Pte. Ltd.
"**Huafei Hanshou**"	:	Hunan Changjiang Huafei Hanshou Co., Ltd. (湖南长江化肥汉寿有限公司)
"**HPAA**"		Hunan Public Assets Appraisal Co., Limited (湖南公众资产评估有限公司)
"**IFA**"	:	The independent financial adviser, ZICO Capital Pte. Ltd.
"**Independent Director**"	:	An independent director of the Company for the time being
"**Independent Valuer (Kempas Land)**"	:	Knight Frank Malaysia Sdn Bhd, Johor Bahru Branch
"**Independent Valuer (PRC Subsidiaries)**"	:	Roma Appraisals Limited
"**Independent Valuer (Target Companies)**"	:	RSM Corporate Advisory Pte. Ltd.
"**IRAS**"	:	Inland Revenue Authority of Singapore
"**JC Miluo**"	:	Miluo Jincheng Shiye Co., Ltd (汨罗市金成实业有限责任公司)
"**JTC**"	:	Jurong Town Corporation
"**Kempas Vendor**"	:	Regal Sapphire Sdn Bhd
"**Legal Adviser**" or "**Legal Adviser to the Company as to Singapore Law**"	:	WongPartnership LLP
"**LTA**"	:	Land Transport Authority of Singapore
"**PCM**"	:	Providence Capital Management Pte. Ltd.
"**Placement Agent**"	:	KGI Securities (Singapore) Pte. Ltd.
"**PRC Subsidiaries**"	:	JC Miluo, Changjiang Huafei, Huafei Hanshou and Tangjia Electric
"**Property Valuer**"	:	Dennis Wee Realty Pte. Ltd.
"**Reporting Accountant**" or "**Independent Auditor**"	:	Nexia TS Public Accounting Corporation
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share Registrar**"	:	Boardroom Corporate & Advisory Services Pte. Ltd.

"**SIC**"	:	Securities Industry Council
"**SLA**"	:	Singapore Land Authority
"**Tangjia Electric**"	:	Tangjia Electric Technology (Shenzhen) Co., Ltd (唐家电器科技(深圳)有限公司)
"**UOB**"	:	United Overseas Bank Limited
"**URA**"	:	Urban Redevelopment Authority of Singapore
"**Vendors**"	:	The WBH Vendors and the CT8 Vendors
"**WBH Directors**"	:	Ng Chee Beng, Bailey Wang and Ng Chee Hwa
"**WBH Vendors**"	:	CTE and WLI
"**Wintech**"	:	Wintech Commonwealth Pte. Ltd.
"**WLI**"	:	Wang & Lee Investments Pte. Ltd.

GENERAL

"**Administration Committee**"	:	The administration committee comprising members of the Nominating Committee and Remuneration Committee of the Company to administer the Share Plan
"**AGM**"	:	Annual general meeting of the Company
"**Amended and Restated Constitution**"	:	The Amended and Restated Constitution set out in Appendix H of this Circular
"**Announcements**"	:	The announcements made by the Company in respect of the Proposed Transactions on 12 April 2016, 13 April 2016, 15 April 2016, 25 April 2016, 13 June 2016, 26 September 2016, 9 October 2016, 12 October 2016, 3 May 2017, 15 May 2017, 27 July 2017, 2 October 2017 and 10 October 2017
"**Associate**"	:	In relation to: (a) any director, CEO, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) his 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; and

(b) 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 or the Enlarged Group, for the time being, as the case may be
"**Award**"	:	A contingent award of Shares granted under the Share Plan
"**Bidder**"	:	Wu Meng (吴檬), the successful bidder at the public auction for the PRC Subsidiaries which closed on 9 October 2017
"**Board**", "**Existing Directors**" or "**Current Board**"	:	The board of directors of the Company as at the date of this Circular
"**Books Closure Date**"	:	The time and date to be determined by the Board, at and on which the Register of Members and share transfer books of the Company will be closed to determine the entitlements of Consolidated Shares of Shareholders under the Proposed Share Consolidation
"**Building Maintenance and Strata Management Act**"	:	Building Maintenance and Strata Management Act, Chapter 30C of Singapore, as may be varied, amended or supplemented from time to time
"**Business Day**"	:	A day on which commercial banks are open for business in Singapore
"**Catalist**"	:	The sponsor-supervised listing platform of the SGX-ST
"**Catalist Rules**"	:	The rules in Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as may be amended, varied or supplemented from time to time
"**CEO**"	:	Chief Executive Officer
"**CFO**"	:	Chief Financial Officer
"**Circular**"	:	This circular to Shareholders dated 15 November 2017

"**Code**"	:	The Singapore Code on Take-overs and Mergers, as may be amended, varied or supplemented from time to time
"**Code of Corporate Governance**"	:	Code of Corporate Governance 2012
"**Companies Act**"	:	The Companies Act, Chapter 50 of Singapore, as may be amended, varied or supplemented from time to time
"**Completion**"	:	Completion of the WBH Acquisition and the CT8 Acquisition
"**Completion Date**"	:	The date falling five (5) Business Days after the fulfilment or waiver of all the Conditions Precedent or such other date as the parties to the WBH SPA or the CT8 SPAs, as the case may be, may mutually agree on which Completion is to take place. Details of the Completion are set out in Section 2.3.2 titled "Completion" of this Circular
"**Concert Parties Group**"	:	CTE, Ng Chee Beng and the parties acting in concert with them
"**Conditions Precedent**"	:	The conditions precedent to the Completion, as provided in the WBH SPA and the CT8 SPAs
"**Consideration**"	:	The aggregate sum of the WBH Consideration and the CT8 Consideration, being S$24,468,597.03
"**Consideration Shares**"	:	The aggregate of 1,858,049,252 new Pre-Consolidation Shares to be issued and allotted by the Company to the WBH Vendors, the CT8 Vendors and/or their respective Nominees at the Pre-Consolidation Issue Price per Consideration Share, in partial satisfaction of the Consideration
"**Consolidated Shares**"	:	The consolidated Shares immediately after completion of the Proposed Share Consolidation
"**Controlling Shareholder**"	:	A person who: (a) holds directly or indirectly 15.0% or more of the total number of Shares (excluding treasury shares); or (b) in fact exercises control over a company
"**Conveyancing and Law of Property Act**"	:	Conveyancing and Law of Property Act, Chapter 61 of Singapore
"**COO**"	:	Chief Operating Officer

"**CT8 Acquisition**"	:	The proposed acquisition by the Company of the CT8 Sale Shares from the CT8 Vendors
"**CT8 Consideration**"	:	The aggregate sum of S$17,420,791.00, being the consideration for the CT8 Sale Shares, of which S$6,823,514.15 is to be satisfied by the allotment and issue of the CT8 Consideration Shares, and S$10,597,276.85 is to be paid by the Company to the CT8 Vendors in cash
"**CT8 Consideration Shares**"	:	1,364,702,830 new Pre-Consolidation Shares to be allotted and issued to the CT8 Vendors and/or their Nominees pursuant to the terms of the CT8 SPAs
"**CT8 Deferred Consideration Amount**"	:	S$10,597,276.85 (or such sum as may be adjusted based on the terms of the CT8 SPAs)
"**CT8 Deferred Consideration Date**"	:	The date falling no later than 14 days after the date of completion of the CT8 Acquisition, or such other date as the CT8 Vendors and the Company may mutually agree in writing
"**CT8 Sale Shares**"	:	The 1,000,000 issued and paid-up ordinary shares of CT8, representing the entire issued and paid-up capital of the CT8
"**CT8 SPAs**"	:	The conditional sale and purchase agreements entered into between the Company and CTE Resources dated 13 June 2016 and the Company and CTE dated 24 July 2017 in relation to the CT8 Acquisition, as amended and supplemented
"**Date of Grant**"	:	In relation to an Award, the date on which the Award is granted pursuant to Rule 5 of the Share Plan
"**Directors**"	:	The directors of the Company from time to time
"**Effective Trading Date**"	:	The date on which the Consolidated Shares will trade on the SGX-ST in board lots of 100 Consolidated Shares
"**EGM**"	:	The extraordinary general meeting of the Company, notice of which is set out on page N-1 of this Circular
"**Employee**"	:	An employee of the Enlarged Group selected by the Administration Committee to participate in the Share Plan
"**Enlarged Share Capital**"	:	The enlarged issued and paid-up share capital of the Company after the Proposed Share Issue and the Proposed Share Consolidation, and assuming that all of the Proposed Repayment Shares and Professional Advisers' Shares are allotted and issued

"**EPS**"	:	Earnings per Share
"**Existing Independent Directors**"	:	The independent directors of the Company as at the date of this Circular
"**Existing Share Capital**"	:	The existing issued share capital of the Company comprising 359,900,000 Shares (excluding treasury shares) as at the Latest Practicable Date
"**Extensions**"	:	The extensions granted by the SGX-ST on 15 April 2016, 11 October 2016 and 12 May 2017 for the Company to complete the Proposed Transactions by 31 December 2017 in order to comply with Rule 1017(2) of the Listing Manual
"**Financial Adviser's Shares**"	:	Up to 80,000,000 new Shares to be issued by the Company at the Pre-Consolidation Issue Price to the Financial Adviser as payment of the Financial Adviser's fees for services rendered to the Company in relation to the Proposed Acquisitions
"**Financial Assistance**"	:	The provision of financial assistance within the meaning of Section 76 of the Companies Act by (a) WBH in connection with the acquisition of the WBH Sale Shares and (b) CT8 in connection with the acquisition of the CT8 Sale Shares, by the Company
"**Financing Parties**"	:	Daniel Long and Ng Chee Beng
"**First Lock-up Period**"	:	The period of six (6) months from the Listing Date
"**FY**"	:	Financial year ended or ending 31 December, unless otherwise stated
"**GFA**"	:	Gross floor area
"**GST**"	:	Goods and services tax
"**HY2016**"	:	Six-month period ended 30 June 2016
"**HY2017**"	:	Six-month period ended 30 June 2017
"**IFA Letter**"	:	The letter from the IFA to the Existing Directors as set out in Appendix A to this Circular
"**Independent Shareholders**"	:	Shareholders who are considered independent for the purpose of (a) the Proposed Whitewash Resolution (which, for the avoidance of doubt, excludes (i) the Concert Parties Group and (ii) persons not considered independent of the Concert Parties Group), or (b) the repayment of amounts owing to Daniel Long, as the case may be

"**Kempas Acquisition**"	:	The proposed acquisition of Kempas Land from the Kempas Vendor
"**Kempas Agreement**"	:	The agreement dated 1 October 2017 entered into between Tree Top Realty and the Kempas Vendor in respect of the acquisition of Kempas Land
"**Kempas Industrial Project**"	:	The proposed development of 14 units of 2.5-storey detached industrial and/or showroom units with a total saleable floor area of approximately 147,830 sqft on the Kempas Land
"**Kempas Consideration**"	:	The aggregate sum of RM12.0 million, being the consideration for Kempas Land, to be paid in cash by Tree Top Realty
"**Kempas Land**"	:	All the parcel of vacant freehold land held under Lot 3037, GRN 80620, Mukim Tebrau, District of Johor Bahru, State of Johor, Malaysia, and the road to be constructed thereon to access the development project to be carried out on the said land
"**Kempas Land Valuation Letter**"	:	The certificate of valuation dated 14 September 2017 prepared by the Independent Valuer (Kempas Land) on the valuation of Kempas Land, as set out at Appendix B to this Circular
"**Land Acquisition Act**"	:	Land Acquisition Act, Chapter 152 of Singapore, as may be varied, amended or supplemented from time to time
"**Land Titles Act**"	:	Land Titles Act, Chapter 157 of Singapore, as may be varied, amended or supplemented from time to time
"**Land Titles (Strata) Act**"	:	Land Titles (Strata) Act, Chapter 158 of Singapore, as may be varied, amended or supplemented from time to time
"**Latest Practicable Date**"	:	3 November 2017, being the latest practicable date prior to the printing of this Circular
"**Legal Adviser's Shares**"	:	Up to 56,000,000 new Pre-Consolidation Shares to be issued by the Company at the Pre-Consolidation Issue Price to the Legal Adviser as payment of the Legal Adviser's fees for services rendered to the Company in relation to the Proposed Transactions
"**Listing Date**"	:	The date on which the Consolidated Shares will list on Catalist
"**Listing Manual**"	:	The listing manual of the SGX-ST, as amended from time to time

"**Long-Stop Date**"	:	31 December 2017 or such other date as may be agreed in writing under the terms of the WBH SPA and/or the CT8 SPAs, as the case may be
"**LPS**"	:	Loss per Share
"**Mainboard**"	:	The Mainboard of the SGX-ST
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**Minimum Issue Price**"	:	The minimum issue price, pursuant to Rule 429 of the Catalist Rules, of S$0.20 for each share offered for subscription or sale, for which a listing is sought
"**Minimum Public Float**"	:	Where at least 15.0% of the issued share capital of the Company is held in the hands of at least 200 Shareholders who are members of the public
"**NAV**"	:	Net asset value attributable to Shareholders
"**NCB ROPU**"	:	The right of participation undertaking provided by Ng Chee Beng in favour of the Company
"**New Board**"	:	The new board of directors of the Company to be appointed after Completion comprising the Proposed Directors
"**New Director**"	:	Daniel Ee
"**New Name**"	:	Olive Tree Estates Limited
"**New Share Certificates**"	:	Share certificates for Consolidated Shares
"**Nominating Committee**"	:	The nominating committee of the Company or the Enlarged Group, for the time being, as the case may be
"**Nominee**" or "**Nominees**"	:	Such party or parties as each of the WBH Vendors, and/or the CT8 Vendors shall be entitled to nominate by notice in writing to the Company to receive the WBH Consideration Shares and the CT8 Consideration Shares respectively
"**Notice of EGM**"	:	The notice to Shareholders of the EGM as set out on page N-1 of this Circular
"**NRV**"	:	Net realisable value
"**NTA**"	:	Net tangible assets attributable to Shareholders
"**NTL**"	:	Net tangible liabilities attributable to Shareholders

"**Obliged Parties**"	:	CTE and Ng Chee Beng
"**Old Share Certificates**"	:	Old physical share certificates for the existing Shares
"**OCW Units**"	:	The leasehold premises known as 1 Commonwealth Lane #01-07, #01-08, #01-09, #01-10, #01-11, #01-12, #01-13, #01-14, #01-15, #01-17, #01-18, #01-19 and #01-20 Singapore
"**Official List**"	:	The list of issuers maintained by SGX-ST in relation to the Mainboard or Catalist
"**One Commonwealth**"	:	The building known as "One Commonwealth" which is located at 1 Commonwealth Lane, Singapore 149544
"**Participant**"	:	Any eligible person selected by the Administration Committee to participate in the Share Plan in accordance with its rules
"**PCM ROPU**"	:	The right of participation undertaking provided by PCM in favour of the Company, details of which are set out in Section 28.5 of this Circular
"**Performance Condition**"	:	In relation to a Performance-related Award, the condition specified on the Date of Grant in relation to that Award
"**Performance Period**"	:	In relation to a Performance-related Award, a period, the duration of which is to be determined by the Administration Committee on the Date of the Grant, during which the Performance Condition is to be satisfied
"**Performance-related Award**"	:	An Award in relation to which a Performance Condition is specified
"**Planning Act**"	:	Planning Act, Chapter 232 of Singapore, as may be varied, amended or supplemented from time to time
"**PRC**"	:	The People's Republic of China
"**Pre-Consolidation Issue Price**"	:	S$0.005 per Pre-Consolidation Share
"**Pre-Consolidation Shares**"	:	Shares prior to the completion of the Proposed Share Consolidation
"**Professional Advisers' Shares**"	:	The Financial Adviser's Shares and the Legal Adviser's Shares

"**Pro Forma Financial Information**"	:	Comprising the "Report on Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group for the Financial Years ended 31 December 2014, 2015 and 2016 and the Six-month Period ended 30 June 2017" as set out in Appendix M to this Circular
"**Property Valuation Letters**"	:	The property valuation letters in respect of the valuation of the OCW Units or the unsold units in Tagore 8, as the case may be, prepared by the Property Valuer as set out in Appendix D to this Circular
"**Proposed Acquisitions**"	:	The proposed acquisitions by the Company of (i) the WBH Sale Shares and the CT8 Sale Shares for the Consideration pursuant to the terms and conditions of the WBH SPA and CT8 SPAs respectively and (ii) the Kempas Land pursuant to the terms and conditions of the Kempas Agreement
"**Proposed Adoption of Constitution**"	:	The adoption of the Amended and Restated Constitution of the Company
"**Proposed Appointment of New Director**"	:	The proposed appointment of the New Director to the New Board following Completion
"**Proposed Change of Name**"	:	The proposed change of name of the Company from "Changjiang Fertilizer Holdings Limited" to "Olive Tree Estates Limited"
"**Proposed Directors**"	:	The persons proposed to be directors of the New Board, namely Daniel Ee, Daniel Long, Alan Cheong and Aloysius Wee
"**Proposed Disposal**"	:	The proposed disposal of the PRC Subsidiaries by the Company
"**Proposed Executive Officers**"	:	The executive officers proposed be on the management team following the Completion, namely Wee Liang Hiam, Wong Lien Feng, Nancy Ng and Amanda Lim
"**Proposed Independent Directors**"	:	The persons proposed to be independent directors of the New Board, namely Daniel Ee, Alan Cheong and Aloysius Wee
"**Proposed Repayment**"	:	The proposed repayment of certain amounts owing by the Company to the Financing Parties by the issue of Repayment Shares to the Financing Parties
"**Proposed Share Consolidation**"	:	The proposed consolidation of every 40 existing Shares as at the Books Closure Date into 1 Consolidated Share

"**Proposed Share Issue**"	:	The proposed issue and allotment of the Consideration Shares
"**Proposed Share Issue Mandate**"	:	The proposed grant of a general mandate and authority to the directors of the Company pursuant to Section 161 of the Companies Act to, amongst others, issue and allot new Shares, as described in Section 10 titled "Proposed Share Issue Mandate" of this Circular
"**Proposed Transactions**"	:	The Proposed Acquisitions, the Proposed Share Issue, the Proposed Disposal, the Proposed Whitewash Resolution, the proposed issue of Professional Advisers' Shares, the proposed issuance of the Repayment Shares, the Proposed Transfer, the Proposed Share Consolidation, the Proposed Appointment of New Director, the Proposed Share Issue Mandate, the Proposed Adoption of Constitution and the Proposed Change of Name
"**Proposed Transfer**"	:	The proposed transfer of the Company's listing from the Mainboard to Catalist
"**Proposed Whitewash Resolution**"	:	The resolution proposed as ordinary resolution 5 in the Notice of EGM which, if approved by a majority of the Independent Shareholders in a general meeting of the Company in accordance with the requirement set out in Appendix 1 of the Code, would result in a waiver of their rights to receive a mandatory general offer from the Obliged Parties who would incur an obligation to make a mandatory general offer under Rule 14 of the Code for all the Shares not already owned, controlled or agreed to be acquired by the Concert Parties Group as a result of the CT8 Acquisition and WBH Acquisition, provided that parties not being Independent Shareholders abstain from voting on such resolution
"**Proxy Form**"	:	The proxy form in respect of the EGM as set out in this Circular
"**Record Date**"	:	In relation to any dividends, rights, allotment or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or the Securities Account of Shareholders must be credited with Shares, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
"**Register of Members**"	:	The register of members of the Company
"**Registration of Deeds Act**"	:	Registration of Deeds Act, Chapter 269 of Singapore, as may be varied, amended or supplemented from time to time

"**Relevant Period**"	:	The period falling within FY2014, FY2015, and FY2016 and from 1 January 2017 until the Latest Practicable Date
"**Remuneration Committee**"	:	The remuneration committee of the Company or the Enlarged Group, for the time being, as the case may be
"**Released Awards**"	:	An award in respect of which the Vesting Period relating to that Award has ended and which has been released in accordance with Rule 7 of the Share Plan
"**Repayment Shares**"	:	The aggregate of 400,000,000 new Pre-Consolidation Shares to be issued and allotted by the Company to the Financing Parties at the Pre-Consolidation Issue Price per Repayment Share, pursuant to Proposed Repayment
"**Rules**"	:	Rules of the Share Plan
"**Scripholders**"	:	Shareholders whose Shares are registered in their own names and whose share certificates are not deposited with CDP
"**Second Lock-up Period**"	:	The period of six (6) months following the First Lock-up Period
"**Securities Account**"	:	A securities account maintained by a depositor with CDP but does not include a securities sub-account
"**SFA**"	:	Securities and Futures Act, Chapter 289 of Singapore, as may be amended, varied or supplemented from time to time
"**SFR**"	:	Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, as may be amended, varied or supplemented from time to time
"**SGXNET**"	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
"**Shareholders**"	:	Registered holders of the Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares, mean the depositors whose Securities Accounts maintained with CDP are credited with Shares
"**Share Plan**"	:	The proposed Olive Tree Performance Share Plan, as modified or altered from time to time
"**Shares**"	:	Ordinary shares in the capital of the Company

"**Share Transfer Books**"	:	The share transfer books of the Company, as maintained by the Share Registrar
"**SRS**"	:	Supplementary Retirement Scheme
"**Substantial Shareholder**"	:	A person who has an interest or interests in one or more voting shares of a company and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the company
"**Tagore 8**"	:	The light industrial factory known as "Tagore 8" which is located at 421 Tagore Industrial Avenue, Singapore 787805
"**Tagore Property**"	:	The premises known as Lot 01278C Mukim 20 at 421 Tagore Industrial Avenue, Singapore 787805
"**Target Companies Independent Valuation Letter**"	:	The valuation letter titled "Independent Valuation Letter in respect of the Target Companies" prepared by the Independent Valuer (Target Companies) on the valuation of a 100.0% interest in WBH and a 100.0% interest in CT8, as set out in Appendix C to this Circular
"**Transaction Deed**"	:	The deed entered into by Ng Chee Beng in favour of the Company on 14 November 2017, under which Ng Chee Beng undertakes and guarantees to the Company that the Company shall, for a period of three years following completion of the Proposed Acquisitions, receive a minimum gross rental income of S$6.00 psf/month for the aggregate net leasable area of the OCW Units amounting to 16,680 sqft
"**Vesting Date**"	:	In relation to an Award, a period or periods, the duration of which is to be determined by the Administration Committee at the Date of Grant
"**Vesting Period**"	:	In relation to the Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and "Vest" and "Vested" shall be construed accordingly
"**WBH Acquisition**"	:	The proposed acquisition by the Company of the WBH Sale Shares from the WBH Vendors
"**WBH Conditions Precedent**"	:	The conditions precedent to the completion of the WBH Acquisition, as set out in the WBH SPA

"**WBH Consideration**"	:	The aggregate sum of S$7,047,806.03, being the consideration for the WBH Sale Shares, of which S$2,466,732.11 is to be satisfied by the allotment and issue of the WBH Consideration Shares, and S$4,581,073.92 (or such sum as may be adjusted based on the terms of the WBH SPA) is to be paid by the Company to the WBH Vendors in cash
"**WBH Consideration Shares**"	:	493,346,422 new Pre-Consolidation Shares in the issued share capital of the Company to be allotted and issued to the WBH Vendors and/or their Nominees pursuant to the terms of the WBH SPA
"**WBH Deferred Consideration Amount**"	:	S$4,581,073.92 (or such sum as may be adjusted based on the terms of the WBH SPA)
"**WBH Deferred Consideration Date**"	:	The date falling no later than 14 days after the date of completion of the WBH Acquisition, or such other date as the WBH Vendors and the Company may mutually agree in writing
"**WBH Sale Shares**"	:	The 100,000 issued and paid-up ordinary shares of WBH, representing the entire issued and paid-up capital of the WBH
"**WBH SPA**"	:	The conditional sale and purchase agreement dated 11 April 2016 entered into between the Company and the WBH Vendors in relation to the WBH Acquisition, as amended and supplemented
"**YA**"	:	Year of assessment
"**YMKR**"	:	YMK Realty Pte. Ltd.

CURRENCIES, UNITS OF MEASUREMENTS AND OTHERS

"**%**" or "**per cent.**"	:	Per centum or percentage
"**psf/month**"	:	Per square foot per month
"**RM**"	:	Ringgit Malaysia
"**RMB**"	:	Renminbi
"**S$**" and "**cents**"	:	Singapore dollars and cents, respectively
"**sqft**"	:	Square feet
"**sqm**"	:	Square metres

NAME USED		**NAME IN NATIONAL REGISTRATION IDENTITY CARD (NRIC)/PASSPORT**
"**Amanda Lim**"	:	Amanda Lim Huimin

"**Alan Cheong**"	:	Cheong Mun Cheong Alan
"**Aloysius Wee**"	:	Wee Meng Seng Aloysius
"**Daniel Ee**"	:	Daniel Cuthbert Ee Hock Huat
"**Daniel Long**"	:	Long Chee Tim, Daniel
"**Nancy Ng**"	:	Nancy Ng Nyok Choo

Unless the context otherwise requires:

(a) the terms "**depositor**", "**depository register**" and "**depository agent**" shall have the meanings ascribed to them, respectively, in Section 81SF of the SFA and the terms "**subsidiary**" and "**related company**" shall have the meanings ascribed to them, respectively, in the Companies Act;

(b) the terms "**acting in concert**" and "**whitewash resolution**" shall have the meaning ascribed to them respectively in the Code;

(c) the terms "**associate**" and "**associated company**" shall have the meanings ascribed to them respectively in the section titled "Definitions and Interpretation" of the Catalist Rules;

(d) the terms "**entity-at-risk**" and "**interested person**" shall be persons falling within the scope of the definitions for the same set out in Section 1 of the Fourth Schedule to the SFR or in Chapter 9 of the Catalist Rules (as the case may be);

(e) words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Unless the context otherwise requires any references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

(f) any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the SFR, the Catalist Rules or the Code or any modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the SFR, the Catalist Rules or the Code or such modification thereof, as the case may be, unless the context otherwise requires;

(g) any reference to a time of a day in this Circular shall be a reference to Singapore time unless otherwise stated;

(h) any reference in this Circular to Shares and/or new Shares being allotted and/or allocated to a person includes allotment and/or allocation to CDP for the account of that person;

(i) any discrepancies between the figures listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them; and

(j) headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

EXCHANGE RATES

The exchange rate between RMB and S$ as at the Latest Practicable Date is 4.8632 to S$1.00 The following table sets out the average and closing exchange rates for the respective financial years and/or financial periods set out in this Circular. The average exchange rate between RMB and S$ is calculated using the average of the exchange rates on the last day of each month during each financial year or financial period. These exchange rates should not be construed as a representation that the RMB amounts actually represent such amounts or could be converted into S$ at the rate indicated or any other rate or at all.

The exchange rates between RMB and S$ are extracted from published information by S&P Capital IQ based on their midpoint prices. S&P Capital IQ has not consented to the inclusion of the exchange rates quoted under this section and is thereby not liable for these exchange rates. The Directors have included the below exchange rates in the proper form and context in this Circular and have not verified the accuracy of these exchange rates.

	RMB/S$	
Period	**Average**	**Closing**
FY2014	4.8642	4.6816
FY2015	4.5721	4.5813
FY2016	4.8115	4.8042
HY2016	4.7367	4.9345
HY2017	4.8953	4.9250

Source: S&P Capital IQ

The table below sets forth the highest and lowest exchange rates of RMB and S$ for each month for the past six (6) completed months prior to the Latest Practicable Date.

	RMB/S$	
Month	**Highest**	**Lowest**
May 2017	4.9666	4.8941
June 2017	4.9482	4.9085
July 2017	4.9641	4.9126
August 2017	4.9481	4.8529
September 2017	4.9023	4.8126
October 2017[(1)]	4.9003	4.8474

Source: S&P Capital IQ

Note:

(1) For the period from 1 October 2017 to the Latest Practicable Date.

CAUTIONARY NOTES REGARDING FORWARD-LOOKING STATEMENTS

All statements contained in this Circular, statements made in the press releases and oral statements that may be made by the Company, the Target Companies, the Vendors or each of their respective directors, key executives or employees acting on the Company's, Target Companies' or the Vendors' behalf, that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by words that are biased or by forward-looking terms such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "if", "intend", "may", "plan", "possible", "probable", "project", "will", "would" and "should" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Company's, the Target Companies and the Enlarged Group's expected financial position, business strategies, plans and prospects are forward-looking statements.

These forward-looking statements, including but not limited to, statements as to:

- revenue and profitability;
- any expected growth;
- any expected industry prospects and trends;
- planned strategy and future expansion plans;
- any other matters that are not historical facts; and
- any other matters discussed in this Circular,

are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's, the Target Companies' and the Enlarged Group's actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These risks, uncertainties and other factors are discussed in more detail in Section 18 titled "Risk Factors" of this Circular.

Given the risks and uncertainties that may cause the Company's, the Target Companies' and the Enlarged Group's actual future results, performance or achievements to be materially different than expected, expressed or implied by the forward-looking statements in this Circular, you are advised not to place undue reliance on those statements which apply only as at the date of this Circular.

None of the Company, the Target Companies, the Financial Adviser or any other person represents or warrants to you that the Company's, the Target Companies' and the Enlarged Group's actual future results, performance or achievements will be as discussed in those statements. The Company's, the Target Companies' and the Enlarged Group's actual future results, performance or achievements may differ materially from those anticipated in these forward-looking statements.

Further, the Company, the Target Companies and the Financial Adviser disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any regulatory or supervisory body or agency.

TAKE-OVER LIMITS

The Code regulates the acquisition of ordinary shares of, amongst others, corporations with a listing on the SGX-ST, including the Company. Except with the consent of the SIC, where:

(a) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by parties acting in concert with him) carry 30.0% or more of the voting rights of the company; or

(b) any person who, together with parties acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights and such person, or any party acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1.0% of the voting rights, such person must extend a mandatory general offer immediately to the shareholders for the remaining shares in the company in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

In general, the acquisition of instruments convertible into securities which carry voting rights does not give rise to an obligation to make a mandatory general offer under the Code but the exercise of any conversion rights will be considered an acquisition of voting rights for the purposes of the Code.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory general offer under the Code as a result of the Proposed Transactions should consult the SIC and/or their professional advisers.

INDICATIVE TIMETABLE FOR THE PROPOSED TRANSACTIONS

The following indicative timetable assumes the approval for all resolutions proposed at the EGM is obtained on 15 December 2017 and Completion takes place by 22 December 2017:

Last date and time for lodgement of Proxy Form	:	13 December 2017, 10.30 a.m.
Date and time of the EGM	:	15 December 2017, 10.30 a.m.
Expected Completion Date and completion of the Proposed Disposal	:	22 December 2017
Expected completion date of the placement of the Repayment Shares held by Ng Chee Beng and the Professional Advisers' Shares held by the Legal Adviser	:	29 December 2017
Expected trading date of the Consolidated Shares on Catalist	:	2 January 2018

Shareholders should note that the dates above which are stated to be "expected" are indicative only and may be subject to change. Please refer to future announcement(s) by the Company on the SGXNET for the exact dates and times of these events.

CHANGJIANG FERTILIZER HOLDINGS LIMITED

(Company Registration Number: 200713878D)
(Incorporated in Singapore on 30 July 2007)

Board of Directors:

Cai Jianhua (Executive Chairman and Executive Director)
Long Chee Tim, Daniel (Acting CEO and Executive Director)
Zhu Xuecheng (Deputy CEO and Executive Director)
Teo Moh Gin (Lead Independent Non-Executive Director)
Cheong Mun Cheong Alan (Independent Non-Executive Director)
Wee Meng Seng Aloysius (Independent Non-Executive Director)

Registered Office:

10 Collyer Quay
#27-00
Ocean Financial Centre
Singapore 049315

15 November 2017

To: Shareholders of Changjiang Fertilizer Holdings Limited

Dear Sir/Madam,

(1) PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF WBH INVESTMENTS PTE. LTD. FOR THE AGGREGATE CONSIDERATION OF S$7,047,806.03;

(2) PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF CHIU TENG 8 PTE. LTD. FOR THE AGGREGATE CONSIDERATION OF S$17,420,791.00;

(3) PROPOSED ACQUISITION OF THE KEMPAS LAND FOR A PURCHASE CONSIDERATION OF RM12.0 MILLION (APPROXIMATELY S$3.9 MILLION);

(4) PROPOSED ALLOTMENT AND ISSUANCE OF 1,858,049,252 CONSIDERATION SHARES AT THE ISSUE PRICE OF S$0.005 PER CONSIDERATION SHARE;

(5) PROPOSED WHITEWASH RESOLUTION FOR THE WAIVER BY INDEPENDENT SHAREHOLDERS OF THEIR RIGHT TO RECEIVE A MANDATORY GENERAL OFFER FROM THE OBLIGED PARTIES FOR ALL THE SHARES IN ISSUE NOT ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY THE OBLIGED PARTIES ON COMPLETION;

(6) PROPOSED ALLOTMENT AND ISSUANCE OF UP TO 136,000,000 NEW SHARES TO THE FINANCIAL ADVISER AND THE LEGAL ADVISER;

(7) PROPOSED ALLOTMENT AND ISSUANCE OF UP TO 100,000,000 REPAYMENT SHARES TO DANIEL LONG AT THE ISSUE PRICE OF S$0.005 FOR EACH REPAYMENT SHARE;

(8) PROPOSED ALLOTMENT AND ISSUANCE OF UP TO 300,000,000 REPAYMENT SHARES TO NG CHEE BENG AT THE ISSUE PRICE OF S$0.005 FOR EACH REPAYMENT SHARE;

(9) PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF THE PRC SUBSIDIARIES;

(10) PROPOSED SHARE CONSOLIDATION OF EVERY 40 ORDINARY SHARES INTO ONE (1) CONSOLIDATED SHARE (FRACTIONAL ENTITLEMENTS TO BE DISREGARDED);

(11) PROPOSED ADOPTION OF A PERFORMANCE SHARE PLAN KNOWN AS THE "OLIVE TREE PERFORMANCE SHARE PLAN";

(12) PROPOSED APPOINTMENT OF A NEW DIRECTOR UPON COMPLETION OF THE PROPOSED ACQUISITIONS;

(13) PROPOSED ADOPTION OF A GENERAL MANDATE FOR THE ISSUE AND ALLOTMENT OF NEW SHARES;

(14) PROPOSED TRANSFER OF THE LISTING OF THE COMPANY FROM THE MAINBOARD TO CATALIST;

(15) PROPOSED ADOPTION OF THE AMENDED AND RESTATED CONSTITUTION OF THE COMPANY; AND

(16) PROPOSED CHANGE OF NAME OF THE COMPANY TO "OLIVE TREE ESTATES LIMITED".

1. INTRODUCTION

On 14 April 2015, the Company announced that with effect from 14 April 2015, it had been classified as a cash company pursuant to Rule 1018 of the Listing Manual. Consequently, the trading of the Company's securities on the SGX-ST was suspended with effect from 17 April 2015 until it has a business which is able to satisfy the SGX-ST's requirements for a new listing.

Although the Company owns assets in the PRC, held through the PRC Subsidiaries, these assets are currently not conducting any operations. Pursuant to the Proposed Disposal, the Company, by way of a public auction in the PRC which closed on 9 October 2017, has entered into a sale and purchase agreement with the Bidder, to sell its entire interest in the PRC Subsidiaries for an aggregate consideration of RMB1.00.

The Company has entered into the following agreements in connection with the Proposed Acquisitions:

(a) the WBH SPA, with the WBH Vendors, being CTE and WLI, pursuant to which the Company has agreed to purchase 100,000 ordinary shares in the share capital of WBH representing the entire issued and paid-up share capital of WBH for the WBH Consideration from the WBH Vendors;

(b) the CT8 SPAs, with the CT8 Vendors, pursuant to which the Company has agreed to purchase 1,000,000 ordinary shares in the share capital of CT8 representing the entire issued and paid-up share capital of CT8, for the CT8 Consideration from the CT8 Vendors; and

(c) through its wholly-owned subsidiary, Tree Top Realty, the Kempas Agreement with the Kempas Vendor, pursuant to which Tree Top Realty has agreed to purchase the Kempas Land at a total consideration of RM12.0 million (approximately S$3.9 million) from the Kempas Vendor.

The Proposed Acquisitions, if they proceed to completion, will result in a change of control of the Company and would constitute a "Reverse Takeover" as defined under Chapter 10 of the Catalist Rules, and will be subject to, amongst others, the approval of the Shareholders at an EGM.

An application has been made to the SIC and the SIC has granted the Obliged Parties a waiver of the requirement to make a mandatory general offer for Shares in issue not already owned or controlled by the Concert Parties Group, subject to various conditions including, amongst others, the appointment of the IFA to advise Independent Shareholders on the Proposed Whitewash Resolution and the Independent Shareholders' approval of the Proposed Whitewash Resolution.

In connection and simultaneous with the Proposed Acquisitions and the Proposed Disposal, the Company intends to, amongst others, transfer its listing to Catalist, and undertake the Proposed Share Consolidation.

The Company has appointed RHT Capital as its Sponsor and Financial Adviser in respect of the Proposed Acquisitions and ZICO Capital Pte. Ltd. as the IFA to advise the Independent Shareholders on the Proposed Whitewash Resolution and Proposed Repayment to Daniel Long.

The purpose of this Circular is to explain the reasons for, and to provide Shareholders with relevant information relating to the Proposed Transactions as well as to seek Shareholders' approval at the forthcoming EGM for the same. Approval will be sought by way of ordinary resolutions for the Proposed Transactions, except Resolutions 14, 15 and 16, for which approval shall be sought by way of a special resolution.

Shareholders should note that Resolutions 1, 2, 4, 5, 9, 10 and 14 are inter-conditional as these are condition precedents to the WBH SPA and CT8 SPA. This means that if any one of these resolutions is not approved, the other resolutions would not be duly passed. Resolutions 3, 6, 7, 8, 11, 12, 13, 15 and 16 are conditional on the passing of Resolutions 1, 2, 4, 5, 9, 10 and 14.

This Circular has been prepared solely for the purposes set out herein and may not be relied upon by any persons (other than the Shareholders to whom this Circular is despatched to by the Company) or for any other purpose.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular.

2. DETAILS OF THE PROPOSED ACQUISITIONS

2.1 The WBH Acquisition

2.1.1 Sale and purchase agreement

On 11 April 2016, the Company entered into the WBH SPA with the WBH Vendors for the purchase by the Company of the WBH Sale Shares representing the entire issued and paid-up share capital of WBH.

On 13 June 2016, the Company and the WBH Vendors entered into a supplemental sale and purchase agreement to amend certain terms of the WBH SPA which were affected as a result of the Company entering into the CT8 SPA with CTE Resources. The Company and the WBH Vendors thereafter entered into amendment letters on 22 September 2016 and 25 April 2017 to extend the long-stop date of the WBH SPA to 31 December 2017. On 24 July 2017, the Company and the WBH Vendors entered into a further amendment letter, under which the WBH Consideration was reduced from S$13,844,400 to S$7,047,806.03. On 1 October 2017, the Company and the WBH Vendors entered into an amendment letter, under which the WBH Vendors agreed to assign to the Company all outstanding shareholder loan(s) owed by WBH to the WBH Vendors amounting to S$4,250,000.

WBH is the legal and beneficial owner of the OCW Units, which are 13 leasehold premises on the ground floor of One Commonwealth, a light industrial building located adjacent to the Commonwealth MRT station and close to the Pan-Island and Ayer Rajah Expressways.

The WBH SPA provides that completion of the WBH Acquisition is subject to, among others, the transfer of the shares in WBH held by YMKR to CTE, such that CTE shall hold 70.0% of the issued and paid-up share capital of WBH on or prior to the Completion Date. As at the date of this Circular, the transfer of shares in WBH between YMKR to CTE has been completed. Ng Chee Hwa, who is the brother of Ng Chee Beng, and his wife Chin Oi Yeng own 72.0% and 28.0% of YMKR respectively.

2.1.2 Key terms of the WBH Acquisition

(i) WBH Consideration

Pursuant to the WBH SPA, the WBH Vendors shall sell and the Company shall purchase the WBH Sale Shares for the WBH Consideration. The WBH Consideration shall be satisfied as follows:

(a) on Completion Date, S$2,466,732.11 shall be satisfied through the allotment and issue the WBH Consideration Shares at the Pre-Consolidation Issue Price per WBH Consideration Share; and

(b) on the WBH Deferred Consideration Date, the WBH Deferred Consideration Amount shall be paid in cash to the WBH Vendors by telegraphic transfer, cashier's order or banker's draft, or in such other manner as may be agreed between the WBH Vendors and the Company in writing.

The WBH Consideration was agreed on a willing-buyer and willing-seller basis after arm's length negotiations. In arriving at the WBH Consideration, the Company considered, amongst others things, the future benefits expected to be created as a result of the WBH Acquisition, the estimated expected market valuation, as well as the following bases:

(a) WBH has maintained and shall maintain the current passing rental of approximately S$6.00 psf/month for OCW Units' net leasable area of 16,680 sqft (approximately 1,550 sqm);

(b) WBH does not and shall not own or hold any significant assets on its balance sheet save for the OCW Units;

(c) all outstanding shareholders' loan(s) owed by WBH to the WBH Vendors shall be assigned to the Company;

(d) save for the bank loan to be obtained by the Company which shall be secured with the OCW Units, WBH shall not have outstanding, nor agree to create or incur, any loan capital, borrowings or indebtedness in the nature of borrowings; and

(e) the business and affairs of WBH (including the incurrence of expenses) shall be managed properly and efficiently in good faith and in a business-like manner and consistent with best practices of companies carrying on similar businesses or owning property of a similar nature.

If prior and up to the WBH Deferred Consideration Date, any of the bases set out above is in any respect not complied with, fulfilled and/or satisfied at any time, the Company shall be entitled (in addition to and without prejudice to all other rights and remedies available to it, including the right to claim damages), in consultation with the WBH Vendors, to adjust the WBH Deferred Consideration Amount by such amounts as it deems necessary.

(ii) WBH Consideration Shares

Pursuant to the WBH SPA, 70.0% of the WBH Consideration Shares amounting to 345,342,495 new Pre-Consolidation Shares shall be allotted and issued to CTE and/or its Nominees, and 30.0% of the WBH Consideration Shares amounting to 148,003,927 new Pre-Consolidation Shares shall be allotted and issued to WLI and/or its Nominees. CTE has informed the Company that it will hold its share of the WBH Consideration Shares while WLI has nominated Bailey Wang to receive WLI's share of the WBH Consideration Shares. Please refer to the Section 20.3 of this Circular for more details of the shareholding effects after the completion of the Proposed Transactions.

The WBH Consideration Shares will rank *pari passu* in all respects with the existing issued Shares as at the date of issuance of the WBH Consideration Shares.

(iii) WBH Conditions Precedent

Completion of the WBH Acquisition shall, unless waived, be conditional upon the WBH Conditions Precedent. Any waiver(s) of the WBH Conditions Precedent would be immediately announced by the Company together with the basis of waiver:

(a) **Shareholders' Approval**. The approval of the Shareholders at an EGM for the following matters, and such approval not having been withdrawn or revoked and remaining in full force and effect as at the completion date:

(i) the WBH Acquisition;

(ii) the allotment and issue of the WBH Consideration Shares by the Company to the WBH Vendors or their Nominees;

(iii) the transactions contemplated under the CT8 SPAs;

(iv) the Proposed Disposal, if any; and

(v) the Proposed Transfer;

(b) **Independent Shareholder Approval for the Proposed Whitewash Resolution**. The approval of the Independent Shareholders being obtained at the EGM for the Proposed Whitewash Resolution, provided that the WBH Vendors and any persons not being Independent Shareholders abstain from voting on such resolution;

(c) **SIC Waiver**. The grant by the SIC of a waiver (such waiver not having been withdrawn or revoked as at the completion date of the WBH Acquisition) to the WBH Vendors and/or CT8 Vendors and the respective parties acting in concert with the WBH Vendors and/or CT8 Vendors, of their obligation to make a mandatory offer under Rule 14 of the Code for the Shares not held by the WBH Vendors and/or CT8 Vendors and their respective concert parties, and from having to comply with the requirements of Rule 14 of the Code upon Completion and the allotment and issue of the WBH Consideration Shares to the WBH Vendors and/or their Nominees and/or CT8 Consideration Shares to CT8 Vendors and if such waiver is subject to any condition or restriction imposed by the SIC, such condition and/or restriction being reasonably acceptable to WBH Vendors and the Company;

(d) **SGX-ST Approval**. The approval of the SGX-ST for the WBH Acquisition, the Proposed Transfer, the transactions contemplated under the CT8 SPAs and the transactions contemplated under the WBH SPA having been obtained where necessary and such approval not having been withdrawn or revoked and remaining in full force and effect as at the completion date of the WBH Acquisition, and if such approval is subject to any condition or restriction imposed by the SGX-ST, such condition and/or restriction being reasonably acceptable to WBH Vendors and the Company;

(e) **SGX-ST Approval for Listing and Quotation**. The approval of the SGX-ST and the issuance of a listing and quotation notice from the SGX-ST for the admission of the WBH Consideration Shares and such number of new Shares to be allotted and issued (if any) pursuant to a compliance placement to the Official List of the SGX-ST, and the dealing and quotation of such Shares on the Mainboard or Catalist (as the case may be) upon the allotment and issue of such Shares, and such approval not having been withdrawn or revoked and remaining in full force and effect, and if such approval is subject to any condition or restriction imposed by the SGX-ST, such condition and/or restriction being reasonably acceptable to the WBH Vendors and the Company;

(f) **Governmental Approvals for Company**. The licences, authorisations, orders, grants, confirmations, permissions, registrations, waivers, exemptions and other approvals necessary or desirable for or in respect of the WBH Acquisition, the allotment and issue of the WBH Consideration Shares to the WBH Vendors or their Nominees and the transactions contemplated under the WBH SPA, having been obtained from the appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies on terms reasonably satisfactory to the Company and such licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals continuing to remain in full force and effect up to and including the completion date of the WBH Acquisition, and if such approval is subject to any condition or restriction, such condition and/or restriction being reasonably acceptable to the WBH Vendors and the Company;

(g) **Governmental Approvals for the WBH Vendors**. The licences, authorisations, orders, grants, confirmations, permissions, registrations, waivers, exemptions and other approvals necessary or desirable for or in respect of the sale of the WBH Sale Shares by the WBH Vendors to the Company, the transfer of the shares of WBH held by YMKR to the WBH Vendors and the transactions contemplated under the WBH SPA, having been obtained from the appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies on terms reasonably satisfactory to the WBH Vendors and such licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals continuing to remain in full force and effect up to and including the completion date of the WBH Acquisition, and if such approval is subject to any condition or restriction, such condition and/or restriction being reasonably acceptable to WBH Vendors and the Company;

(h) **Change in Control Approval**. Where the terms of any agreement or arrangement to which WBH is a party or is bound by and which is of material importance to the business, affairs, operations, assets, profits or financial condition of WBH contain any restrictions or prohibition on the change in control of the shareholdings or the board of directors of WBH or include any right to terminate exercisable prior to or as a result of any matter contemplated by the WBH SPA (including but not limited to the sale and transfer of the WBH Sale Shares from the WBH Vendors to the Company and the transfer of the shares of WBH held by YMKR to the WBH Vendors), receipt by the Company of a written confirmation in a form and on terms (if any) satisfactory to the Company by the counterparts thereto, of the waiver of such restrictions or prohibition in relation to any such change arising from the transactions contemplated under the WBH SPA or of any such right to terminate;

(i) **Restructuring**. The transfer of the shares of WBH held by YMKR to CTE, such that CTE shall be the legal and beneficial owner of 70.0% of the WBH Sale Shares and WLI be the legal and beneficial owner of 30.0% of the WBH Sale Shares, and the updating of the register of members of WBH to reflect the same;

(j) **All Other Consents and Approvals**. The Company and the WBH Vendors having obtained all necessary bank consents and other necessary consents, approvals and waivers from all relevant third parties and/or authorities for the sale and transfer of the WBH Sale Shares from the WBH Vendors to the Company, the allotment and issue of the WBH Consideration Shares to the WBH Vendors or their Nominees, the transfer of the shares of WBH held by YMKR to the WBH Vendors and the transactions contemplated under the WBH SPA, and such consents, approvals and waivers not having been amended or revoked and remaining in full force and effect up to and including the completion date, and if such approval is subject to any condition or restriction, such condition and/or restriction being reasonably acceptable to the WBH Vendors or the Company (as the case may be);

(k) **Irrevocable Undertakings**. The receipt by the WBH Vendors of the irrevocable undertakings from EIGL and/or any shareholder(s) of the Company, as may be determined by the Company in its sole discretion and notified to the WBH Vendors in writing, to vote at the EGM in favour of the resolutions set out in Section 2.1.2(iii)(a) above;

(l) **Company's Due Diligence**. The results of a due diligence exercise by the Company and/or its representatives over the business, affairs, operations, assets, financial condition, prospects and records of WBH being reasonably satisfactory to the Company;

(m) **Transaction Deed**. The Transaction Deed having been entered into and coming into effect in accordance with its terms and not having been terminated, rescinded or revoked prior to the completion of the Proposed Transactions;

(n) **No Breach**. The WBH Acquisition, the allotment and issue of the WBH Consideration Shares by the Company to the WBH Vendors or their Nominees and the transactions contemplated under the WBH SPA not being prohibited by and not resulting in a breach of, any statute, order, rule, regulation, directive, guideline or request promulgated by, or any judgment or decree of, any legislative, executive, judicial or regulatory body or authority in Singapore or any other jurisdiction affecting the Company, the WBH Vendors or WBH;

(o) **No Delisting**. The Shares not having been delisted from the Mainboard or Catalist (as the case may be);

(p) **No Material Adverse Change**. There being no changes to the business, financial conditions or operations of the CJFH Group (save for the Proposed Disposal) or WBH since the date of the WBH SPA that would in the reasonable opinion of the WBH Vendors or the Company (as the case may be) be likely to have a material adverse effect;

(q) **Completion of the Proposed Disposal**. The completion of the Proposed Disposal;

(r) **CT8 SPAs**. The CT8 SPAs having been entered into and coming into effect in accordance with its terms, the conditions precedent contained therein being satisfied or waived in accordance with its terms (except with respect to the unconditionality of the WBH SPA) and such agreement not having been terminated in accordance with its terms;

(s) **Financial Assistance Whitewash**. All necessary consents, approvals, waivers, solvency statements and resolutions for the Financial Assistance having been obtained and all procedures and requirements of the Companies Act in relation to the Financial Assistance having been complied with; and

(t) **Assignment of Shareholders' Loans**: the Company and the WBH Vendors having entered into definitive agreements in relation to the assignment of the loans extended by the WBH Vendors to WBH to the Company.

Save for the WBH Conditions Precedent described in sub-paragraph (c), (i), (k), (m), (r) and (t) above which have been fulfilled and sub-paragraph (d) above which has been waived, all the WBH Conditions Precedent are pending fulfilment. It is intended that the WBH Conditions Precedent described in sub-paragraphs (a)(iv) and (q) above will be waived as the Company does not intend to undertake a rights issue prior to Completion.

(iv) Representations, warranties and undertakings

Both the Company and the WBH Vendors have in the WBH SPA provided to the other, various customary representations, warranties and undertakings pertaining to, among others, (i) authority and capacity; (ii) accuracy and adequacy of information; (iii) accounts and records; (iv) legal matters (including compliance with laws, such that the company has carried on an is carrying on its business and operations so that there have been no material breaches of any applicable laws, regulations or by-laws (including but not limited to any filing or notification requirement), in Singapore and there have not been and are not any material breaches by the company of its constitutional documents); (v) trading and contractual arrangements; (vi) assets; and (vii) employees and employee benefits.

2.2 The CT8 Acquisition

2.2.1 Sale and purchase agreements

On 13 June 2016, the Company entered into the CT8 SPA with CTE Resources for the purchase by the Company of 50.0% of the CT8 Sale Shares.

On 24 July 2017, after CTE purchased the remaining 50.0% of the total issued and paid-up share capital of CT8 which was not the subject of the CT8 SPA that the Company had entered into with CTE Resources, the Company entered into a separate CT8 SPA with CTE to purchase the remaining 50.0% of the CT8 Sale Shares. The total consideration for the CT8 Acquisition is the CT8 Consideration which amounts to S$17,420,791.00. The CT8 Sale Shares represent 100.0% of the issued and paid-up share capital of CT8.

The Company and CTE Resources have also entered into supplemental amendment letters on 22 September 2016, 25 April 2017 and 24 July 2017 to amongst others, extend the long-stop date of their CT8 SPA to 31 December 2017.

(i) CT8 Consideration

Pursuant to the CT8 SPAs, the CT8 Vendors shall sell and the Company shall purchase the CT8 Sale Shares for the CT8 Consideration. The CT8 Consideration shall be satisfied as follows:

(a) on Completion, S$6,823,514.15 shall be satisfied through the allotment and issue of the CT8 Consideration Shares at the Pre-Consolidation Issue Price; and

(b) on the CT8 Deferred Consideration Date, the CT8 Deferred Consideration Amount shall be paid in cash to the CT8 Vendors.

The CT8 Consideration was agreed on a willing-buyer and willing-seller basis after arm's length negotiations. The CT8 Consideration was arrived at and made on the bases set out below:

(a) the net asset value of CT8 as reflected in its unaudited management accounts and audited financial statements as at 31 December 2016 (the "**CT8 NAV**");

(b) the business and affairs of CT8 (including the incurrence of expenses) shall be managed properly and efficiently in good faith and in a business-like manner and consistent with best practices of companies carrying on similar businesses or owning property of a similar nature; and

(c) there are no material errors, misstatements, inaccuracies or inconsistencies in CT8's audited accounts for the financial year ended 31 December 2016 and/or the unaudited management accounts for the period commencing on 1 January 2016 and ending on the last day of the calendar month immediately preceding the Completion Date as prepared by the management of CT8.

If prior and up to the CT8 Deferred Consideration Date, any of the bases set out above is in any respect not accurate, complied with, fulfilled and/or satisfied at any time, the Company and the CT8 Vendors shall adjust the CT8 Deferred Consideration Amount by such amounts as may be agreed between them in writing.

(ii) CT8 Consideration Shares

Pursuant to the CT8 SPA, 1,364,702,830 new Pre-Consolidation Shares shall be allotted and issued to CTE and/or its Nominees, at the issue price of S$0.005 per CT8 Consideration Share. Please refer to the Section 20.3 of this Circular for more details of the shareholding effects after the completion of the Proposed Transactions.

The CT8 Consideration Shares will rank *pari passu* in all respects with the existing issued Shares as at the date of issuance of the WBH Consideration Shares.

(iii) CT8 Conditions Precedent

Completion of the CT8 Acquisition shall, unless waived, be conditional upon the CT8 Conditions Precedent. Any waiver(s) of the CT8 Conditions Precedent would be immediately announced by the Company together with the basis of waiver:

(a) **Shareholders' Approval**. The approval of the Shareholders at an EGM for the following matters, and such approval not having been withdrawn or revoked and remaining in full force and effect as at the Completion Date:

(i) the CT8 Acquisition;

(ii) the allotment and issue of the CT8 Consideration Shares by the Company to the CT8 Vendors and/or their respective Nominees;

(iii) the transactions contemplated under the WBH SPA and the CT8 SPA entered into on 13 June 2016;

(iv) the Proposed Disposal, if any; and

(v) the Proposed Transfer;

(b) **Independent Shareholder Approval for Proposed Whitewash Resolution**. The approval of the Independent Shareholders being obtained at the EGM for the Proposed Whitewash Resolution;

(c) **SIC Waiver**. The grant by SIC of a waiver (such waiver not having been withdrawn or revoked as at the completion date of the CT8 Acquisition) to the CT8 Vendors and/or the WBH Vendors and the respective parties acting in concert with the CT8 Vendors and/or the WBH Vendors, of their obligation to make a mandatory offer under Rule 14 of the Code for the Shares not held by the CT8 Vendors and/or the WBH Vendors and their respective concert parties, and from having to comply with the requirements of Rule 14 of the Code upon completion of the Proposed Acquisitions and the allotment and issue of the CT8 Consideration Shares to the CT8 Vendors and/or the WBH Consideration Shares to the WBH Vendors, and if such waiver is subject to any condition or restriction imposed by the SIC, such condition and/or restriction being reasonably acceptable to the CT8 Vendors and the Company;

(d) **SGX-ST Approval**. The approval of the SGX-ST for the CT8 Acquisition, the Proposed Transfer, the transactions contemplated under the WBH SPA having been obtained where necessary and such approval not having been withdrawn or revoked and remaining in full force and effect as at the completion date of the CT8 Acquisition, and if such approval is subject to any condition or restriction imposed by the SGX-ST, such condition and/or restriction being reasonably acceptable to CTE Resources and the Company;

(e) **SGX-ST Approval for Listing and Quotation**. The approval of the SGX-ST and the issuance of a listing and quotation notice from the SGX-ST for the admission of the CT8 Consideration Shares and such number of new Shares to be allotted and issued (if any) pursuant to a compliance placement, and the dealing and quotation of such Shares on the Mainboard or Catalist (as the case may be)

upon the allotment and issue of such Shares, and such approval not having been withdrawn or revoked and remaining in full force and effect, and if such approval is subject to any condition or restriction imposed by the SGX-ST, such condition and/or restriction being reasonably acceptable to CTE Resources and the Company;

(f) **Governmental Approvals for Company**. The licences, authorisations, orders, grants, confirmations, permissions, registrations, waivers, exemptions and other approvals necessary or desirable for or in respect of the CT8 Acquisition, the allotment and issue of the CT8 Consideration Shares to the CT8 Vendors or their respective Nominees and the transactions contemplated under the CT8 SPA, having been obtained from the appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies on terms reasonably satisfactory to the Company and such licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals continuing to remain in full force and effect up to and including the completion date of the CT8 Acquisition, and if such approval is subject to any condition or restriction, such condition and/or restriction being reasonably acceptable to the CT8 Vendors and the Company;

(g) **Governmental Approvals for CTE Resources**. The licences, authorisations, orders, grants, confirmations, permissions, registrations, waivers, exemptions and other approvals necessary or desirable for or in respect of the sale of the CT8 Sale Shares by the CT8 Vendors to the Company and the transactions contemplated under the CT8 SPA, having been obtained from the appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies on terms reasonably satisfactory to the CT8 Vendors and such licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals continuing to remain in full force and effect up to and including the completion date of the CT8 Acquisition, and if such approval is subject to any condition or restriction, such condition and/or restriction being reasonably acceptable to the CT8 Vendors and the Company;

(h) **Change in Control Approval**. Where the terms of any agreement or arrangement to which CT8 is a party or is bound by and which is of material importance to the business, affairs, operations, assets, profits or financial condition of CT8 contain any restrictions or prohibition on the change in control of the shareholdings or the board of directors of CT8 or include any right to terminate exercisable prior to or as a result of any matter contemplated by the CT8 SPA including but not limited to the sale and transfer of the CT8 Sale Shares from the CT8 Vendors to the Company, receipt by the Company of a written confirmation in a form and on terms (if any) satisfactory to the Company by the counterparts thereto, of the waiver of such restrictions or prohibition in relation to any such change arising from the transactions contemplated under the CT8 SPA or of any such right to terminate;

(i) **All Other Consents and Approvals**. The Company and the CT8 Vendors having obtained all necessary bank consents and other necessary consents, approvals and waivers from all relevant third parties and/or authorities for the sale and transfer of the CT8 Sale Shares from the CT8 Vendors to the Company, the allotment and issue of the CT8 Consideration Shares to the CT8 Vendors or their respective Nominees and the transactions contemplated under the CT8

SPA, and such consents, approvals and waivers not having been amended or revoked and remaining in full force and effect up to and including the completion date, and if such approval is subject to any condition or restriction, such condition and/or restriction being reasonably acceptable to the CT8 Vendors or the Company (as the case may be);

(j) **Irrevocable Undertakings**. The receipt by the CT8 Vendors of the irrevocable undertakings from EIGL and/or any shareholder(s) of the Company, as may be determined by the Company in its sole discretion and notified to the CT8 Vendors in writing, to vote at the EGM in favour of the resolutions set out in Section 2.2.1(iii)(a) above;

(k) **Company's Due Diligence**. The results of a due diligence exercise by the Company and/or its representatives over the business, affairs, operations, assets, financial condition, prospects and records of CT8 being reasonably satisfactory to the Company;

(l) **No Breach**. The CT8 Acquisition, the allotment and issue of the CT8 Consideration Shares by the Company to the CT8 Vendors or their respective Nominees and the transactions contemplated under the CT8 SPA not being prohibited by and not resulting in a breach of any statute, order, rule, regulation, directive, guideline or request promulgated by, or any judgment or decree of, any legislative, executive, judicial or regulatory body or authority in Singapore or any other jurisdiction affecting the Company, CT8 or the CT8 Vendors;

(m) **No Delisting**. The Shares not having been delisted from the Mainboard or Catalist (as the case may be);

(n) **No Material Adverse Change**. There being no changes to the business, financial condition or operations of the CJFH Group (save for the Proposed Disposal) or CT8 since the date of the CT8 SPA that would in the reasonable opinion of the CT8 Vendors or the Company (as the case may be) be likely to have a material adverse effect;

(o) **Completion of the Proposed Disposal**. The completion of the Proposed Disposal;

(p) **WBH SPA**. The WBH SPA having been entered into and coming into effect in accordance with its terms, the conditions precedent contained therein being satisfied or waived in accordance with its terms (except with respect to the unconditionality of the CT8 SPA) and such agreement not having been terminated in accordance with its terms;

(q) **Financial Assistance Whitewash**. All necessary consents, approvals, waivers, solvency statements and resolutions for the provision of Financial Assistance having been obtained and all procedures and requirements of the Companies Act in relation to the Financial Assistance having been complied with; and

(r) **New Loan**: (i) In respect of the mortgage loan to be obtained by CT8 and/or the Company, all necessary consents, approvals and waivers which have not been amended or revoked having been obtained and remaining in full force and effect up to and including the completion date of the CT8 Acquisition, (ii) the necessary definitive agreements, deeds and/or instruments in respect of such loan having been entered into such that the loan shall be made available to CT8 and/or the Company (as the case may be) prior to or on the CT8 Deferred Consideration Date, and (iii) all necessary consents, approvals, undertakings, deeds and waivers having been obtained such that all of the monies advanced under the loan shall be made available to the Company by no later than the CT8 Deferred Consideration Date.

Save for the CT8 Conditions Precedent described in sub-paragraph (c), (j), (o) and (p) above which have been fulfilled and sub-paragraph (d) above which has been waived, all the CT8 Conditions Precedent are pending fulfilment. It is intended that the CT8 Conditions Precedent described in sub-paragraphs (a)(iv) and (q) above will be waived as the Company does not intend to undertake a rights issue prior to Completion.

(iv) Representations, warranties and undertakings

The Company and the CT8 Vendors have in the CT8 SPAs provided to the other, various customary representations, warranties and undertakings pertaining to, among others, (i) authority and capacity; (ii) accuracy and adequacy of information; (iii) accounts and records; (iv) legal matters (including compliance with laws, such that the company has carried on an is carrying on its business and operations so that there have been no material breaches of any applicable laws, regulations or by-laws (including but not limited to any filing or notification requirement), in Singapore and there have not been and are not any material breaches by the company of its constitutional documents); (v) trading and contractual arrangements; (vi) assets; and (vii) employees and employee benefits.

2.3 Other Terms of the Proposed WBH Acquisition and the CT8 Acquisition

2.3.1 Pre-Consolidation Issue Price

The Pre-Consolidation Issue Price of S$0.005 represents a discount of approximately 72.2% from the last transacted price of the Shares of S$0.018 on the SGX-ST on 13 April 2015, being the last trading day of the Shares prior the suspension of trading of the Shares.

The Pre-Consolidation Issue Price was determined based on the last traded share price at the time of the negotiations for the WBH SPA and CT8 SPAs. As at 31 December 2016, the NTL per Share is RMB0.2 (approximately S$0.04) based on the NTL of RMB76.4 million (approximately S$15.9 million) as at 31 December 2016. The Pre-Consolidation Issue Price represents a premium to the NTL per Share of the CJFH Group as at 31 December 2016.

2.3.2 Completion

The WBH Acquisition and the CT8 Acquisition are intended to complete simultaneously.

Under the terms of the WBH SPA and CT8 SPAs, the WBH Acquisition and CT8 Acquisition are inter-conditional upon the completion of each other.

If any of the Conditions Precedent is not satisfied or is not waived by the Company and/or the Vendors (as the case may be) by the Long-Stop Date of 31 December 2017 or such other date as may be mutually agreed by the Company and the Vendors in writing, the WBH SPA and CT8 SPAs shall terminate, save for certain surviving clauses which relate to, amongst others, confidentiality and costs, and in that event, the Company and the Vendors shall be released and discharged from their respective obligations under the WBH SPA and CT8 SPAs and such release and discharge shall be without prejudice to the right of the Company or the Vendors to claim against one another for any antecedent breach of any obligations and liabilities under the WBH SPA and CT8 SPAs.

Subject to fulfilment or waiver (as the case may be) of all the Conditions Precedent, Completion will take place on the date falling five (5) Business Days after the fulfilment or waiver of all the Conditions Precedent or such other date as the Vendors and the Company may mutually agree in writing.

2.3.3 Minimum Gross Rental Income for OCW Units

On 14 November 2017, Ng Chee Beng entered into the Transaction Deed to undertake to the Company that the gross rental income for the OCW Units shall be at least S$6.00 psf/month (based on the historical rental rates for the OCW Units for FY2016) for a period of three (3) years following completion of the Proposed Acquisitions, amounting to an aggregate of S$1,200,960 per annum based on the aggregate net leasable area of the OCW Units of 16,680 sqft.

Under the terms of the Transaction Deed, the Company will notify Ng Chee Beng every quarter following the Completion for a period of three (3) years, of the amount of shortfall (if any) between the gross rental income of the OCW Units for that quarter based on the management accounts of WBH, and the amount guaranteed by Ng Chee Beng every quarter, and Ng Chee Beng shall pay such shortfall without demand within 14 business days of such notice.

The Company shall, not later than 14 business days after it announces its audited financial statements for FY2017, FY2018, FY2019 and FY2020, furnish to Ng Chee Beng the audited accounts of WBH for the relevant financial year together with the statements by the auditor of WBH which shall set out, among others, the audited gross rental income of the OCW Units for that financial year, for the purpose of enabling Ng Chee Beng to verify whether or not the aggregate shortfall paid for that financial year is equal to the shortfall determined based on the audited gross rental income of the OCW Units.

Where the aggregate shortfall paid by Ng Chee Beng for any financial year:

(a) exceeds the shortfall determined based on the audited gross rental income of the OCW Units, the Company shall refund to Ng Chee Beng an amount equivalent to the excess, not later than 14 business days after the Company's receipt of the audited financial statements for each of FY2017, FY2018, FY2019 and FY2020; or

(b) is less than the shortfall determined based on the audited gross rental income of the OCW Units, Ng Chee Beng shall pay to the Company an amount equivalent to the difference, not later than 14 business days after his receipt of the audited financial statements for each of FY 2017, FY2018, FY2019 and FY2020.

Based on the assumption that the OCW Units are fully tenanted and based on a net leasable area of 16,680 sqft, the maximum aggregate shortfall payable by Ng Chee Beng pursuant to the Transaction Deed for FY2018 is expected to be approximately S$38,152.

The Existing Directors and Proposed Directors are of the view that it was reasonable for the WBH Vendors to provide the Transaction Deed, so as to safeguard the interest of the Company in the Proposed Acquisitions.

2.3.4 Mortgage Loan

The Enlarged Group intends to re-mortgage the OCW Units and the remaining unsold units in Tagore 8 upon Completion to secure bank loan(s) to pay the cash portions of the WBH Consideration and CT8 Consideration.

The Enlarged Group has signed indicative term sheets for such loans, the terms of which are still subject to negotiation and pending the signing of definitive agreements following Completion. These term sheets contain covenants that include, among others, restrictions on changes of control in shareholding and/or management of the Company. Based on discussions between the lending bank and the Company, the lending bank is aware that the Company is in the process of undergoing a potential restructuring exercise, which may result in a direct or indirect change in the existing shareholding and management of the Company and has indicated to the Company that it would have no objections to any change in shareholding and/or management in the Company as a result of such restructuring exercise, subject to the entering of definitive loan agreements following Completion.

2.3.5 Voting Undertaking

Pursuant to the terms of the WBH SPA and CT8 SPAs, EIGL has executed a deed in favour of the WBH Vendors and the CT8 Vendors, undertaking not to, amongst others, dispose or otherwise deal with all of the Shares which they have an interest in before the completion of the WBH Acquisition and CT8 Acquisition and to vote in favour of the Proposed Transactions.

As at the date of this Circular, EIGL has a direct interest in 88,880,000 Shares, representing 24.7% of the issued share capital of the Company.

EIGL has irrevocably undertaken:

(a) to exercise or procure the exercise at the EGM and such adjournments thereof, in respect of all, and not some only, of the voting rights attached to the Shares held by it and any other Shares of which it may hereafter become the beneficial owner or in which it may become so interested, in favour of the following resolutions:

(i) the proposed WBH Acquisition;

(ii) the proposed CT8 Acquisition;

(iii) the transactions contemplated under the WBH SPA and the CT8 SPAs;

(iv) the Proposed Disposal;

(v) the Proposed Transfer; and

(b) to hold or control its Shares up to and including the date of the EGM.

Under the terms of the undertaking, the WBH Vendors and the CT8 Vendors are not obliged to complete the proposed WBH Acquisition or proposed CT8 Acquisition, however, EIGL's obligations under the undertaking shall lapse if the proposed WBH Acquisition or proposed CT8 Acquisition does not complete in accordance with the terms and conditions of the WBH SPA and the CT8 SPAs (not being attributable to the default of any of EIGL's obligations under the undertaking).

2.4 The Kempas Acquisition

2.4.1 Kempas Agreement

On 1 October 2017, Tree Top Realty, a wholly-owned subsidiary of the Company entered into the Kempas Agreement with the Kempas Vendor for the purchase of the Kempas Land from the Kempas Vendor for the Kempas Consideration.

The Kempas Vendor is the registered and beneficial owner of the Kempas Land.

2.4.2 Certain Terms and Conditions of the Kempas Acquisition Agreement

(i) Consideration

Pursuant to the Kempas Agreement, the Kempas Vendor shall sell, and Tree Top Realty shall purchase, Kempas Land for the Kempas Consideration of RM12.0 million. The Kempas Consideration shall be satisfied by Tree Top Realty in cash, in the following manner:

(a) within 30 days from the date the Kempas Agreement, the sum of RM600,000 shall be paid to and retained by the solicitors to the Kempas Vendor who shall give good discharge and receipt for and on behalf of the Kempas Vendor as a deposit towards account of the purchase consideration; and

(b) on or before the date falling 60 days after the date on which all conditions precedent set out in the Kempas Agreement are satisfied, the balance of the Kempas Consideration being RM11.4 million shall be paid to the solicitors to the Kempas Vendor, to be released to the Kempas Vendor on the 14th day following the day upon which the documents necessary to enable registration of the transfer of Kempas Land are presented for registration at the land registry or 21 days from the date of receipt of the documents of title by the solicitors of Tree Top Realty, whichever is the earlier, and legal/vacant possession of Kempas Land having been deemed to be delivered to Tree Top Realty.

The Kempas Consideration was agreed on a willing-buyer and willing-seller basis after arm's length negotiations and is supported by the valuation of Kempas Land as assessed by the Independent Valuer (Kempas Land) which was engaged by the Company to provide an independent valuation of Kempas Land.

Please refer to Section 2.7 of this Circular titled "Independent Valuation Letters" for further details on the valuation undertaken on Kempas Land.

(ii) Conditions Precedent

The Kempas Acquisition is conditional upon the following conditions precedent being obtained and/or fulfilled by 31 January 2018:

(a) issuance of original separate individual issue documents of title by the relevant authority to the Kempas Vendor pursuant to the surrender and re-alienation application submitted by the Kempas Vendor under the provisions of the National Land Code of Malaysia;

(b) the approval of the relevant authority for the transfer of Kempas Land by the Kempas Vendor to Tree Top Realty having been obtained;

(c) completion of the Proposed Transactions (save for the Kempas Acquisition) to be confirmed by Tree Top Realty in writing; and

(d) the approval of the Company as the shareholder of Tree Top Realty, at an EGM to be convened, for the acquisition of Kempas Land in accordance with the terms and conditions of the Kempas Agreement, if deemed necessary by Tree Top Realty.

(iii) Additional Undertakings

The Kempas Vendor has irrevocably covenanted and agreed that Tree Top Realty shall be vested and conferred with and granted with all its rights, benefits, interests and obligations in respect of the Kempas Industrial Project, the planning permission granted by the Johor Bahru City Council to the Kempas Vendor in relation to the Kempas Industrial Project, the layout plan approved under the said planning permission, the building plan and any other development order(s), planning permissions, permits, licences, consents and approvals obtained in respect of the Kempas Industrial Project, after the completion of the Kempas Acquisition. The Kempas Vendor shall deliver and sign all documents which is necessary to enable Tree Top Realty to receive and assume conduct and control of the Kempas Industrial Project.

(iv) Other representations, warranties and undertakings

Both Tree Top Realty and the Kempas Vendor have in the Kempas Agreement provided to the other, various customary representations, warranties and undertakings.

Please refer to Section 17 of this Circular titled "Information on the Kempas Land" for further details on the Kempas Land.

2.5 Moratoriums

CTE and Ng Chee Beng

The Proposed Acquisitions, being within the ambit of Rule 1015 of the Catalist Rules, is subject to the moratorium requirements specified in Rules 420, 421 and 422 of the Catalist Rules. As such, each of Ng Chee Beng and CTE has provided an undertaking to the Sponsor to observe a moratorium on the transfer of, amongst others, their Consideration Shares and, where relevant, their effective interest in such Shares, as further particularised below.

Immediately after the completion of the Proposed Transactions, CTE, will have a direct interest in 34,911,777 Consolidated Shares representing approximately 50.7% of the Enlarged Share Capital (the "**CTE Shares**"). CTE has undertaken not to (i) directly or indirectly, sell, contract to sell, offer, realise, transfer, pledge, assign, grant any option or right to acquire, grant any security over or otherwise dispose of or encumber ("**Disposal**"); or (ii) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a Disposal of:

(a) any part of its direct and effective interest in the CTE Shares for the First Lock-Up Period; and

(b) 50.0% or more of its original direct and effective interest in the CTE Shares for the Second Lock-Up Period.

Immediately after the completion of the Proposed Transactions, Ng Chee Beng, will have a direct interest in 7,500,000 Consolidated Shares representing an aggregate of approximately 10.9% of the Enlarged Share Capital and an indirect interest in 34,911,777 Consolidated Shares representing an aggregate of approximately 50.7% of the Enlarged Share Capital by virtue of his interests in CTE (the "**NCB Shares**"). Ng Chee Beng has undertaken not to (i) directly or indirectly, effect a Disposal; or (ii) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a Disposal of any part of his direct and effective interest in the NCB Shares (less the 7,500,000 Consolidated Shares that he will receive as Repayment Shares and sell prior to the resumption of trading of the Shares on the SGX-ST) for a period of 12 months commencing from the Completion Date. The remaining unsold Repayment Shares belonging to Ng Chee Beng will be subject to the moratorium.

The moratoriums are given in accordance with Rule 1015(3) of the Catalist Rules assuming that Resolution 14 providing for the transfer of the listing of the Company from the Mainboard to Catalist is passed.

Daniel Long

Immediately after the completion of the Proposed Transactions, Daniel Long will have a direct interest representing 3.6% of the Enlarged Share Capital. Daniel Long has undertaken not to (i) directly or indirectly, effect a Disposal; or (ii) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a Disposal of:

(a) any part of his direct and effective interest in the 2,500,000 Consolidated Shares received as Shares, for the First Lock-Up Period; and

(b) 50.0% or more his direct and effective interest in the 2,500,000 Consolidated Shares received as Repayment Shares, for the Second Lock-Up Period.

EIGL and Providence SOGF Limited

Immediately after the completion of the Proposed Transactions, EIGL will have a direct interest representing an aggregate of approximately 3.2% of the Enlarged Share Capital (the "**EIGL Shares**"). EIGL has undertaken not to (i) directly or indirectly, effect a Disposal; or (ii) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a Disposal of:

(a) any part of its direct and effective interest in the EIGL Shares for the First Lock-Up Period; and

(b) 50.0% or more of its original direct and effective interest in the EIGL Shares for the Second Lock-Up Period.

In addition, Providence SOGF Limited, which has a direct interest in approximately 17.9% of the issued and paid-up capital of EIGL (which comprises ordinary and preference shares) (the "**PSOGF Shares**"), has undertaken not to (i) directly or indirectly, effect a Disposal; or (ii) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a Disposal of any part of its direct and effective interest in the PSOGF Shares for a period of 12 months commencing from the Completion Date.

Our CEO and Director, Daniel Long is also a director and shareholder of Providence SOGF Limited.

Sponsor and Financial Adviser

Immediately after the completion of the Proposed Transactions, and in the event that the Company pays the Sponsor and Financial Adviser's fees by the issue and allotment of Professional Adviser's Shares, up to 80,000,000 new Pre-Consolidation Shares, or 2,000,000 Consolidated Shares, will be allotted and issued to the Financial Adviser at the Pre-Consolidation Issue Price, representing 2.9% of the Enlarged Share Capital. The Sponsor and Financial Adviser has provided an undertaking in respect of the Professional Advisers' Shares that will be allotted and issued to them, that they will not (i) directly or indirectly, effect a Disposal; or (ii) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a Disposal of any part of their direct and effective interest in the Professional Advisers' Shares, for the period being three (3) months from the Listing Date.

2.6 Right of Participation Undertakings

Ng Chee Beng has provided to the Company a right of participation undertaking ("**NCB ROPU**") in favour of the Company in relation to future development projects that he and/or any other special purpose development vehicles in which he is able to exercise control e.g. CTE ("**SPVs**") may undertake, as long as he remains a controlling shareholder of the Company.

In addition, PCM has provided to the Company a right of participation undertaking ("**PCM ROPU**") to allow the Company to participate in any real estate development opportunities presented to it and/or the funds it manages and advises ("**Business Opportunity**") for as long as Daniel Long continues to be the CEO of the Company and/or under the employment of PCM.

Please refer to the Section 28.5 titled "Potential Conflicts of Interest" of this Circular for more details on NCB ROPU and the PCM ROPU.

2.7 Independent Valuation Letters

Pursuant to Rule 1015(3) of the Catalist Rules, a competent and independent valuer has to be appointed to value the incoming business. The Company has commissioned (a) the Independent Valuer (Target Companies) to provide an independent valuation of a 100.0% interest in WBH and CT8; and (b) the Independent Valuer (Kempas Land) to provide an independent valuation of Kempas Land.

2.7.1 Valuation of Target Companies

The Independent Valuer (Target Companies) has been commissioned by the Company to provide an independent valuation and determine the fair market value of WBH and CT8. Please refer to Appendix C to this Circular titled "Independent Valuation Letter in respect of the Target Companies" for further details. The estimated fair market value range of 100.0% of the share capital of WBH as at 30 June 2017 is between $6.5 million to $7.4 million (taking into account the bank loan amounting to approximately S$4.3 million which will be inherited by the Company pursuant to the WBH SPA), and estimated fair market value of 100.0% of the share capital of CT8 as at 30 June 2017 is S$21.7 million (which takes into account the potential proceeds which CT8 could receive from the remaining unsold units in Tagore 8 based on their indicative market value).

The WBH Consideration represents a range of between a premium of 3.6% to a discount of 8.5% in respect of the lower and upper range respectively of the fair market value of WBH.

The CT8 Consideration represents a discount of 19.8% to the fair market value of CT8 (which takes into account the potential proceeds which CT8 could receive from the remaining unsold units in Tagore 8 based on their indicative market value) as at 30 June 2017.

In selecting the appropriate methodology to be adopted in valuing the Target Companies, the Independent Valuer (Target Companies) considered the following:

(a) the nature of the business of the Target Companies;

(b) the availability of financial data of the Target Companies;

(c) the availability of data for comparable companies; and

(d) the current condition and future business plans for Target Companies.

To determine the estimated fair market value range of WBH, the Independent Valuer (Target Companies) applied the income approach as a primary approach and the net asset value approach as a secondary cross-check to the valuation derived from the income approach. The income approach measures the value of the subject business by its ability to generate future cash flows. Under the income approach, the fair market value range of a company is arrived at from the value of the future free cash flows expected to be generated from the business of the company during its life, and discounted with a risk-adjusted discount rate commensurate with the risk of the business (i.e. a discounted cash flow model). The central tasks in this approach are the projection of the future free cash flows and the determination of an appropriate discount rate. Under the net asset value approach, the fair market value range of a company is based on the net asset value of the company which is determined by marking the assets and liabilities of the company to current market value. The Independent Valuer (Target Companies) applied a discounted cash flow analysis based on the financial forecast of WBH provided to them by the management and, as a cross-check, obtained WBH's net asset value by making reference to WBH's unaudited financial statements as at 30 June 2017 and adjusted its net book value to reflect the fair value of assets and liabilities of WBH.

The WBH Consideration represents a premium of 390.6% to the net asset value of WBH as reflected in its unaudited management accounts and audited financial statements as at 31 December 2016.

To determine the estimated fair market value range of CT8, the Independent Valuer (Target Companies) applied the net asset value approach to estimate the fair market value of CT8's business, as the value of CT8's business of property development and real estate investment, lies in the value of its underlying assets. The net asset value approach considers the fair value of the net assets as at the date of valuation and was deemed to be the most appropriate method to estimate the fair market value of CT8.

The CT8 Consideration represents a premium of 2.0% to the net asset value of CT8 as reflected in its unaudited management accounts and audited financial statements as at 31 December 2016. The CT8 Consideration was referenced against the net asset value of CT8 as at 31 December 2016 and did not take into account the total sale proceeds of S$7.5 million for the four Tagore 8 units sold subsequent to 31 December 2016.

2.7.2 Valuation of Kempas Land

Please refer to Appendix B to this Circular titled "Kempas Certificate of Valuation" for the valuation letter on Kempas Land prepared by the Independent Valuer (Kempas Land), for further details. As set out at page 1 of the valuation letter prepared by the Independent Valuer (Kempas Land), the value of Kempas Land as at 30 August 2017 on an "as is" basis is RM12.0 million. Assuming that the individual titles of the Kempas Land are issued under industrial usage, conveying a freehold interest over a provisional land area of approximately 2.2 hectares which is good, registrable and marketable, the value of Kempas Land as at 30 August 2017 is RM12.5 million.

To determine the market value of the Kempas Land, the Independent Valuer (Kempas Land) applied the comparison approach as the primary approach and the residual method as the secondary cross-check to the valuation derived from the comparison approach. The comparison method involves the comparing and analysis of recent transactions of similar types of property in the locality or similar location and making the relevant adjustments to factors affecting value to arrive at the market value of the property. Listings and offers may

also be considered. The residual method is based on the premise that the price which a purchaser can pay for a property is the present value of the surplus amount or residual value after deducting out the full cost of development (Gross Development Cost) and profit from the sales proceeds (Gross Development Value) of the completed development, which is then discounted at an appropriate rate to reflect the inherent risk and holding cost for the period of development to arrive at the current market value.

2.7.3 Inspection of Valuation Letters

Shareholders should read and consider carefully the analysis of the Independent Valuer (Target Companies) on the valuation of the business of the Target Companies as contained in the Target Companies Independent Valuation Letter, and of the Independent Valuer (Kempas Land) on the valuation of Kempas Land as contained in the Kempas Land Valuation Letter in its entirety before deciding whether or not to approve the Proposed Transactions.

The Target Companies Independent Valuation Letter and the Kempas Land Valuation Letter are available for inspection at the registered office of the Company during normal business hours for a period of six (6) months from the date of this Circular. Please refer to Section 45 to this Circular titled "Documents for Available Inspection" for further details.

2.8 Property Valuation Letters

Pursuant to Rule 416(2) of the Catalist Rules, a property development company applying for admission must appoint an independent external valuer to conduct a valuation of all its principal freehold and leasehold properties. The Property Valuer has been commissioned by the Company to provide an independent valuation and determine the open market values of its OCW Units and the unsold units in Tagore 8.

The Property Valuer valued the OCW Units in its existing continued use by the Comparable Sales Method. In this method, a comparison is made with sales of similar properties in the vicinity and adjustments are made for differences in location, floor loading, ceiling height, floor area, age, condition, tenure, design and layout, dates of transaction and the prevailing market conditions etc. before arriving at the value of the OCW Units and the unsold units in Tagore 8.

As at 30 September 2017, being the date of the valuation letter issued by the Property Valuer in respect of the valuation of the OCW Units, taking into consideration the current market conditions and other relevant factors, the aggregate open market value of the OCW Units, with vacant possession and free from encumbrances, is S$12,166,000.

As at 30 September 2017, being the date of the valuation letter issued by the Property Valuer in respect of the valuation of the unsold units in Tagore 8, taking into consideration the current market conditions and other relevant factors, the aggregate open market value of the unsold units in Tagore 8 as at 30 June 2017, with vacant possession and free from encumbrances, is S$18,702,000. The aggregate open market value of the remaining unsold units as at the Latest Practicable Date, based on the values determined as at 30 June 2017 is S$11.3 million.

Please refer to Appendix D titled "Property Valuation Letters in respect of the OCW Units and Tagore 8 units" to this Circular for further details.

Shareholders should read and consider carefully the analysis of the Property Valuer on the valuation of the OCW Units and the unsold units in Tagore 8 as contained in the Property Valuation Letters in their entirety before deciding whether or not to approve the Proposed Transactions. The Property Valuation Letters and the full property valuation letters on the OCW Units and the unsold Tagore 8 units are available for inspection at the registered office of the Company during normal business hours for a period of six (6) months from the date of this Circular. Please refer to Section 45 to this Circular titled "Documents Available for Inspection" for further details.

2.9 Rationale for the Proposed Acquisitions

Since the Company's designation as a cash company on 14 April 2015, the Existing Directors have been actively searching for a new business to revitalise the Company and to steer the Company to profitability. The Proposed Acquisitions are intended to transform the Company into a real estate developer and investment company which is backed by the network and experience of strong long-term shareholders who have extensive expertise in real estate development.

Immediately after Completion and assuming that all 300,000,000 Repayment Shares are issued and allotted to Ng Chee Beng, Ng Chee Beng will become the Controlling Shareholder of the Company holding 61.6% of the issued and paid-up share capital of the Company. Ng Chee Beng is a director of CTE and has over 30 years of experience in the real estate industry.

CT8, which will become part of the Enlarged Group, has a track record in real estate development and is profitable. The Company was able to negotiate with Ng Chee Beng a favourable price to acquire CT8. The CT8 Consideration that the Company has agreed to pay under the terms of the CT8 SPAs was arrived at based on CT8's book value as at 31 December 2016.

The CT8 Acquisition will allow the Company to:

(1) venture into the property development industry with a good management team who has extensive track record in real estate development;

(2) generate cash flow from the Completion as the units have already been developed and are ready to be sold; and

(3) realise profits as the CT8 Consideration factors in a discount of approximately 20.0% to the average selling price of comparable units sold in Tagore 8.

A further benefit of the CT8 Acquisition is that it propels the Company's growth inorganically and allows the Company to acquire a track record of a successfully completed development, even before it embarks on the property development business. The Company believes that such a track record is important as it would impart confidence to the Company's potential partners and lend credence to the Company's capabilities in this business as it builds up its portfolio of property development projects.

In addition, the Enlarged Group will own 13 leasehold units in One Commonwealth, six unsold units in Tagore 8 and the Kempas Land which is available for immediate development. As at the Latest Practicable Date, the option-to-purchase in respect of two (2) out of the six (6) unsold units in Tagore 8 has been exercised.

The Company will be obtaining the CT8 Sale Shares at a consideration which is equivalent to the net book value of CT8 as at 31 December 2016. The revenue from the sale of the remaining Tagore 8 units and the rental income from the rental of the OCW Units will provide the Company with a steady stream of income while the Company pursues new real estate development opportunities, the immediate one being the project to be developed on Kempas Land.

The Kempas Land is located in central Johor Bahru, Malaysia, approximately 10 minutes' drive from the Johor Customs, Immigration, and Quarantine Complex, reportedly close to a future Mass Rapid Transit station, and a meaningful distance away from the sizable condominium developments and close to the coast.

The Company's current and preliminary plan is to develop the Kempas Land, either on its own or jointly with another developer, which is approximately 239,669 sqft in size into fourteen units of 2.5-storey detached light industrial industrial and/or showroom units with total saleable floor area ("**SFA**") of approximately 147,830 sqft (the "**Kempas Industrial Project**"). The Kempas Vendor has already obtained a planning permission issued by the Johor Bahru City Council to carry out the development of the Kempas Industrial Project on the Kempas Land. The Board believes in the long-term growth of the Malaysian real estate market and is of the view that the Kempas Acquisition is strategic to the Company's foray into the real estate development business. It is intended that the Kempas Industrial Project be the first and immediate property development project that the Group will undertake following the completion of the Proposed Acquisitions. The Company expects to begin development work on the Kempas Industrial Project following completion of the acquisition of the Kempas Land and expects to commence pre-sales of the developed industrial units in the second half of 2018.

The Proposed Acquisitions are further expected to increase the market capitalisation of the Company significantly, raise the profile of the Company and generate investors' interest in the Company. Critically, it is also hoped that the Proposed Acquisitions and re-listing of the Company's shares on SGX-ST will offer the Company's minority shareholders an opportunity to recover some of their investment in the Company.

For the reasons above, the Existing Directors are of the view that the Proposed Acquisitions are likely to enhance the long-term interests of the Shareholders.

2.10 The Proposed Acquisitions constitute a Reverse Takeover

For the purposes of Chapter 10 of the Catalist Rules, the relative figures of the Proposed Acquisitions computed on the bases set out in Rule 1006(a) to (e) of the Catalist Rules are as follows:

	Bases under Rule 1006	**Notes**	**WBH Acquisition**	**CT8 Acquisition**	**Kempas Acquisition**	**Aggregate**
(a)	The net asset value of the asset to be disposed of, compared with CJFH Group's net asset value	(1)	Not applicable	Not applicable	Not applicable	Not applicable

	Bases under Rule 1006	Notes	WBH Acquisition	CT8 Acquisition	Kempas Acquisition	Aggregate
(b)	The net profit attributable to the assets acquired or disposed of, compared with CJFH Group's net profit	(2)	Not meaningful	Not meaningful	Not applicable	Not meaningful
(c)	Aggregate value of the consideration to be given or received compared with the Company's market capitalisation (excluding treasury shares)	(3)	108.8%	268.9%	59.8%	437.5%[(6)]
(d)	The number of equity securities issued by the Company as consideration compared with the number of Shares previously in issue	(4)	137.1%	379.2%	Not applicable	516.3%
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of CJFH Group's proved and probable reserves	(5)	Not applicable	Not applicable	Not applicable	Not applicable

Notes:

(1) Rule 1006(a) is not applicable to an acquisition of assets.

(2) "Net profit" means profit or loss before income tax, minority interests and extraordinary items as defined under Rule 1002(3). The relative figures under Rule 1006(b) are not meaningful as CJFH Group is loss-making while the assets to be acquired pursuant to the Proposed Acquisitions are profitable.

The net profit attributable to the WBH Acquisition is approximately S$25,000 for the financial year ended 31 December 2016 and the net profit attributable to the CT8 Acquisition is approximately S$751,000 for financial year ended 31 December 2016. CJFH Group's loss for FY2016 is approximately RMB20.8 million or approximately S$4.3 million based on the currency exchange rate of S$1.00:RMB4.80388 as at 31 December 2016.

(3) Based on the CT8 Consideration, WBH Consideration and Kempas Consideration, assuming that no adjustments are made pursuant to the terms of the WBH SPA, CT8 SPA and Kempas SPA, and assuming the total consideration for the Proposed Acquisitions is approximately S$28.3 million. The Company's market capitalisation of approximately S$6.5 million is determined by multiplying 359,900,000 Shares (excluding treasury shares) in issue by the volume weighted average price of the Shares of S$0.018 last transacted on 13 April 2015.

In the computation of the relative figure of WBH Acquisition, the WBH Consideration is assumed to be S$7,047,806.03. In the computation of the relative figure of CT8 Acquisition, the CT8 Consideration is assumed to be S$17,420,791.00. In computation of the relative figure of the Kempas Acquisition, the Kempas Consideration is assumed to be RM12.0 million (approximately S$3.9 million).

(4) Based on (i) the aggregate of 1,858,049,252 pre-Consolidated Shares to be issued by the Company (without taking into account the effect of the share consolidation to be carried out by the Company, the issue of Professional Advisers' Shares and the issue of Repayment Shares); and (ii) the Company's issued and paid-up share capital of 359,900,000 Shares (excluding treasury shares) as at the date of this Circular.

(5) Rule 1006(e) is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company and is not applicable to Proposed Acquisitions.

(6) The discrepancy between the total and the listed amounts is due to rounding.

As the relative figures computed under Rule 1006(c) and (d) of the Catalist Rules exceed 100.0% and the Proposed Acquisitions will result in a change of control of the Company, the Proposed Acquisitions constitute a reverse takeover pursuant to Rule 1015 of the Catalist Rules. Accordingly, the Proposed Acquisitions are subject to the approval of Shareholders.

2.11 Further information

Section 2 titled "Details of the Proposed Acquisitions" of this Circular contains only a summarised description of various provisions from the WBH SPA and the CT8 SPAs, which are available for inspection. Accordingly, Section 2 titled "Details of the Proposed Acquisitions" of this Circular is qualified by, and should be read in conjunction with, the full terms of the WBH SPA and the CT8 SPAs.

3. THE PROPOSED WHITEWASH RESOLUTION

3.1 Rule 14 of the Code

Under Rule 14 of the Code and Section 139 of the SFA, unless such obligation is waived by the SIC, where:

(a) any person acquires, whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30.0% or more of the voting rights of a company; or

(b) any person who, together with persons acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights and such person, or any person acting in concert with him, acquires in a period of six (6) months additional shares carrying more than 1.0% of the voting rights, such person must extend offers immediately to the holders of any class of share capital of the company which carries votes and in which such person, or persons acting in concert with him, hold shares.

3.2 General offer requirement

As at the Latest Practicable Date, none of the Concert Parties Group holds any Shares or instruments convertible into, and options in respect of the Shares (other than as disclosed in this Circular). Upon the completion of the Proposed Share Issue pursuant to the CT8 Acquisition and the WBH Acquisition, and assuming that all 300,000,000 Repayment Shares are issued and allotted to Ng Chee Beng, the Obliged Parties will hold in aggregate 42,411,777 Consolidated Shares, representing 61.6% of the Enlarged Share Capital.

Pursuant to Rule 14 of the Code and Section 139 of the SFA, the Obliged Parties would be required to make a general offer for all the remaining Shares in issue not already owned, controlled or agreed to be acquired by the Concert Parties Group, and at the highest price paid or agreed to be paid by the Concert Parties Group for the Shares in the past six (6) months preceding the date of the Announcement on 12 April 2016, unless such obligation is waived by the SIC.

Please refer to Section 20.3 titled "Changes in shareholding structure of the Company" of this Circular for shareholding effects of, amongst others, the Proposed Share Consolidation and the issue and allotment of the Consideration Shares on the shareholding structure of the Company.

Shareholders should note that the CT8 Acquisition and WBH Acquisition are conditional upon the approval for the Proposed Whitewash Resolution being obtained, and hence the CT8 Acquisition and WBH Acquisition will not be completed in the event that the Proposed Whitewash Resolution is not approved.

3.3 Conditional waiver by SIC

Under the terms of each of the WBH SPA and CT8 SPAs, it is a condition precedent that the SIC grants the Obliged Parties a waiver of the obligation to make a mandatory general offer under Rule 14 of the Code arising from the issue of the Consideration Shares (and such waiver not having been withdrawn or revoked as of the Completion Date), and if such waiver is subject to any condition or restriction imposed by the SIC, such condition and/or restriction being reasonably acceptable to the Company, the WBH Vendors and the CT8 Vendors. In addition, it is a condition precedent that the approval of the majority of the Independent Shareholders be obtained at the EGM for the Proposed Whitewash Resolution, provided that the parties not being Independent Shareholders abstain from voting on such resolution.

The SIC had, on 5 October 2017, waived the requirement for the Obliged Parties to make a mandatory offer for the Company under Rule 14 of the Code following their acquisition of the Consideration Shares under the CT8 Acquisition and the WBH Acquisition subject to:

(a) a majority of holders of voting rights of the Company approve at a general meeting, before the Proposed Share Issue, the Proposed Whitewash Resolution by way of a poll to waive their rights to receive a general offer from the Obliged Parties;

(b) the Proposed Whitewash Resolution is separate from other resolutions;

(c) the Concert Parties Group and parties not independent of them abstain from voting on the Proposed Whitewash Resolution;

(d) the Concert Parties Group did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of the Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new shares in the Company which have been disclosed in this Circular):

    (i) during the period between the date of the Announcement on 12 April 2016 and the date Shareholders' approval is obtained for the Proposed Whitewash Resolution; and

    (ii) in the six (6) months prior to the date of the Announcement on 12 April 2016, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Existing Directors in relation to the Proposed Acquisitions;

(e) the Company appoints an independent financial adviser to advise the Independent Shareholders on the Proposed Whitewash Resolution;

(f) the Company sets out clearly in this Circular to Shareholders:

    (i) details of the allotment and issue of the Consideration Shares under the WBH Acquisition and the CT8 Acquisition;

(ii) the dilution effect to existing holders of voting rights in the Company, upon the allotment and issue of the Consideration Shares under the WBH Acquisition and the CT8 Acquisition;

(iii) the number and percentage of voting rights in the Company, rights to subscribe for and options in respect of Shares held by the Concert Parties Group as at the Latest Practicable Date;

(iv) the number and percentage of voting rights to be acquired by the Concert Parties Group as a result of the allotment and issue of the Consideration Shares to the Obliged Parties;

(v) that the allotment and issue of the Consideration Shares would result in the Concert Parties Group holding Shares carrying over 49% of the voting rights of the Company and the fact that the Concert Parties Group would as a result be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer; and

(vi) that Shareholders, by voting for the Proposed Whitewash Resolution, are waiving their rights to a general offer from the Obliged Parties at the highest price paid by the Concert Parties Group for Shares in the past six (6) months preceding the Announcement on 12 April 2016;

(g) this Circular by the Company to its Shareholders states that the waiver granted by SIC to the Obliged Parties from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions stated at Section 3.3(a) to (f) above;

(h) the Company obtains SIC's approval in advance for those parts of this Circular that refer to the Proposed Whitewash Resolution; and

(i) to rely on the Proposed Whitewash Resolution, the allotment and issuance of the Consideration Shares by the Company to the Obliged Parties must be completed within three (3) months of the date of approval of the Proposed Whitewash Resolution.

In connection with the condition in Section 3.3(d) above, none of the Obliged Parties has acquired any Shares during the period commencing on a date six (6) months prior to the date of the Announcement on 12 April 2016 and up to the Latest Practicable Date.

As at the Latest Practicable Date, all the above conditions imposed by the SIC (save and except for Sections 3.3(a), (c) and (i) above) have been satisfied.

3.4 Implications of the Proposed Whitewash Resolution

Independent Shareholders are requested to vote by way of poll on the Proposed Whitewash Resolution set out as Resolution 5 in the Notice of EGM attached to this Circular, waiving their rights to receive a general offer from the Obliged Parties for the remaining Shares not owned by the Concert Parties Group.

Shareholders should note that:

(a) their approval of the Proposed Whitewash Resolution is a condition precedent to Completion, and if the Independent Shareholders do not vote in favour of the Proposed Whitewash Resolution, the Proposed Acquisitions will not take place;

(b) by voting in favour of the Proposed Whitewash Resolution, the Independent Shareholders will be waiving their rights to receive the general offer from the Obliged Parties at the highest price (as adjusted for the Proposed Share Consolidation) paid by the Concert Parties Group for the Shares in the past six (6) months preceding the Announcement on 12 April 2016, in accordance with Rule 14 of the Code and Section 139 of the SFA;

(c) as the allotment and issue of the Consideration Shares would result in the Concert Parties Group holding Shares carrying over 49% of the voting rights of the Company, the Concert Parties Group would as a result be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer for the Company; and

(d) by voting for the Proposed Whitewash Resolution, the Independent Shareholders could be foregoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the allotment and issue of the Consideration Shares.

3.5 Advice of the IFA

ZICO Capital Pte. Ltd. has been appointed as the IFA to the Existing Directors who are considered independent to the Proposed Whitewash Resolution. Having taken into account a range of factors which the IFA considers to be pertinent and have a significant bearing on the IFA's assessment of the CT8 Acquisition, the WBH Acquisition and the Proposed Whitewash Resolution, the IFA is of the opinion that:

(a) on balance, the terms of the CT8 Acquisition and the WBH Acquisition, and the proposed issuance of up to 300,000,000 Repayment Shares to Ng Chee Beng, being the subjects of the Proposed Whitewash Resolution, are fair and reasonable; and

(b) the Proposed Whitewash Resolution is not prejudicial to the interests of the Independent Shareholders.

Accordingly, the IFA advises the Existing Directors to recommend to Independent Shareholders to vote in favour of the Proposed Whitewash Resolution.

A copy of the IFA Letter is reproduced in Appendix A titled "IFA Letter" to this Circular. Shareholders are advised to read the copy of the IFA Letter in its entirety.

4. THE PROPOSED ISSUE OF PROFESSIONAL ADVISERS' SHARES

4.1 Financial Adviser's Mandate

Under the terms of the mandate letter dated 1 December 2016 which was accepted by the Company, the Company has agreed to pay a portion of the Financial Adviser's fees for services rendered in connection with the Proposed Acquisitions (a) in cash; (b) by the issue and allotment of new Shares at the Pre-Consolidation Issue Price; or (c) by a combination of cash and the issue and allotment of new Pre-Consolidation Shares at the Pre-Consolidation Issue Price. The allotment and issuance of the Financial Adviser's Shares are subject to the completion of the Proposed Acquisitions.

4.2 Legal Adviser's Mandate

Under the terms of the mandate letter dated 9 December 2015 which was accepted by the Company, the Company has agreed to pay a portion of the Legal Adviser's fees for services rendered in connection with the Proposed Transactions (a) in cash; (b) by the issue and allotment of new Pre-Consolidation Shares at the Pre-Consolidation Issue Price; or (c) by a combination of payment in cash and the issue and allotment of new Pre-Consolidation Shares at the Pre-Consolidation Issue Price. The allotment and issuance of the Legal Adviser's Shares are subject to the completion of the Proposed Acquisitions.

4.3 Issuance of Professional Advisers' Shares

In the event that the Company pays the Financial Adviser's and Legal Adviser's fees by the issue and allotment of the Professional Advisers' Shares to the Financial Adviser and the Legal Adviser:

(a) up to 80,000,000 new Pre-Consolidation Shares, or 2,000,000 Consolidated Shares, will be allotted and issued to the Financial Adviser at the Pre-Consolidation Issue Price, representing 2.9% of the Enlarged Share Capital; and

(b) up to 56,000,000 new Pre-Consolidation Shares, or 1,400,000 Consolidated Shares, will be allotted and issued to the Legal Adviser at the Pre-Consolidation Issue Price, representing 2.0% of the Enlarged Share Capital.

Please refer to Section 20.3 titled "Changes in Shareholding Structure" of this Circular for more details on the changes in shareholdings arising from the Proposed Transactions.

The Financial Adviser has provided an undertaking in respect of the Professional Advisers' Shares that will be allotted and issued to them, that they will not (i) directly or indirectly, effect a Disposal; or (ii) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a Disposal of any part of their direct and effective interest in the Professional Advisers' Shares, for the period being three (3) months from the Listing Date.

Following the Completion of the Proposed Transactions, the Legal Adviser intends to sell the Professional Advisers' Shares that will be allotted and issued to them through the Placement Agent, which will be done concurrently with the sale by Ng Chee Beng of his Repayment Shares. For the avoidance of doubt, none of the Professional Advisers' Shares held by the Legal Adviser will be subject to a moratorium.

5. THE PROPOSED ISSUE OF REPAYMENT SHARES

5.1 Financing Parties

As at the Latest Practicable Date, the Company owes the Financing Parties an aggregate sum of S$2.0 million which comprises the following:

(a) an aggregate sum of S$500,000 comprising:

(i) S$311,575 advanced by Daniel Long on an interest-free basis to the Company from April 2015 to the Latest Practicable Date for the purposes of assisting the Company to pay its operating and other expenses that have to be incurred prior to Completion Date; and

(ii) S$188,425 being the sum of unpaid directors' fees owed to him in respect of FY2015 to the Latest Practicable Date by the Company; and

(b) a sum of S$1.5 million advanced by Ng Chee Beng on an interest-free basis to the Company for the purposes of assisting the Company to pay its operating and other expenses that have to be incurred prior to Completion Date.

Daniel Long is the current Acting CEO and Executive Director of the Company, and Ng Chee Beng will be the Controlling Shareholder of the Company holding 61.6% of the issued and paid-up share capital of the Company immediately following Completion, assuming all 300,000,000 Repayment Shares are issued and allotted to Ng Chee Beng.

5.2 Repayment of Amounts owing to Financing Parties

The Company proposes to repay an aggregate of S$0.5 million and S$1.5 million to Daniel Long and Ng Chee Beng respectively on Completion by allotting and issuing up to an aggregate of 400,000,000 Repayment Shares to the Financing Parties at the Pre-Consolidation Issue Price (the "**Proposed Repayment**").

On Completion, the Company will be deemed to have repaid S$2.0 million to the Financing Parties upon the allotment and issuance of:

(a) 100,000,000 Repayment Shares to Daniel Long, representing 3.6% of the Enlarged Share Capital; and

(b) 300,000,000 Repayment Shares being to Ng Chee Beng, representing 10.9% of the Enlarged Share Capital.

Please refer to Section 20.3 titled "Changes in Shareholding Structure" of this Circular for more details on the changes in shareholdings arising from the Proposed Repayment.

The Pre-Consolidation Issue Price of S$0.005 represents a discount of approximately 72.2% from the last transacted price of the Shares of S$0.018 on the SGX-ST on 13 April 2015, being the last trading day of the Shares prior the suspension of trading of the Shares.

The terms of the Proposed Repayment were arrived at between the Company and the Financing Parties after taking into consideration the need to ensure that the Company's debt-to-equity conversion under the Proposed Repayment occurs on substantially the same terms as the allotment and issue of Consideration Shares under the Proposed Acquisitions and the allotment and issue of Professional Advisers' Shares, so as to achieve the Company's objective of equality of treatment between the parties.

The Company also believes that the issuance of the Repayment Shares for converting the Financing Parties' loans is beneficial to the Company as it is currently in a net liability position and post-Completion the issuance will enable the Company to direct available cash resources towards growing the Company's business in real estate development rather than paying down loans.

5.3 Moratorium

The Repayment Shares that Ng Chee Beng will receive will not be subject to the moratorium pursuant to the undertaking that he has provided. The 300,000,000 Repayment Shares which Ng Chee Beng will receive represent an aggregate of approximately 10.9% of the Enlarged Share Capital. Following the Completion of the Proposed Transactions, Ng Chee Beng intends to sell the Repayment Shares (after adjusting for the Proposed Share Consolidation) in order to recover the loan amount that he had extended and will do so within one month of the Completion Date through a placement agent to ensure the independence of the purchasers of such Repayment Shares.

Ng Chee Beng has appointed KGI Securities (Singapore) Pte. Ltd. as the Placement Agent. Ng Chee Beng currently intends to complete the sale of the Repayment Shares prior to the resumption of trading of the Consolidated Shares on Catalist and in any case, within one month of the EGM date. The remaining unsold Repayment Shares will be subject to the moratorium. For the avoidance of doubt, no fees will be borne by the Enlarged Group in relation to the sale of the Repayment Shares by Ng Chee Beng. In addition, Ng Chee Beng would, via CTE, still hold more than 50.0% of the Company's Enlarged Share Capital after selling the Repayment Shares. This compiles with Rule 406(5)(a) of the Catalist Rules. Ng Chee Beng will make the necessary notifications as a Substantial Shareholder of the Company at the relevant times. Please refer to Section 2.5 of this Circular for more details on the moratorium undertaking provided by Ng Chee Beng.

Daniel Long has provided an undertaking to the Sponsor in respect of his 100,000,000 Repayment Shares representing an aggregate of approximately 3.6% of the Enlarged Share Capital, not to (i) directly or indirectly, effect a Disposal; or (ii) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a Disposal of:

(a) any part of his direct and effective interest in the 100,000,000 Repayment Shares, for the First Lock-Up Period; and

(b) 50.0% or more his direct and effective interest in the 100,000,000 Repayment Shares, for the Second Lock-Up Period.

The Financial Adviser has provided an undertaking in respect of up to 80,000,000 new Pre-Consolidation Shares that they will receive, which represents 2.9% of the Enlarged Share Capital, that they will not (i) directly or indirectly, effect a Disposal; or (ii) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a Disposal of any part of their direct and effective interest in the 80,000,000 Pre-Consolidation Shares, for the period being three (3) months from the Listing Date.

5.4 Shareholders' Approval

Shareholders are requested to vote by way of poll on the Proposed Repayment (including the allotment and issue of Repayment Shares) set out as Resolutions 7 and 8 in the Notice of EGM attached to this Circular.

Daniel Long is an "interested person" for the purposes of Chapter 9 of the Catalist Rules. The Company is required to obtain the prior approval from its Shareholders in general meeting for the allotment and issue of the Repayment Shares if the aggregate consideration for the proposed issuance to Daniel Long of S$500,000 exceeds 5.0% of the CJFH Group's latest audited NTA. Given that the CJFH Group is in a NTL position of approximately S$15.9 million as at 31 December 2016, and that Daniel Long also falls under the category of persons set out under Rule 812(1) of the Catalist Rules for which Shareholders' approval is required to be obtained before any Shares may be placed to them, the Company will be seeking Shareholder's approval for the allotment and issue of the Repayment Shares to Daniel Long at the EGM.

For further details on the Financing Parties' loans, please refer to Section 28 to this Circular titled "Interested Persons Transactions and Potential Conflicts of Interest" for further details.

5.5 Advice of the IFA

Chapter 9 of the Catalist Rules provides that, where Shareholders' approval is required for an interested person transaction, the circular to Shareholders must include an opinion from an independent financial adviser as to whether such transaction is on normal commercial terms and if it is prejudicial to the interests of the Company and its minority Shareholders.

Accordingly, ZICO Capital Pte. Ltd. has been appointed as the IFA to advise the Existing Directors who are considered independent of the proposed repayment of amounts owing to Daniel Long (the "**Proposed DL Repayment**") as to whether the terms of the Proposed DL Repayment as an interested person transaction, is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

Based on the considerations set out in the IFA Letter, the IFA is of the opinion that the Proposed DL Repayment is on normal commercial terms and not prejudicial to the interests of the Company and Independent Shareholders. A copy of IFA Letter, containing its opinion in full, is set out in Appendix A to this Circular. Shareholders are advised to read the IFA Letter carefully and in its entirety.

5.6 Audit Committee's Statement

The Audit Committee having considered, among others, the terms of and rationale for the Proposed Repayment to Daniel Long (including the allotment and issue of Repayment Shares), as well as the opinion and advice of the IFA on the Proposed Repayment to Daniel Long as an interested person transaction, concurs with the opinion of the IFA and is of the view that the Proposed Repayment is on normal commercial terms and is not prejudicial to the interests of the Company and its Independent Shareholders.

5.7 Abstention from Voting

Pursuant to Rule 919 of the Catalist Rules, an interested person and any Associate of the interested person shall abstain from voting on the resolutions approving the interested person transactions involving themselves and their Associates. Such interested persons and their Associates shall not accept appointments as proxies in relation to such resolutions unless specific voting instructions have been given by the Shareholders.

Accordingly, each of Daniel Long and EIGL will abstain, and has undertaken to ensure that his or its Associates will abstain, from voting on the Proposed Repayment (including the allotment and issue of Repayment Shares), and will not accept appointments as proxy in relation to the resolution unless specific voting instructions have been given by the Shareholders. Providence SOGF Limited is not required to provide an undertaking to abstain from voting on the Proposed Repayment since Providence SOGF Limited is not a direct shareholder of the Company as its interests in the Company is through EIGL, who will be abstaining from voting.

At the time of the EGM, Ng Chee Beng and his Associates will not hold any Shares and therefore will not be entitled to vote on the resolutions.

6. THE PROPOSED DISPOSAL

6.1 Details of the Proposed Disposal

On 12 April 2016, the Company announced that it had put its assets located in the PRC, comprising its shareholding interests in the PRC Subsidiaries, up for sale.

On 18 September 2017, the Company appointed Hunan Pingzheng Auction Co., Ltd. (湖南平正拍卖有限公司) and Hunan Chengyang Auction Co., Ltd. (湖南晟扬拍卖有限公司) to jointly sell the Company's entire interests in the PRC Subsidiaries by way of a public auction.

The public auction closed on 9 October 2017, and the Company has since entered into a sale and purchase agreement relating to the Proposed Disposal with the Bidder. An announcement relating to the Proposed Disposal was made on 10 October 2017 on SGXNet. The Bidder is not related to any of the Company's directors or controlling shareholders or new directors or new controlling shareholders after completion of the Proposed Transactions.

Subsequent to the Proposed Disposal, each of JC Miluo, Changjiang Huafei, Huafei Hanshou and Tangjia Electric will cease to be a subsidiary of the Company.

6.2 Valuation of the PRC Subsidiaries

On 12 October 2016, the Company appointed the Independent Valuer (PRC Subsidiaries) to provide an independent valuation of the PRC Subsidiaries. As set out in paragraph 11 of the valuation letter issued by the Independent Valuer (PRC Subsidiaries), the Company's equity interests in the PRC Subsidiaries have no commercial value as at 31 August 2017.

To determine the estimated fair market value of the PRC Subsidiaries, the Independent Valuer (PRC Subsidiaries) applied the asset-based approach as the PRC Subsidiaries have ceased operations since 31 December 2013 and most of the assumptions of comparable transactions, such as discount or premium on transaction prices or consideration, were not available. Under the asset-based approach, the Independent Valuer (PRC Subsidiaries) adopted the book values as the market values of the PRC Subsidiaries, after discussions with management and analysing the nature of the cash and cash equivalent, accruals for operating expenses, amounts due to directors and current income tax liabilities. Adjustments were also made on the property, plant and equipment and intangible assets – land use rights.

Please refer to Appendix E to this Circular for the valuation letter issued by the Independent Valuer (PRC Subsidiaries) titled "Independent Valuation Letter in respect of the PRC Subsidiaries".

6.3 Information on the PRC Subsidiaries

6.3.1 Miluo Jincheng Shiye Co., Ltd (汨罗市金成实业有限责任公司)

JC Miluo is a private limited company incorporated under the laws of the PRC on 16 February 2001. As at the Latest Practicable Date, JC Miluo has a registered and paid-up capital of RMB22.7 million.

The Company holds its interest in JC Miluo through Tangjia Electric.

JC Miluo was primarily engaged in the trading and manufacturing of nitrogenous fertiliser, ammonia and methanol until it ceased all production activities in 2013 following the receipt of a notification from the PRC government informing it to wind-down the operations of its plant. The plant is located in the urban area of Hunan province in the PRC which has been earmarked for redevelopment.

JC Miluo owns and has the land use rights for the following properties located in the PRC:

Address	Land Area (sq m)	Gross Floor Area of All Buildings in Land Area (sq m)	Purpose/Use	Date of Expiry of Tenure of Land Use Right
Plot 04-001, 18 North Gaoquan Road, Miluo	51,054.9	22,868.9	Industrial (comprising production facilities, offices and warehouse)	7 January 2053
Plot 02-05-01, Yangsi Temple, Guiyi Village, Chengjiao Town, Miluo	377.4	–(1)	Industrial (water pump)	7 January 2053
Plot 40-025, North Side of Shantang Road, Miluo	55,399.8	8,305.8	Industrial	7 January 2053
Plot 25-030, South Laodong Road, Miluo	1,012.5	64.8	Warehouse	7 January 2053

Note:

(1) The water pump facility is located on this property, which does not contain any building requiring a building ownership certificate.

Apart from the above, JC Miluo does not engage in any business.

JC Miluo's unaudited net assets value (book value) was RMB168.1 million and unaudited net loss before and after income tax for FY2016 were RMB6.3 million.

6.3.2 Changjiang Huafei (Hunan) Co., Ltd. (长江化肥(湖南)有限公司)

Changjiang Huafei is a private limited company incorporated under the laws of the PRC on 4 February 2010. As at the Latest Practicable Date, Changjiang Huafei has a registered and paid-up capital of RMB68.2 million.

The Company's total investment in Changjiang Huafei is RMB68.4 million, which represents 100.0% of the registered and paid-up capital of Changjiang Huafei. Changjiang Huafei owns 100.0% of the registered and paid-up share capital of Huafei Hanshou.

Changjiang Huafei was primarily engaged in the trading and manufacturing of nitrogenous fertiliser, ammonia and methanol until it ceased its production activities in 2013 following the receipt of a notification from the PRC government informing it to wind-down the operations in its plant. The plant is located in the urban area of Hunan province which has been earmarked for redevelopment.

Changjiang Huafei owns and has the land use rights for the following properties located in the PRC:

Description/Address	Land Area (sq m)	Gross Floor Area of All Buildings in Land Area (sq m)	Purpose/Use	Date of Expiry of Tenure of Land Use Right
A parcel of land, 42 buildings and various structures located at Wayaowan Community Wenxing Town, Xiangyin County Yueyang City Hunan Province	86,730.6	21,570.2	Industrial (comprising workshops, offices, canteen, and warehouse)	4 April 2055

Apart from the above, Changjiang Huafei does not engage in any business.

Changjiang Huafei's unaudited net liabilities value (book value) was RMB35.6 million and unaudited net loss before and after income tax for FY2016 were RMB3.2 million.

6.3.3 Hunan Changjiang Huafei Hanshou Co., Ltd. (湖南长江化肥汉寿有限公司)

Huafei Hanshou is a private limited company incorporated under the laws of PRC on 14 September 2010. As at the Latest Practicable Date, Huafei Hanshou has a registered and paid-up capital of RMB75.4 million.

The Company holds its interests in Huafei Hanshou through Changjiang Huafei.

Huafei Hanshou was primarily engaged in the trading and manufacturing of nitrogenous fertiliser, ammonia and methanol. Huafei Hanshou has ceased its production activities since 2013 due to the persistent weak demand for its products and does not have any operating business.

Huafei Hanshou owns and has the land use rights for the following properties located in the PRC:

Description/Address	Land Area (sq m)	Gross Floor Area of All Buildings in Land Area (sq m)	Purpose/Use	Date of Expiry of Tenure of Land Use Right
A parcel of land and 32 buildings and various structures located at Gongye Road Jiangjiazui Town, Hanshou County, Changde City Hunan Province	75,228.0	23,349.8	Industrial (comprising workshops, offices, canteen, and warehouse)	March 2043[(1)]

Note:

(1) In June 2010, Huafei Hanshou signed an agreement with Hunan Handan Huagong Co., Ltd. ("**Previous Owner**") for the acquisition of the land use right for the land together with the factory, plant and machinery located on the land. Although Huafei Hanshou has not obtained the land use right certificate from the relevant authorities, the management of the Company considers that Huafei Hanshou has obtained the right to use the land through its contractual arrangement with the Previous Owner and believes that there should not be major difficulties in transferring the title to the land in the future. On 9 October 2017, the Bidder won the bid for the PRC Subsidiaries, including Huafei Hanshou, through a public auction. The Company has since entered into a sale and purchase agreement with the Bidder in relation to the Proposed Disposal, the terms of which include, amongst others, an undertaking from the Bidder that he will acquire the PRC Subsidiaries on an "as-is-where-is" basis, including the status of the land use rights, and assume all rights and liabilities associated with the PRC Subsidiaries with no recourse to the Company.

Huafei Hanshou's unaudited net liabilities value (book value), which includes the classification of the land use rights as an asset, was RMB36.2 million and unaudited net loss before and after income tax for FY2016 were RMB4.2 million.

6.3.4 Tangjia Electric Technology (Shenzhen) Co., Ltd (唐家电器科技(深圳)有限公司)

Tangjia Electric is a private limited company incorporated under the laws of PRC on 11 October 2002. As at the Latest Practicable Date, Tangjia Electric has a registered and paid-up capital of RMB14.1 million. The Company's total investment in Tangjia Electric is RMB139.6 million.

Tangjia Electric is an investment holding company. Save for its ownership of 100.0% of the registered and paid-up share capital of JC Miluo, Tangjia Electric does not have any business or undertaking.

Tangjia Electric's unaudited net assets value (book value) was RMB13.6 and unaudited net loss before and after income tax for FY2016 were nil.

6.4 Principal Terms of the Proposed Disposal

6.4.1 The Disposal Consideration and Conditions Precedent

The consideration for the Proposed Disposal at the close of the public auction on 9 October 2017 is RMB1.00 (the "**Consideration**").

Pursuant to the sale and purchase agreement relating to the Proposal Disposal entered into with the Bidder, the completion of the Proposed Disposal is subject to the satisfaction of the following conditions precedent:

(a) the receipt by the Company of the approval of the Shareholders for the Proposed Disposal at an extraordinary general meeting to be convened; and

(b) the issuance by Hunan Pingzheng Auction Co., Ltd. (湖南平正拍卖有限公司) and Hunan Chengyang Auction Co., Ltd. (湖南晟扬拍卖有限公司) of an auction confirmation letter after the receipt of the Shareholders' Approval. The Proposed Disposal is to be completed through full payment of the Consideration within two (2) working days from the issuance of such auction confirmation letter.

The Bidder has agreed, amongst others, that:

(a) he will have no recourse to the Company in the event that the approvals of the Shareholders for the Proposed Disposal is not obtained; and

(b) he will acquire the PRC Subsidiaries on an "as-is-where-is" basis and assume all liabilities associated with the PRC Subsidiaries with no recourse to the Company.

6.4.2 Relative Figures under Rule 1006 of the Catalist Rules

For the purposes of Chapter 10 of the Catalist Rules, the relative figures of the Proposed Disposal computed on the bases set out in Rule 1006(a) to (e) of the Catalist Rules are as follows:

	Bases under Rule 1006	**Notes**	**Proposed Disposal**
(a)	The negative net asset value of the asset to be disposed of, compared with CJFH Group's negative net asset value	(1)	71.5%
(b)	The net loss attributable to the assets acquired or disposed of, compared with CJFH Group's net loss	(2)	65.8%
(c)	Aggregate value of the consideration to be given or received compared with the Company's market capitalisation (excluding treasury shares)	(3)	Not material
(d)	The number of equity securities issued by the Company as consideration compared with the number of Shares previously in issue	(4)	Not applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of CJFH Group's proved and probable reserves	(5)	Not applicable

Notes:

(1) The negative net asset value attributable to the PRC Subsidiaries and the CJFH Group based on the CJFH Group's audited financial statement for FY2016 was RMB54.7 million and RMB76.4 million respectively.

(2) "Net loss" means loss before income tax, minority interests and extraordinary items as defined under Rule 1002(3). The net loss attributable to the PRC Subsidiaries and the CJFH Group, based on the CJFH Group's audited financial statement for FY2016, was RMB13.7 million and RMB20.8 million respectively.

(3) The consideration for the Proposed Disposal is RMB1.00 (approximately S$0.20). The Company's market capitalisation of approximately S$6.5 million is determined by multiplying 359,900,000 Shares (excluding treasury shares) in issue by the volume weighted average price of the Shares of S$0.018 last transacted on 13 April 2015.

(4) Not applicable to a disposal of assets.

(5) Not applicable as the Company is not a mineral, oil and gas company.

As the relative figures computed under Rule 1006(a), (b) and (c), exceed 50.0%, the Proposed Disposal is a major transaction and is subject to the approval of Shareholders.

6.5 Rationale for the Proposed Disposal and Use of Net Proceeds

The PRC Subsidiaries have ceased their production activities since 2013. In 2013, the PRC government notified JC Miluo and Changjiang Huafei, whose plants are located in urban areas of Hunan province in the PRC, to wind-down the operations of their plants to make way for redevelopment of these areas. The production in the two plants owned by JC Miluo and Changjiang Huafei were halted following the notification. The Company also decided to halt the production activities of Huafei Hanshou in the same year due to persistent weakness in the demand for the Company's products as a result of a growing trend of farmers preferring compound fertilisers over nitrogenous fertilisers.

As such, there has been no revenue generated by the PRC Subsidiaries and the CJFH Group has been loss-making since 2013. Based on the latest available management accounts as at 31 December 2016, the NRV of the PRC Subsidiaries is estimated to be zero. The Company expects that, over time, the potential and contingent liabilities will be in excess of the above-stated NRV, notwithstanding that a number of the PRC Subsidiaries are in a net assets position. This is due to impairment charges on assets of the PRC Subsidiaries which had been incurred on a Group level which were assessed, from an accounting perspective, not to be recoverable as the PRC Subsidiaries had ceased operations since 2013. Such impairment charges were not taken into account in the preparation of each PRC Subsidiary's financial statements.

In addition, as set out in paragraph 11 of the valuation letter issued by the Independent Valuer (PRC Subsidiaries), the group's equity interests in the PRC Subsidiaries have no commercial value as at 31 August 2017. Based on the foregoing, the Company has decided to undertake the Proposed Disposal.

The Company expects the Proposed Disposal to result in positive net proceeds of approximately RMB1.00. There were no cash expenses incurred by the Company in relation to the Proposed Disposal.

6.6 Shareholders' Approval for the Proposed Disposal

As the Proposed Disposal is intended to complete together with the completion of the Proposed Acquisitions and constitutes the disposal of the Company's entire undertaking, the Proposed Disposal is a transaction to which Section 160 of the Companies Act applies. Accordingly, the Proposed Disposal is subject to the approval of the Shareholders at the EGM.

7. THE PROPOSED SHARE CONSOLIDATION

7.1 Details of the Proposed Share Consolidation

Rule 429 of the Catalist Rules requires the issue price of shares offered for a subscription or sale, for which a listing is sought, to be at least S$0.20 each.

To comply with the Minimum Issue Price, the Company will undertake the Proposed Share Consolidation pursuant to which the Company will consolidate every 40 Shares, as at the Books Closure Date, into one (1) Consolidated Share. Accordingly, after the Books Closure Date, every 40 Shares will be consolidated to constitute one (1) Consolidated Share.

Shareholders should note that the number of the Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation, based on their shareholdings as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of Consolidated Shares arising from the Proposed Share Consolidation will be disregarded. Fractions of a Consolidated Share arising from the Proposed Share Consolidation may be dealt with in such manner as the Company may, in its absolution discretion, deem fit in the interests of the Company including aggregating and selling the same and retaining the net proceeds for the benefit of the Company.

For illustrative purposes, if a Shareholder holds 400 Shares as at the Books Closure Date, following the Proposed Share Consolidation and rounding down to the nearest whole Consolidated Share and disregarding any fractions of Consolidated Shares arising from the Proposed Share Consolidation, the Shareholder will be entitled to 10 Consolidated Shares.

Each Consolidated Share will rank *pari passu* with each other, and will be traded in board lots of 100 Consolidated Shares. The issued and paid-up share capital of the Company immediately prior to the Proposed Share Consolidation (and assuming all the Repayment Shares are allotted and issued), will be approximately S$7,946,000 comprising 2,753,949,252 Shares. Accordingly, immediately after the Proposed Share Consolidation (and assuming all the Repayment Shares are allotted and issued), the issued and paid-up share capital of the Company will be S$7,946,000 comprising 68,849,000 Consolidated Shares, fractional entitlements to be disregarded.

The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the equity of the Company.

Shareholders are not required to make any payment to the Company in respect of the Proposed Share Consolidation. Subject to approval of Shareholders being obtained for the Proposed Share Consolidation at the EGM, the number of Consolidated Shares held by Shareholders arising from the Proposed Share Consolidation will be ascertained on the Books Closure Date.

Shareholders should note that there is no assurance that the Proposed Share Consolidation will achieve the desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.

7.2 Rationale for the Proposed Share Consolidation

The Proposed Share Consolidation is to be undertaken in connection with the Proposed Acquisitions so as to ensure compliance with the Minimum Issue Price on the Completion Date. On 1 February 2008, the SGX-ST issued a guidance note to state that the Minimum Issue Price for initial public offerings should also apply to reverse takeovers. The Catalist Rules also state that where the consideration for the acquisition of assets by the issuer is to be satisfied by the issue of shares, the price per share of the issuer after adjusting for any share consolidation must not be lower than S$0.20.

7.3 Conditions

Shareholders should note that the implementation of the Proposed Share Consolidation is subject to Shareholders' approval for the Proposed Share Consolidation, which is in turn conditional upon Shareholders' approval for the Proposed Acquisitions. Shareholders should refer to Section 1 titled "Introduction" to this Circular on the inter-conditionality of the resolutions contained in this Circular.

7.4 Administrative procedures

(a) Updating of Register of Members and Depository Register

After Shareholders' approval has been obtained for the Proposed Share Consolidation at the EGM, Shareholders' entitlements of the Consolidated Shares will be determined on the Books Closure Date, whereupon the Register of Members and the Depository Register will be updated to reflect the number of Consolidated Shares held by Shareholders based on their shareholdings in the Company as at the Books Closure Date.

(b) Deposit of share certificates with CDP

Shareholders who hold Old Share Certificates in their own names and who wish to deposit the same with CDP and have their Consolidated Shares credited to their Securities Accounts maintained with CDP must deposit their Old Share Certificates, together with the duly executed instruments of transfer in favour of CDP, no later than 12 Market Days before the Books Closure Date.

After the Books Closure Date, CDP will only accept for deposit New Share Certificates. Shareholders who wish to deposit their New Share Certificates with CDP after the Books Closure Date must first deliver their Old Share Certificates to the Share Registrar of the Company, Boardroom Corporate & Advisory Services Pte. Ltd., at 80 Robinson Road, 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, for cancellation and issue of New Share Certificates in replacement thereof as described below.

(c) Issue of New Share Certificates

Shareholders who have deposited their existing share certificates with CDP at least 12 Market Days prior to the Books Closure Date need not take any action. The Company will arrange with CDP to facilitate the exchange of New Share Certificates pursuant to the Proposed Share Consolidation.

Shareholders who have not deposited their existing share certificates as aforesaid or who do not wish to deposit their existing share certificates with CDP are advised to forward all their existing share certificates to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, as soon as possible after they have been notified of the Books Closure Date and no later than five (5) Market Days after the Books Closure Date for cancellation and exchange for New Share Certificates. The New Share Certificates will be sent by ordinary mail to the registered addresses of

the Shareholders at their own risk within ten (10) Market Days from the Books Closure Date or the date of receipt of the existing share certificates, whichever is the later.

Shareholders are to deliver their respective existing share certificates to the Company's Share Registrar or CDP only after the announcement of the Books Closure Date by the Company.

No receipt will be issued by the Company's Share Registrar for the receipt of the existing share certificates tendered.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their existing share certificates have been tendered to the Company's Share Registrar for cancellation.

Please notify the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, if you have lost any of your existing share certificates or if there is any change in your address from that reflected in the Register of Members of the Company.

(d) Share certificates not valid for settlement of trades on SGX-ST

Shareholders who hold physical share certificates are reminded that their existing share certificates will not be valid for settlement of trading in the Consolidated Shares on the SGX-ST (as the Company is under a book-entry (scripless) settlement system) but will continue to be accepted for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period by the Company's Share Registrar. Notwithstanding the above, the New Share Certificates will not be valid for delivery for trades done on the SGX-ST although they will continue to be prima facie evidence of legal title.

(e) Trading arrangements for the Consolidated Shares and for odd lots

Subject to Shareholders' approval for the Proposed Share Consolidation being obtained at the EGM, with effect from 9.00 a.m. on the Effective Trading Date, trading in the Consolidated Shares will be in board lots of 100 Consolidated Shares. Accordingly, 40 existing Shares as at 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date will represent one (1) Consolidated Share with effect from 9.00 a.m. on the Effective Trading Date. Trading in the existing Shares will cease after 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date.

Following the Proposed Share Consolidation, the Securities Accounts of depositors may be credited with odd lots of Consolidated Shares (i.e. lots other than board lots of 100 Consolidated Shares). The market for trading of such odd lots of Consolidated Shares may be illiquid. Depositors who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade such odd lots of Consolidated Shares on the SGX-ST should note that odd lots of Consolidated Shares can be traded on the unit share market which, following the Proposed Share Consolidation, would allow trading in odd lots with a minimum size of one (1) Consolidated Share.

7.5 Books Closure Date and Effective Trading Date

The Company intends to undertake the Proposed Consolidation prior to the Effective Trading Date.

The announcement on the Books Closure Date and the Effective Trading Date in respect of the Proposed Share Consolidation will be made by the Company in due course. Please refer to the section titled "Indicative Timetable for the Proposed Transactions" of this Circular for further details.

8. PROPOSED ADOPTION OF SHARE PLAN

8.1 Proposed adoption of the Share Plan

The Company proposes to adopt a performance share plan known as the "Olive Tree Performance Share Plan" which will be subject to Shareholders' approval at the EGM. Capitalised terms as used throughout this section, unless otherwise defined, shall bear the meanings as defined in the section entitled "Rules of the Olive Tree Performance Share Plan" as set out in Appendix F of this Circular.

The primary objective of establishing the Share Plan is to recognise and reward the Directors and employees for their valuable contributions to the growth and success of the Enlarged Group as well as to retain employees whose services are vital to success of the Enlarged Group in order to achieve greater growth. Eligible participants (the "**Participants**") under the Share Plan will have the opportunity to participate in the equity of the Company, thereby aligning the interests of the Participants with the interests of the Company and the Shareholders, motivating them towards long-term growth and profitability of the Enlarged Group and better performance through increased dedication and incentives.

The Share Plan aims to promote higher performance goals, and recognise and reward the contributions made by employees of the Enlarged Group. The Share Plan contemplates the contingent award of fully-paid Shares (or an equivalent cash value or a combination of both) after certain pre-determined benchmarks have been met.

Under the Share Plan, the size of the Award granted to a Participant will be determined based on, among others, his rank, job performance, potential for future development and his contribution to the success and development of the Enlarged Group as determined by the Administration Committee prior to the date of grant. The performance period here is a forward-looking period for which performance conditions and targets are set and measured over the performance period. The final Award is determined by the performance achievement over the performance period.

Awards may comprise fully paid Shares, cash or a combination of fully paid Shares and cash. The performance period, vesting period and other conditions will be determined by the Administration Committee administering the Share Plan.

At any point in time, the aggregate number of Shares which may be issued and/or transferred pursuant to (a) the Share Plan and (b) all options granted under any other share option, share incentive, performance share or restricted share plan implemented by the Company and for the time being in force, shall not exceed 15.0% of the number of all issued Shares (excluding treasury Shares) on the day preceding that date.

8.2 Rationale for the adoption of the Share Plan

The Board believes that the Share Plan will be more effective than pure cash bonuses in motivating employees of the Enlarged Group to work towards pre-determined goals.

The objectives of the Share Plan are to:

(a) provide an opportunity for Participants to participate in the equity of the Company, thereby inculcating a stronger sense of identification with the long-term prosperity of the Enlarged Group and promoting organisational commitment, dedication and loyalty of Participants towards the Enlarged Group;

(b) motivate Participants to strive towards performance excellence and to maintain a high level of contribution to the Enlarged Group;

(c) give recognition to contributions made or to be made by Participants by introducing a variable component into their remuneration package; and

(d) make employee remuneration sufficiently competitive to recruit new Participants and/or to retain existing Participants whose contributions are important to the long-term growth and profitability of the Enlarged Group.

The Board believes that it is prudent and timely to put in place the Share Plan following Completion so that the Company has the tools to motivate and retain key talents and employees with the relevant skills for the Enlarged Group by offering compensation packages that are market-competitive and attractive.

8.3 Administration of the Share Plan

The Share Plan will be administered by a committee comprising members of the Nominating Committee and Remuneration Committee (the "**Administration Committee**"). In compliance with the requirements of the Catalist Rules, a Participant who is a member of the Administration Committee shall not be involved in the deliberation or decision in respect of Awards to be granted or held by that member of the Administration Committee.

8.4 Participation by Controlling Shareholders and the Associates of the Controlling Shareholders in the Share Plan

The Company acknowledges that the services and contributions of employees who are also Controlling Shareholders or Associates of the Controlling Shareholders are important to the development and success of the Enlarged Group. The extension of the Share Plan to confirmed full-time employees who are also Controlling Shareholders or associates of the Controlling Shareholders allows the Enlarged Group to have a fair and equitable system to reward employees who have actively contributed to the progress and success of the Enlarged Group. The participation of employees who are also Controlling Shareholders or Associates of the Controlling Shareholders in the Share Plan will serve both as a reward to them for their dedicated services to the Enlarged Group and a motivation for them to take a long-term view of the Enlarged Group.

Although Participants who are Controlling Shareholders or Associates of the Controlling Shareholders may already have shareholding interests in the Company, the extension of the Share Plan to include them ensures that they are equally entitled, with the other

employees of the Enlarged Group who are not Controlling Shareholders or Associates of the Controlling Shareholders, to take part and benefit from this system of remuneration. The Board is of the view that a person who would otherwise be eligible should not be excluded from participating in the Share Plan solely by reason that he/she is a Controlling Shareholder or an Associate of the Controlling Shareholder(s).

The specific approval of the independent Shareholders is required for the participation of such persons as well as the actual number and terms of such Awards. A separate resolution must be passed for each such Participant. In seeking such approval from the independent Shareholders, clear rationale for the proposed participation of the Controlling Shareholders and associates of the Controlling Shareholders, the number and terms of the Awards to be granted to each such person shall be provided.

Immediately following Completion, Ng Chee Beng will be the Company's Controlling Shareholder. He and his Associates are not eligible for the Share Plan. Accordingly, there are no Controlling Shareholders or their associates who are eligible for the Share Plan. The participation of and the terms of each grant and the actual number of Awards granted under the Share Plan to any new Controlling Shareholders or their Associates shall be approved by the independent Shareholders in separate resolutions for each such person subject to the limits described in Section 8 of this Circular and in accordance with the requirements of the Catalist Rules.

8.5 Participation by Non-Executive Directors (including Independent Directors) in the Share Plan

While the Share Plan caters principally to employees of the Enlarged Group, it is recognised that there are other persons who make significant contributions to the Enlarged Group through their close working relationships with the Enlarged Group, even though they are not employed within the Enlarged Group. Such persons include the Directors who are non-executive directors.

Directors who are non-executive directors, are persons from different professions and working backgrounds, bringing to the Enlarged Group their wealth of knowledge, business expertise and contacts in the business community. They play an important role in helping the Enlarged Group shape its business strategy by allowing the Enlarged Group to draw on their diverse backgrounds and working experience. It is crucial for the Enlarged Group to attract, retain and incentivise Directors who are non-executive directors. By aligning their interests with the interests of the Shareholders, the Company aims to inculcate a sense of commitment on the part of the Directors who are non-executive directors, towards serving the short-and long-term objectives of the Enlarged Group.

The Board is of the view that including Directors who are non-executive directors, in the Share Plan, to the extent permissible under all applicable laws including the Companies Act, will show the Company's appreciation for, and further motivate them in their contribution towards the success of the Enlarged Group. However, as their services and contributions cannot be measured in the same way as the full-time employees of the Enlarged Group, while it is desired that participation in the Share Plan be made open to Directors who are non-executive directors, any Awards that may be granted to any such Director would be intended only as a token of the Company's appreciation.

8.6 Summary of the Rules of the Share Plan

The rules of the Share Plan are set out in Appendix F of this Circular. A summary of the rules of the Share Plan is set out below:

8.6.1 Eligibility

Any person shall be eligible to participate in the Share Plan at the absolute discretion of the Administration Committee but such person must be confirmed in his/her employment with the Enlarged Group, must have attained the age of 21 years, shall not be an undischarged bankrupt and must not have entered into a composition with his/her creditors.

Non-executive Directors (including independent Directors) who satisfy the eligibility requirements shall also be eligible to participate in the Share Plan, to the extent permissible under the laws of Singapore (including the Companies Act).

To the extent permissible under the laws of Singapore, Controlling Shareholders and their associates who meet the eligibility criteria shall be eligible to participate in the Share Plan provided that (a) the participation of, and (b) the terms of each grant and the actual number of Awards granted under the Share Plan, to a Participant who is a Controlling Shareholder or an associate of a Controlling Shareholder shall be approved by the independent Shareholders in separate resolutions for each such person, with such separate resolutions including approval for the actual number and terms of Awards to be granted to that person.

8.6.2 Grant of Awards

Awards represent the right of a Participant to receive fully paid Shares free-of-charge, provided that certain prescribed performance targets are met and upon expiry of the prescribed performance period. The Administration Committee may grant Awards to Employees as the Administration Committee may select in its absolute discretion, at any time during the period when the Share Plan is in force.

An Award or Released Award shall be personal to the Participant to whom it is granted and no Award or Released Award or any rights thereunder shall not be transferred, charged, assigned, pledged, mortgaged, encumbered or otherwise disposed of, in whole or in part.

8.6.3 Participants

The number of Shares which are the subject of each Award to be granted to a Participant shall be determined at the absolute discretion of the Administration Committee, which shall take into account:

(a) the financial performance of the Enlarged Group;

(b) in respect of a Participant being an Employee, criteria such as his rank, job performance, potential for future development and his contribution to the success and development of the Enlarged Group; and

(c) in respect of a Participant being a non-executive director, criteria such as his contribution to the success and development of the Enlarged Group.

8.6.4 Details of Awards

The Administration Committee shall decide, in its absolute discretion, in relation to each Award:

(a) the Participant;

(b) the Date of Grant;

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

(d) the prescribed Vesting Period(s);

(e) the extent to which Shares which are the subject of that Award shall be released at the end of each prescribed Vesting Period; and

(f) in the case of a Performance-related Award, the Performance Period and the Performance Condition.

8.6.5 Timing

The Administration Committee may grant Awards to Employees at any time during the period when the Share Plan is in force. As soon as reasonably practicable after making an Award, the Administration Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:

(a) the Date of Grant;

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

(c) the prescribed Vesting Period(s);

(d) the extent to which Shares which are the subject of that Award shall be released at the end of each prescribed Vesting Period; and

(e) in the case of a Performance-related Award, the Performance Period and the Performance Condition.

8.6.6 Events Prior to Vesting

An Award, to the extent not yet released, shall become void and cease to have effect on the occurrence of any of the following events:

(a) a Participant, being an Employee, ceasing for any reason whatsoever, to be in the employment of the Company and/or the relevant Subsidiary or in the event the company by which the Employee is employed ceases to be a company in the Enlarged Group;

(b) a Participant, being a non-executive director, ceasing to be a director of the Company and/or the relevant Subsidiary, as the case may be, for any reason whatsoever;

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

(d) ill health, injury, disability or death of a Participant;

(e) a Participant commits any breach of any of the terms of his Award;

(f) misconduct on the part of a Participant as determined by the Company in its discretion;

(g) a take-over, winding-up or reconstruction of the Company; and/or

(h) any other event approved by the Administration Committee.

An Employee shall be deemed to have ceased to be in the employment of the Company or the Subsidiary (as the case may be) on the date on which he gives notice of termination of employment, unless prior to the date on which termination takes effect, the Employee has (with the consent of the Company or the Subsidiary (as the case may be)) withdrawn such notice.

A Participant shall be deemed to have ceased to be a non-executive director as at the date the notice of resignation of or termination of directorship, as the case may be, is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

If any of the following occurs:

(a) a general offer (whether conditional or unconditional) being made for all or any part of the Shares;

(b) a scheme of an arrangement or compromise between the Company and its Shareholders being sanctioned by the Court under the Companies Act;

(c) an order for the compulsory winding-up of the Company is made; or

(d) a resolution for a voluntary winding-up (other than for amalgamation or reconstruction) of the Company being made,

the Administration Committee may consider, at its discretion, whether or not to Release such Award. If the Administration Committee decides to Release such Award, then in determining the number of Shares to be Vested in respect of such Award, the Administration Committee will have regard to the proportion of the Vesting Period(s) which has elapsed and the extent to which the Performance Condition (if any) has been satisfied. If the Administrative Committee so determines, the Release may be satisfied in cash as provided in Rule 7.

8.6.7 Size and duration of the Share Plan

The aggregate number of Shares which may be issued and/or transferred pursuant to Awards granted under the Share Plan on any date, when added to the number of Shares issued and issuable and/or transferred and transferable in respect of (a) all Awards granted under the Share Plan, and (b) all options granted under any other share option,

share incentive, performance share or restricted share plan implemented by the Company and for the time being in force, shall not exceed 15.0% of the number of all issued Shares (excluding treasury shares, as defined in the Companies Act) on the day preceding that date.

The aggregate number of Shares available to Controlling Shareholders and their Associates (including adjustments made in accordance with Rule 9) shall not exceed 25.0% of the Shares available under the Share Plan.

The number of Shares available to each Controlling Shareholder or their Associate of (including adjustments made in accordance with Rule 9) shall also not exceed 10.0% of the Shares available under the Share Plan.

The Share Plan shall continue to be in operation at the discretion of the Administration Committee for a maximum period of 10 years.

8.6.8 Adjustment Events

If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves, rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:

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

(b) the class and/or number of Shares in respect of which Awards may be granted under the Share Plan,

may, at the option of the Administration Committee, be adjusted in such manner as the Administration Committee may determine to be appropriate, provided that any such adjustment shall be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive.

Unless the Administration Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.

Any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

Upon any adjustment being made, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award and the date on which such adjustment shall take effect.

8.7 Disclosures in Annual Report

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

(a) the names of the members of the Administration Committee;

(b) in respect of the following Participants:

  (i) Directors;

  (ii) Controlling Shareholders and their associates; and

  (iii) Participants (other than those in paragraphs (i) and (ii) above) who have received Shares pursuant to Awards released under the Share Plan which, in aggregate, represent 5.0% or more of the aggregate of:

    (A) the total number of new Shares available under the Share Plan; and

    (B) the total number of existing Shares delivered pursuant to Awards released under the Share Plan, the following information:

      (aa) the name of the Participant;

      (bb) the following particulars relating to Shares delivered pursuant to Awards released under the Share Plan:

        (1) the number of new Shares issued to such Participant during the financial year under review; and

        (2) the number of existing Shares transferred to each Participant during the financial year under review;

(c) in relation to each of the Share Plan, the following particulars:

  (i) the aggregate number of Shares transferred/issued under the Share Plan since their commencement to the end of the financial year under review;

  (ii) the aggregate number of Shares comprised in Awards which have been released under the Share Plan during the financial year under review and in respect of such Awards, the proportion of:

    (A) new Shares issued; and

    (B) existing Shares transferred, and where existing Shares were purchased for transfer, the range of prices at which such Shares have been purchased, upon the release of the vested Awards granted under the Share Plan; and

  (iii) the aggregate number of Shares comprised in Awards granted under the Share Plan but which have not been released but which have not been delivered, as of the end of the financial year under review.

8.8 Role and Composition of the Administration Committee

The Administration Committee will comprise the Directors who are members of the Nominating Committee and Remuneration Committee to administer the Share Plan, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him and his Associates.

8.9 Financial Effects of the Share Plan

The accounting treatment of the Awards granted under the Share Plan would be in accordance with Financial Reporting Standards 102, Share-based payment ("**FRS 102**").

Share Capital

The Share Plan may result in an increase in the Company's issued share capital when new Shares are issued to Participants pursuant to the grant of the Awards. However, if existing Shares are purchased for delivery to Participants in lieu of issuing new Shares to them, there will be no impact on the Company's issued share capital.

NTA

As described below, the Share Plan will result in a charge to the Enlarged Group's statement of comprehensive income equal to the market value at which the new Shares are issued or liability recognised. For a cash-settled Share Plan, the NTA of the Enlarged Group will decrease by the amount of expenses charged to the statement of comprehensive income. For equity-settled Share Plan, there will be no effect on the NTA of the Enlarged Group due to the offsetting effect of expenses recognised and increased share capital or reserves.

It should be noted that the delivery of Shares to Participants is contingent upon the Participants meeting prescribed performance targets and conditions.

Costs to the Enlarged Group

Equity-settled share-based payments are measured at fair value at the date of grant and recognised as a charge to the statement of comprehensive income over the period between the grant date and the vesting date of an Award. The total amount of the charge over the vesting period is determined by reference to the fair value of each Award granted at the grant date and the number of Shares vested at the vesting date, with a corresponding credit to reserve account. Before the end of the vesting period, at the end each reporting period, the estimate of the number of Awards that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the statement of comprehensive income with a corresponding adjustment to equity. After the vesting date, no adjustment to the charge to the statement of comprehensive income is made.

The amount charged to the statement of comprehensive income would be the same whether the Company settles the Awards using new Shares or existing Shares. The amount of the charge to the statement of comprehensive income also depends on whether or not the performance target attached to an Award is a "market condition", that is, a condition which is related to the market price of the Shares. If the performance target is a market condition, the probability of the performance target being met is taken into

account in estimating the fair value of the Shares granted at the grant date of the Award, and no adjustments to amounts charged to the statement of comprehensive income is made if the market condition is not met. However, if the performance target is not a market condition, the probability of the target being met is not taken into account in estimating the fair value of the Shares granted at the grant date. Instead, it is subsequently considered at the end of each reporting period in assessing whether the Awards would vest. Thus, where the vesting conditions do not include a market condition, there would be no charge to the statement of comprehensive income if the Awards do not ultimately vest.

Cash-settled share-based payments are measured at current fair value of the liability incurred. Until the liability is settled, the Company shall remeasure the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in the statement of comprehensive income for the financial period.

The Company has made an application to the SGX-ST for permission to deal in, and for quotation of, the Shares which may be issued pursuant to the grant of Awards under the Share Plan. The approval of the SGX-ST is not to be taken as an indication of the merits of the Company, the subsidiaries or the Shares.

9. THE PROPOSED APPOINTMENT OF THE NEW DIRECTOR – DANIEL EE

In light of the CJFH Group's transformation into a real estate development company, it is proposed that certain members of the Board will resign on Completion.

The proposed composition of the re-constituted New Board appropriately comprises directors who as a group are able to provide an appropriate balance and diversity of skills, experience and business knowledge to the benefit of the Enlarged Group.

9.1 Composition of New Board

Upon Completion, Cai Jianhua, the Executive Chairman and Executive Director of the Company and Zhu Xuecheng, the Deputy CEO and Executive Director of the Company, and Teo Moh Gin, the Lead Independent Non-Executive Director of the Company, will resign as directors of the Company.

The Company proposes to appoint Daniel Ee as the Independent Non-Executive Chairman of the Company.

The New Board will comprise of the following persons:

Proposed Executive Director

(a) Daniel Long

Proposed Independent Directors

(b) Daniel Ee;

(c) Alan Cheong; and

(d) Aloysius Wee.

For further information on the working experience, qualifications and particulars of each of the Proposed Directors and details on the Audit Committee, the Nominating Committee, and the Remuneration Committee of the Enlarged Group, please refer to Section 27 titled "Proposed Directors, Proposed Executive Officers and Related Employees" and Section 29 titled "Corporate Governance" of this Circular.

10. THE PROPOSED SHARE ISSUE MANDATE

Following Completion, it is anticipated that the Enlarged Group will be required to issue Shares and convertible securities from time to time in order to, amongst others, meet the working capital requirements of the Company. As such, the Company will be seeking Shareholders' approval at the EGM for the grant of a general mandate for the Proposed Share Issue Mandate. This is in addition to the authorisation (to be sought) for the Proposed Share Issue and the proposed issue of the Professional Advisers' Shares comprising the issue and allotment of the Consideration Shares and the Professional Advisers' Shares as set out in Section 2 titled "Details of the Proposed Acquisitions" and Section 4 titled "The Proposed Issue of Professional Advisers' Shares" of this Circular.

Specifically, approval from the Shareholders will be sought for, amongst others:

a. the authorisation to the directors of the Company, pursuant to Section 161 of the Companies Act, to:

   (i) allot and issue Shares (whether by way of rights, bonus, or otherwise); and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued during the continuance of such authority or thereafter, including, but not limited to, the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

   at any time and from time to time thereafter to such persons and on such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit; and issue Shares in pursuance of any Instruments made or granted by the Directors while such authority was in force (notwithstanding that such issue of Shares pursuant to the Instruments may occur after the expiration of the authority contained in this Resolution), provided that:

   (A) the aggregate number of Shares issued pursuant to such authority (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority but excluding Shares which may be issued pursuant to any adjustments ("**Adjustments**") effected under any relevant Instrument, which Adjustment shall be made in compliance with the provisions of the Rules of Catalist for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company for the time being), shall not exceed 100.0% of the post-Completion issued share capital excluding treasury shares, and provided further that the aggregate number of Shares to be issued other than on a pro-rata basis to Shareholders (including Shares to be issued in pursuance of Instruments made or granted pursuant to such authority but excluding Shares which may be issued pursuant to any Adjustments effected under any relevant Instrument) shall not exceed 50.0% of the post-Completion issued share capital excluding treasury shares;

(B) in exercising such authority, the Company shall comply with the provisions of the Rules of Catalist for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(C) unless revoked or varied by the Company in general meeting by ordinary resolution, the authority shall continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is the earlier.

b. For the purposes of this Resolution and pursuant to Rules 806(3) and 806(4) of the Catalist Rules, "post-Completion issued share capital" shall mean the total number of Shares (excluding treasury shares) immediately after the Completion, after adjusting for (aa) new Shares arising from the conversion or exercise of any convertible securities; (bb) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the Catalist Rules; and (cc) any subsequent bonus issue, consolidation or sub-division of Shares.

11. THE PROPOSED TRANSFER

11.1 Rationale for the Proposed Transfer

Under Rule 1015(3)(a) of the Catalist Rules, in order to maintain a Mainboard listing after a reverse takeover, the new business to be acquired by the Company and the Enlarged Group must satisfy one of the quantitative criteria set out in Rule 210(2)(a) or (b) or (c) of the Catalist Rules, being:

(a) **Rule 210(2)(a)**: minimum consolidated pre-tax profit (based on full year consolidated audited accounts) of at least S$30.0 million for the latest financial year and an operating track record of at least three years.

(b) **Rule 210(2)(b)**: profitable in the latest financial year (pre-tax profit based on the latest full year consolidated audited accounts), an operating track record of at least three years and has a market capitalisation of not less than S$150.0 million based on the issue price and post-invitation issued share capital.

(c) **Rule 210(2)(c)**: operating revenue (actual or pro forma) in the latest completed financial year and a market capitalisation of not less than S$300.0 million based on the issue price and post-invitation issued share capital.

In addition, under Rule 1015(3)(d) of the Listing Manual, where the consideration for the acquisition of assets by the issuer is to be satisfied by the issue of shares, the price of per share of the issuer after adjusting for any share consolidation must not be lower than S$0.50.

In connection with the Proposed Acquisitions, the Company is proposing to transfer its listing from the Mainboard to Catalist for the following reasons:

(a) the Enlarged Group and the new business to be acquired by the Company pursuant to the Proposed Acquisitions will not satisfy the quantitative criteria for Mainboard listings under Rule 210(2) of the Listing Manual;

(b) after the Proposed Share Consolidation, the price of each Consolidated Share will be S$0.20, which will not satisfy the requirement for a Mainboard listing under Rule 1015(3)(d) of the Listing Manual; and

(c) the Enlarged Group and the new business to be acquired by the Company pursuant to the Proposed Acquisitions will not need to meet any minimum operating track record, profit, share capital or market capitalisation requirements, if its listing was not transferred from the Mainboard to Catalist.

The Proposed Transfer will provide the Company with a more suitable platform for the listing and trading of its Shares, as Catalist provides a more conducive listing platform for companies who require a flexible regulatory system to float their shares. In light of the new business, market capitalisation and risk profile of the Enlarged Group, the Existing Directors and Proposed Directors are of the view that the Proposed Transfer and a listing on Catalist will position the Company appropriately and better allow the Company to attract investors in the future.

11.2 Requirements for the Proposed Transfer

11.2.1 A transfer of listing from the Mainboard to Catalist is governed by Rule 410 of the Catalist Rules. The SGX-ST may allow the transfer if the Company meets, amongst others, the following requirements:

(a) at least 15.0% of the Company's issued and paid-up shares must be in the hands of more than 200 public Shareholders;

(b) the directors, executive officers have appropriate experience and expertise to manage the group's business, and together with its Controlling Shareholders, have the character and integrity expected of a listed issuer;

(c) the Company must have at least two non-executive directors who are independent and free of any material business or financial connection with the Company;

(d) the Company must appoint a sponsor and the sponsor must confirm that the Company is suitable for listing and complies with the Catalist Rules; and

(e) the Existing Directors and the Company's sponsor must state in this Circular, without requiring a profit forecast, that in their reasonable opinion, the working capital available to the Company is sufficient for the present requirements and for at least 12 months after the transfer of listing.

11.2.2 In relation to the requirements set out in the paragraph above, following the completion of the Proposed Transactions:

(a) no less than 17.4% of the Shares will be held in the hands of approximately 5,810 public Shareholders immediately following the completion of the Proposed Transfer;

(b) the Proposed Directors and Proposed Executive Officers have the appropriate experience and expertise to manage the Enlarged Group's business and nothing materially adverse has come to the attention of the Sponsor to suggest that the

Proposed Directors and the Proposed Executive Officers as well as the Controlling Shareholders of the Company do not have the character and integrity expected of a listed issuer;

(c) the Company has at least two non-executive directors who are independent and free of any material business or financial connection with the Company.

(d) the Existing Directors and Proposed Directors propose to appoint RHT Capital Pte. Ltd. as the Company's continuing sponsor, subject to the Proposed Transfer taking effect, and the Sponsor has confirmed to the SGX-ST that the Company is suitable for listing and complies with the Catalist Rules;

(e) as set out in Section 25 titled "Working Capital" of this Circular, in the reasonable opinion of the Existing Directors and Proposed Directors, the working capital available to the Company is sufficient for its present requirements and for at least 12 months after the date of transfer to Catalist; and

(f) as set out in Section 25 titled "Working Capital" of this Circular, the Sponsor is of the reasonable opinion that the Company has sufficient working capital for its present requirements and for at least 12 months after the date of transfer to Catalist.

Save for the approval of Shareholders for the Proposed Transfer by way of special resolution, which is sought at the EGM, the Company will satisfy all the requirements for a transfer to Catalist following the completion of the Proposed Transactions.

12. THE PROPOSED ADOPTION OF THE AMENDED AND RESTATED CONSTITUTION

12.1 Rationale for Amendment

In conjunction with the Proposed Transactions, the Company has undertaken a review of its existing constitution and proposes to adopt, with effect from the date of transfer of the Company's listing to Catalist, the Amended and Restated Constitution set out at Appendix G to this Circular, in place of its existing constitution. The Company is also keen to take the opportunity to streamline its constitution and to incorporate certain housekeeping amendments, to bring on board certain changes which are necessary due to the recent amendments to the Companies Act.

The Companies Act had recently undergone a reform, with changes implemented in phases and fully effective on 3 January 2016. Thereafter, the Singapore Parliament passed a bill to amend the Companies Act further on 10 March 2017. Pursuant to the Companies (Amendment) Act 2017, several amendments took effect on 31 March 2017 and rest of the amendments are expected to take effect within this year and next year. The changes to the Companies Act aim to reduce regulatory burden on companies, provide for greater business flexibility and improve the corporate governance landscape in Singapore.

The key changes include the merging of the memorandum and articles of association of a company into one document called the "constitution", the introduction of a multiple proxies regime to enfranchise indirect investors and CPF investors, provisions to facilitate the electronic transmission of notices and documents, and the removal of the requirement for a common seal.

The Amended and Restated Constitution also contains updated provisions which are consistent with the Catalist Rules prevailing as at the Latest Practicable Date, in compliance with Rule 730 of the Catalist Rules. In addition, the Company is taking this opportunity to include provisions in the Amended and Restated Constitution to address the personal data protection regime in Singapore, and also to streamline and rationalise certain other provisions.

12.2 Details of the Amendments

As the Amended and Restated Constitution will be substantially different from the Company's existing constitution with no correlation in the numbering, division or headings of the Company's existing constitution, an article-to-article mark-up of the differences would not be practical.

The following is a summary of the principal provisions of the Amended and Restated Constitution which are significantly different from the equivalent provisions in the Company's existing constitution, or which have been included in the Amended and Restated Constitution as new provisions, and should be read in conjunction with the Amended and Restated Constitution which is set out in its entirety in Appendix G to this Circular:

(a) in line with the new section 68 of the Companies Act, which clarifies that a company having a share capital may issue shares for which no consideration is payable to the issuing company, the Amended and Restated Constitution includes a new provision which provides that new shares may be issued for no consideration. This will provide the Company with greater flexibility around the rules of capital maintenance;

(b) the Amended and Restated Constitution contains new provisions which: (i) empower the Company, by ordinary resolution, to convert its share capital or any class of shares from one currency to another currency. This is in line with new section 73 of the Companies Act, which sets out the procedure for such redenominations; and (ii) empower the Company, by special resolution, to convert one class of shares into another class of shares. This is in line with new section 74A of the Companies Act, which sets out the procedure for such conversions;

(c) under the article which relates to the routine business that is transacted at an AGM, changes have been made to (i) substitute the references to "balance-sheet" with "financial statements", and references to the "reports of the Directors and the Auditors" with "the statement of the Directors and report of the Auditor", respectively, for consistency with the updated terminology in the Companies Act; (ii) clarify that the routine business items include, in addition to the appointment of new Directors, the re-appointment of Directors retiring by rotation or otherwise at the AGM; and (iii) clarify the types of Directors' remuneration which will be subject to approval by Shareholders as routine business;

(d) where the articles relate to a situation where mandatory polling is not required, the Amended and Restated Constitution contains reduced thresholds for the eligibility to demand a poll of 5% (previously one-tenth) of the total voting rights of the members having the right to vote at the meeting, and 5% (previously 10%) of the total sum paid up on all the shares held by the members conferring a right to vote at the meeting, respectively. The reduced thresholds are in line with the amended section 178 of the Companies Act;

(e) the Amended and Restated Constitution contains new provisions which cater to the multiple proxies regime introduced by the amended Companies Act. The multiple proxies regime allows "relevant intermediaries", such as banks, capital markets services licence holders which provide custodial services for securities and the CPF Board, to appoint more than two proxies to attend, speak and vote at general meetings. In particular the Amended and Restated Constitution provides that:

(i) in the case of a Shareholder who is a "relevant intermediary" and who is represented at a general meeting by two or more proxies, each proxy shall be entitled to vote on a show of hands. This is in line with new section 181(1D) of the Companies Act;

(ii) save as otherwise provided in the Companies Act, a Shareholder who is a "relevant intermediary" may appoint more than two proxies to attend, speak and vote at the same general meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Shareholder, and where such Shareholder's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed must be specified in the form of proxy. This is in line with new section 181(1C) of the Companies Act;

(iii) the Company will be entitled and bound to reject an instrument of proxy lodged by a depositor if he is not shown to have any shares entered against his name in the depository register as at 72 (previously 48) hours before the time of the relevant general meeting. Consequential changes have also been made to make it clear that the number of votes which a Depositor or his proxy can cast on a poll is the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant general meeting. This is in line with new section 81SJ(4) of the SFA; and

(iv) the cut-off time for the deposit of proxies will be 72 (previously 48) hours before the time appointed for holding the general meeting. This is in line with section 178(1)(c) of the amended Companies Act;

(f) in line with the repeal of section 153 of the Companies Act and the removal of the 70-year age limit for directors of public companies and subsidiaries of public companies, the Amended and Restated Constitution omits the event of a Director attaining any applicable retiring age as an exception to a deemed re-election to office;

(g) the Amended and Restated Constitution clarifies that the business and affairs of the Company is to be managed by, or under the direction of or the supervision of, the Directors. This is in line with section 157A of the amended Companies Act;

(h) references to the Listing Manual have been replaced with the equivalent rule references in the Catalist Rules in the Amended and Restated Constitution; and

(i) the Amended and Restated Constitution allows for a poll to be taken on all resolutions except the election of a chairman of a meeting or on a question of adjournment. This is in keeping with the requirements of the Code of Corporate Governance and Rule 730A(2) of the Catalist Rules.

The above represents a summary of the key changes proposed, in line with the Companies Act and Catalist Rules. Changes in the Amended and Restated Constitution include:

(a) **Regulation 12** – Regulation 12, which relates to the Company's power to alter its share capital, now contains provisions which empower the Company (i) by ordinary resolution, to convert its share capital or any class of shares from one currency to another currency. This is in line with new section 73 of the Companies Act, which sets out the procedure for such re-denominations; and (ii) by special resolution, to convert one class of shares into another class of shares. This is in line with new section 74A of the Companies Act, which sets out the procedure for such conversions.

(b) **Regulations 47 and 96 –** These Regulations have been updated to include references to persons who are mentally disordered and incapable of managing himself or his affairs. Where the Existing Constitution contains expressions relating to insanity or unsoundness of mind, similarly these expressions have been updated to reference to persons who are mentally disordered and incapable of managing himself or his affairs. These updates are pursuant to the enactment of the Mental Health (Care and Treatment) Act, Chapter 178A, which repealed and replaced the Mental Disorders and Treatment Act.

(c) **Regulation 56** – Regulation 56, which relates to the routine business that is transacted at an AGM, now uses references to the expression "financial statements" and also substitutes the expression "reports of the Directors" with the expression "statement of Directors", for consistency with the updated terminology in the Companies Act.

(d) **Regulation 77** – which relates to the appointment of proxies, has new provisions to facilitate the appointment of a proxy through electronic means online. In particular, it provides that a Shareholder can elect to signify his approval for the appointment of a proxy via electronic communication, through such method and in such manner as may be approved by the Directors, in lieu of the present requirement of signing, or where applicable, the affixation of the corporate Shareholder's common seal.

(e) **Regulation 91** – Regulation 91, which relates to the keeping of Company records, has been added to the Amended and Restated Constitution and also provides that such records may be kept either in hard copy or electronic form. This is in line with the new sections 395 and 396 of the Companies Act.

(f) **Regulation 96 –** Regulation 96, which relates to the vacation of office of a Director in certain events, now additionally provides that a Director shall cease to hold office if he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds.

(g) **Regulation 116** – Regulation 116, which relates to the general powers of the Directors to manage the Company's business, clarifies that the business and affairs of the Company is to be managed by, or under the direction of or, additionally, under the supervision of, the Directors. This is in line with section 157A of the Companies Act, as amended pursuant to the Companies (Amendment) Act 2017.

Shareholders should consider the Amended and Restated Constitution as set out in Appendix G to this Circular in its entirety. The Proposed Adoption of the Amended and Restated Constitution requires the approval of Shareholders at the EGM by way of a special resolution.

12.3 Summary of Material Differences between the Existing Constitution and the Amended and Restated Constitution

The proposed Amended and Restated Constitution is set out in Appendix G entitled "Amended and Restated Constitution" to this Circular. The summary of material differences between the Existing Constitution and the proposed Amended and Restated Constitution is set out in Appendix H entitled "Summary of Material Differences between the Existing Constitution and the Amended and Restated Constitution". The Proposed Adoption of the Amended and Restated Constitution is subject to Shareholders' approval.

13. THE PROPOSED CHANGE OF NAME

In connection with the Proposed Acquisitions, the Company is proposing to change its name from "Changjiang Fertilizer Holdings Limited" to "Olive Tree Estates Limited" to reflect the new business activities of the Enlarged Group subsequent to Completion. The change of name of the Company will only take effect upon Completion.

In line with the Proposed Change of Name, the Company also intends to adopt a new logo as shown below:

Approval from Shareholders for the Proposed Change of Name by way of a special resolution will be sought at the EGM.

Subject to the resolution for the Proposed Change of Name being carried as a special resolution at the EGM, the Company will, on completion of the Proposed Transactions, lodge the requisite pro forma notification with the ACRA relating to its change of name. Upon the issue by the ACRA of a certificate on change of name to the Company, the change of name shall become effective.

The Company will issue an announcement to notify Shareholders when the New Name comes into effect. The Proposed Change of Name will not affect any of the rights of the Shareholders and the legal status of the Company. All existing share certificates of the Company in issue bearing the existing name of the Company will, after the Proposed Change of Name becoming effective, continue to be evidence of title to shares of the Company and will remain valid for trading, settlement, registration and delivery purposes.

Shareholders should note that notwithstanding the change of the Company's name, the Company will not recall existing share certificates which will continue to be *prima facie* evidence of legal title. No further action would be required on the part of the Shareholders.

Upon the Proposed Change of Name becoming effective, all new share certificates of the Company will be issued under the New Name.

14. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS

The pro forma financial effects of the Proposed Transactions are for illustrative purposes only and do not necessarily reflect the actual results and financial position of the Company following completion of the Proposed Transactions. The pro forma financial effects of the Proposed Transactions on the share capital, earnings, NTA and gearing of the Company have been prepared based on the audited financial results of the Company for FY2016, the audited financial statements of WBH for FY2016 and the audited financial statements of CT8 for FY2016.

14.1 Bases and assumptions

For the purposes of illustration, the financial effects of the Proposed Transactions are computed based on, amongst others, the following assumptions:

(a) the financial effects on the profit/loss and EPS/LPS of the Enlarged Group are computed assuming that the Proposed Transactions were completed on 1 January 2016;

(b) the financial effects on the profit/loss and EPS/LPS of the Enlarged Group are computed to disregard the financial effect from the Proposed Disposal as the Company is of the view that it would not be meaningful to include the PRC subsidiaries from the preparation of the pro forma consolidated financial information of the Enlarged Group as the definitive agreements for the Proposed Disposal will be entered into prior to the Proposed Transactions;

(c) the financial effects on share capital, NTA and gearing of the Enlarged Group are computed assuming that the Proposed Transactions were completed on 31 December 2016;

(d) the issue of new Shares for the acquisition of CT8 would result in the shareholders of CT8 obtaining majority interest in the Enlarged Share Capital of the Company, in which it is deemed that CT8, the legal subsidiary (accounting acquirer) acquires Changjiang Fertilizer Holding Limited, the legal acquirer (accounting acquiree). In view that the Company has ceased its operations since the financial year ended 31 December 2013 and classified all its operating assets under held for sale, and its activities are limited to managing its cash balances and meeting its obligations, the Company is not considered as a business by definition of FRS 103 *Business Combination*. As such, the reverse acquisition transaction by CT8 is not considered a business combination under FRS 103. Instead, the transaction is considered to be a capital transaction of the legal acquiree and is equivalent to the issuance of shares by the legal subsidiary for the net monetary assets of the listed shell, accompanied by a recapitalisation. The financial effect of the Enlarged Group presented for the

financial year ended 31 December 2016 have been prepared using reverse acquisition accounting for the CT8 Acquisition as set out in FRS 102 *Share-based payment*.

Under reverse acquisition accounting:

(i) the accounting acquirer (legal subsidiary) will be CT8 and the accounting acquiree (legal parent) will be the Company;

(ii) the assets and liabilities of CT8 are recognised and measured at their pre-acquisition carrying amounts;

(iii) the assets and liabilities of the Company are recognised and measured at their acquisition-date fair value;

(iv) the retained profits and other equity balances are those of CT8 immediately before the reverse acquisition;

(v) the amount recognised as issued equity interests in the unaudited pro forma consolidated financial information of the Enlarged Group is determined by adding the issued equity interests of CT8 outstanding immediately before the reverse acquisition to the fair value of the reverse acquisition of the Enlarged Group. However, the equity structure in the consolidated financial information (i.e. the number and type of equity instruments issued) reflects the equity structure of the legal parent (accounting acquiree), including the equity instruments issued by the Company to effect the reserve acquisition;

(vi) the fair value of the new Shares issued to acquire the Company is assumed to be $1,799,500, which is determined based on the share price of $0.005 (the Company's latest share transaction price) and 359,900,000 issued and fully paid ordinary Shares (excluding treasury shares). It is assumed that the fair value of identifiable net liabilities of the Company to be equivalent to the book value of the Company as at 31 December 2016. This may differ from the fair values of the net liabilities/assets of the Company as at the acquisition date as the carrying values of the net liabilities/assets exclude the effect of fair value adjustments to the assets, liabilities and contingent liabilities arising from the Proposed Acquisitions. The aggregate consideration shall be fully satisfied on completion of the Proposed Acquisitions, by issuance and allotment of Consideration Shares. This may differ from actual cost of reverse acquisition as the actual cost of reverse acquisition will depend on the share price of the Company at the date of the actual transfer of Shares at the completion of the Proposed Acquisitions. The eventual amounts of any excess/shortfall of the equity interest issued by CT8 over the fair value of the identifiable net liabilities/assets of the Company to be recognised in profit or loss could be materially different from the amount derived based on the assumption used; and

(viii) The deferred cash consideration for the CT8 Acquisition is assumed to be unpaid as at 31 December 2016 and is accounted for as distribution to equity holders of CT8 under reverse acquisition reserve.

The basis for applying different accounting methods for CT8 and WBH is as follows:

The CT8 Acquisition and WBH Acquisition involves the issuance of Shares as settlement of part of the purchase consideration. Such issuance of Shares will result in the dilution of the shareholding of the current Shareholders of the Company. Based on the financial reporting standards in Singapore ("**FRS**"), the accounting acquirer is required to be identified. The issue of new Shares for the CT8 Acquisition would result in the shareholders of CT8 obtaining majority interest in the Enlarged Share Capital of the Company. As such, it is deemed that CT8, the legal subsidiary (accounting acquirer) acquires the Company, the legal acquirer (accounting acquiree). In view that the Company has ceased its operations since the financial year ended 2013 and classified all its operating assets under held for sale, and its activities are limited to managing its cash balances and meeting its obligations, the Company is not considered a business by definition of FRS 103 *Business Combination*. As such, the reverse acquisition transaction by CT8 is not considered a business combination under FRS 103. Instead, the transaction is considered to be a capital transaction of the legal acquiree and is equivalent to the issuance of shares by the legal subsidiary for the net monetary assets of the listed shell, accompanied by a recapitalisation and the effect of acquisition is accounted for using reverse acquisition as set out in FRS 102 *Share-based Payment*. As CT8 has been identified as the accounting acquirer and the issue of new Shares for WBH Acquisition (a business) would not result in its shareholders obtaining majority shareholding in the Company, the WBH Acquisition is accounted for by applying the acquisition method in accordance with FRS 103.

(e) the WBH Acquisition is accounted for by applying the acquisition method in accordance to FRS 103. The fair value of 493,346,422 new Shares issued to acquire WBH is assumed to be $2,466,732 which is based on the Company's latest share transaction price. The fair value of the identifiable net assets of WBH as at 31 December 2016 is adjusted for the fair value of investment properties of $12,166,000, determined based on the Property Valuation Letters. The Company has estimated a bargain purchase on acquisition amounting to $297,897 as at 31 December 2016. This may differ from actual bargain purchase as the carrying values of the net liabilities/assets exclude the effect of fair value adjustments to the assets, liabilities and contingent liabilities arising from the WBH Acquisition. The estimated bargain purchase arising from the WBH Acquisition is derived based on estimated fair value of consideration of $7,047,806 over adjusted net assets value of $7,345,703 as at 31 December 2016, taking into consideration the fair value of the investment properties of $12,166,000 as determined based on the Property Valuation Letters;

(f) the acquisition-related costs relating to the Proposed Acquisitions of approximately $1.8 million are assumed to be incurred, of which $680,000 is deemed to be settled by the issuance of 136,000,000 new Shares in the Company. This may differ from the actual cost at the completion of the Proposed Acquisitions;

(g) the Company is proposing, subject to the approval of Shareholders, to issue new Shares on the Proposed Acquisitions at an issue price of $0.005 per additional shares for the following purposes:

(i) Up to 100,000,000 new Shares to Daniel Long operating in lieu of the repayment of up to S$500,000 owing to Daniel Long by the Company; and

(ii) Up to 300,000,000 new Shares to Ng Chee Beng in lieu of the repayment of up to S$1.5 million in interest free loans that Ng Chee Beng had extended to the Company.

The maximum number of new Shares is assumed to be issued as at 31 December 2016; and

(h) the financial effect on the waiver of the shareholders loans and director fees amounting to S$2,541,593 owing to Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao.

14.2 Share capital

	Number of Shares ('000)	**Share Capital (S$'000)**
Before the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares and the Proposed Share Consolidation	359,900 Shares	44,372
After the Proposed Acquisitions, but before the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares and the Proposed Share Consolidation	2,217,949 Shares	5,266
After the Proposed Acquisitions and the Proposed Issuance of Repayment Shares, but before the Proposed Issuance of the Professional Advisers' Shares and the Proposed Share Consolidation	2,735,949 Shares	7,266
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares and the Proposed Issuance of the Professional Advisers' Shares, but before the Proposed Share Consolidation	2,767,349 Shares	7,946
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares and the Proposed Share Consolidation	68,849 Consolidated Shares	7,946

14.3 NTA and NTA per Share

	(NTL)/NTA (S$'000)	Number of Shares ('000)	(NTL)/NTA per Share (S$)
Before the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao, and the Proposed Share Consolidation	(4,529)	359,900 Shares	(0.013)
After the Proposed Acquisitions, but before the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao, and the Proposed Share Consolidation	4,721	2,217,949 Shares	0.002
After the Proposed Acquisitions and the Proposed Issuance of Repayment Shares, but before the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao, and the Proposed Share Consolidation	6,721	2,735,949 Shares	0.002
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares and the Proposed Issuance of the Professional Advisers' Shares, but before the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao, and the Proposed Share Consolidation	6,054	2,767,349 Shares	0.002
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, and the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao, but before the Proposed Share Consolidation	8,595	2,767,349 Shares	0.003

	(NTL)/NTA (S$'000)	Number of Shares ('000)	(NTL)/NTA per Share (S$)
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao, and the Proposed Share Consolidation	8,595	68,849 Consolidated Shares	0.125

14.4 Loss and LPS

	Loss for FY2016 (S$'000)	Number of Shares ('000)	Loss per Share (S$)
Before the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao and the Proposed Share Consolidation	(1,481)	359,900 Shares	(0.004)
After the Proposed Acquisitions, but before the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao and the Proposed Share Consolidation	(6,871)	2,217,949 Shares	(0.003)
After the Proposed Acquisitions and the Proposed Issuance of Repayment Shares, but before the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao and the Proposed Share Consolidation	(6,871)	2,753,949 Shares	(0.002)

	Loss for FY2016 (S$'000)	Number of Shares ('000)	Loss per Share (S$)
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares and the Proposed Issuance of the Professional Advisers' Shares, but before the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao and the Proposed Share Consolidation	(8,218)	2,767,349 Shares	(0.002)
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, and the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao, but before the Proposed Share Consolidation	(5,677)	2,767,349 Shares	(0.002)
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao and the Proposed Share Consolidation	(5,677)	68,849 Consolidated Shares	(0.082)

14.5 Gearing

	Total borrowings (S$'000)	Total shareholders' funds ('000)	Gearing[(1)]
Before the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao and the Proposed Share Consolidation	–	(4,529)	N.A.

	Total borrowings (S$'000)	Total shareholders' funds ('000)	Gearing[1]
After the Proposed Acquisitions, but before the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao and the Proposed Share Consolidation	1,456	4,721	30.8%
After the Proposed Acquisitions and the Proposed Issuance of Repayment Shares, but before the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao and the Proposed Share Consolidation	1,456	6,271	21.7%
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares and the Proposed Issuance of the Professional Advisers' Shares, but before the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao and the Proposed Share Consolidation	1,456	6,054	24.1%
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, and the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao, but before the Proposed Share Consolidation	1,456	8,595	16.9%
After the Proposed Acquisitions, the Proposed Issuance of Repayment Shares, the Proposed Issuance of the Professional Advisers' Shares, the waiver of amounts due to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao and the Proposed Share Consolidation	1,456	8,595	16.9%

Note:

(1) Gearing is determined based on net debts divided by shareholders' equity. Net debt is calculated as borrowings less cash and cash equivalents.

15. APPLICATIONS MADE TO THE SGX-ST

15.1 Approval for extension of time for new listing

The Company was classified as a "cash company" within the meaning of Rule 1018 of the Listing Manual with effect from 14 April 2015. The Company was given 12 months until 13 April 2016 to meet the requirements for a new listing.

Pursuant to Rule 1017(2) of the Listing Manual, the SGX-ST will proceed to remove an issuer from the Official List if it is unable to meet the requirements for a new listing within 12 months from the time it becomes a cash company. The issuer may (through its sponsor) apply to the SGX-ST for a maximum 6-month extension to the 12-month period if it has already signed a definitive agreement for the acquisition of a new business, of which the acquisition must be completed in the 6-month extension period.

The Company has obtained the following Extensions to complete the Proposed Acquisitions:

(a) on 15 April 2016, the Company obtained the grant of the first Extension by the SGX-ST which gave the Company up to 13 October 2016 to comply with Rule 1018(2) of the Catalist Rules, subject to the Company making an announcement of the Extension and disclosing the reasons for seeking the Extension. The Company announced the grant of the Extension on 15 April 2016;

(b) on 11 October 2016, the Company obtained the grant of the second Extension by the SGX-ST which gave the Company up to 30 April 2017 to comply with Rule 1017(2) of the Catalist Rules, subject to the Company making an immediate announcement of the further Extension, disclosing the reasons for seeking the further Extension, and providing regular updates via the SGXNET on its progress in meeting the key milestones of the Proposed Acquisitions to the SGX-ST and the Shareholders. The Company announced the grant of the Extension on 12 October 2016; and

(c) on 12 May 2017, the Company obtained the grant of the third Extension by the SGX-ST which gave the Company up to 31 December 2017 to comply with Rule 1017(2) of the Catalist Rules, subject to (i) the Company making an immediate announcement of the further Extension, disclosing the reasons for seeking the further Extension and the conditions as required under Rule 107 of the Catalist Rules; (ii) the submission of a written confirmation from the Company that the extensions of time does not contravene any laws and regulations governing the Company and the constitution of the Company; (iii) the submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company; and (iv) the Company convening the FY2016 AGM by 7 July 2017 subject to approval of the same from ACRA. The Company announced the grant of the Extension on 15 May 2017.

15.2 Waiver of Rules 1015(1)(a)(ii) and 1015(4)(a) of the Catalist Rules

Under Rules 1015(1)(a)(ii) and 1015(4)(a) of the Catalist Rules, the Company is required to disclose the following:

(a) last two (2) years of historical financial information of the assets to be acquired and one (1) year of pro forma financial information (of the enlarged group);

(b) information required by Rules 407, 416, 1010, 1011, 1012, 1013 and Part XII of Chapter 4 of the Catalist Rules, where applicable.

Rule 407 of the Catalist Rules requires compliance with Parts II and XI of the fifth schedule of the SFR (the "**Fifth Schedule**"). Under the Fifth Schedule, pro forma financial statements are required for the most recently completed financial year and the period covered by interim financial statements, if any, where the Company has, during such period:

(a) acquired or disposed of any assets or any entity, business or business trust (other than a common control entity, common control business or common control business trust); or

(b) entered into any agreement to acquire or dispose of any asset or any entity, business or business trust (whether or not that entity, business or business trust is a common control entity, common control business or common control business trust);

and the net book value or absolute amount of profit or loss before tax of such asset, entity, business or business trust exceeds the prescribed thresholds under the Fifth Schedule.

As announced by the Company on 31 October 2017, the Company had applied to the SGX-ST for a waiver from Rules 1015(1)(a)(ii) and 1015(4)(a) of the Catalist Rules in respect of disclosure of pro forma financial information of the Enlarged Group for the following reasons:

(a) the references to "enlarged group" in Catalist Rules 1015(1)(a)(ii) and 1015(4)(a), when taken in the context of the Proposed Transactions, should be interpreted as referring to the enlarged group after completion of all of the Proposed Transactions. In particular since the completion of the Proposed Disposal is conditional upon the receipt of Shareholders' approval for the Proposed Disposal as well as the CT8 Acquisition and the WBH Acquisition.

(b) in order for Shareholders to arrive at a decision on whether or not to approve the Proposed Transactions, it would be meaningful for Shareholders to consider only the pro forma financial information of the Enlarged Group, as opposed to that of the Enlarged Group with the PRC Subsidiaries which the Company intends to dispose of as:

    (i) the pro forma financial information of the Enlarged Group reflects the economic substance of the Enlarged Group's businesses upon completion of the Proposed Acquisitions;

(ii) the operations and financial position of the PRC Subsidiaries will not be part of and therefore will not be relevant to the Enlarged Group; and

(iii) the presentation of only the pro forma financial information of the Enlarged Group will allow the Shareholders to make an informed and meaningful assessment of the Proposed Acquisitions.

Based on the foregoing, it would not be meaningful for the pro forma financial information of the Enlarged Group to include the financial information of the PRC Subsidiaries as the definitive agreements for the Proposed Disposal have been entered into and the Proposed Disposal is conditional upon the receipt of Shareholders' approval for the Proposed Disposal as well as the CT8 Acquisition and the WBH Acquisition.

Pursuant to a letter dated 27 October 2017, the SGX-ST granted a waiver of Rules 1015(1)(a)(ii) and 1015(4)(a) of the Catalist Rules subject to the following:

(a) an announcement of the waiver granted, stating the reasons for seeking the waiver and the conditions as per Rule 107 of the Catalist Rules and that the Company and/or its Directors are not aware of any other material information in respect of the Company and the Proposed Acquisitions which was not formerly disclosed to the investors;

(b) disclosure of the waiver granted and bases for seeking the waiver in the Circular; and

(c) submission of a written confirmation from the Company that the waiver does not contravene any laws and regulations governing the Company and its constituent documents.

As at the date of this Circular, the Directors are not aware of any other material information in respect of the Company and the Proposed Acquisitions which has not been formerly disclosed, or disclosed in this Circular to Shareholders and potential investors.

15.3 Submission to the SGX-ST

On 2 October 2017, the Sponsor and Financial Adviser submitted the pre-admission notification to the SGX-ST. A copy of this Circular has been lodged by the Sponsor and Financial Adviser with the SGX-ST, acting as agent on behalf of the Authority, on 15 November 2017 for posting on the SGX-ST website.

Pursuant to Appendix 4F of the Catalist Rules, the SGX-ST is expected to issue a listing and quotation notice in respect of the Consideration Shares, the Repayment Shares, the Professional Advisers' Shares, Shares issued as a result of Awards and the Consolidated Shares upon lodgement of this Circular with the SGX-ST, acting as agent on behalf of the Authority.

It should be noted that the listing and quotation notice issued by the SGX-ST is in no way reflective of the merits of any of the Proposed Transactions, the Company, the Target Companies, the Enlarged Group, the Shares, the Consideration Shares, the Repayment Shares and the Professional Advisers' Shares.

16. INFORMATION ON THE TARGET COMPANIES

16.1 Background

(a) WBH

WBH (Company Registration Number: 201007726K) was incorporated on 12 April 2010 as a private company limited by shares under the laws of the Republic of Singapore. As at the Latest Practicable Date, WBH's issued and paid-up share capital is S$100,000 comprising 100,000 ordinary shares. WBH is engaged in the business of investment holding.

WBH's registered office and principal place of business is 114 Lavender Street, #18-01 CT Hub 2, Singapore 338729.

(b) CT8

CT8 (Company Registration Number: 201119602C) was incorporated on 18 August 2011 as a private company limited by shares under the laws of the Republic of Singapore. As at the Latest Practicable Date, CT8's issued and paid-up share capital is S$1.0 million comprising 1,000,000 ordinary shares. CT8 is engaged in the business of real estate development and investment holding.

CT8's registered office and principal place of business is 114 Lavender Street, #18-01 CT Hub 2, Singapore 338729.

16.2 History

On 18 May 2010, WBH entered into option agreements with Wintech, the developer of One Commonwealth, under which it was granted options to purchase the OCW Units. The options were exercised, and on 26 May 2010, WBH entered into 13 sale and purchase agreements with Wintech for the sale by Wintech and the purchase by WBH of the OCW Units.

All of the titles to the OCW Units were transferred to WBH on 31 March 2011 after the construction of One Commonwealth was completed.

After the construction of One Commonwealth was completed, all of the titles to the OCW Units were transferred to WBH on 31 March 2011 and were subsequently leased out.

As at the Latest Practicable Date, all of the units in One Commonwealth held by WBH are leased out to third parties for rental income.

On 12 August 2011, Singapura Developments (Private) Limited granted an option in favour of CTE, under which CTE or its nominee would have the option to purchase the Tagore Property for the sum of S$92.0 million.

On 18 August 2011, CTE Resources, Affluence Resource and CT Construction, together incorporated CT8 with a view to jointly redeveloping the Tagore Property. On 26 August 2011, CTE nominated CT8 to accept the option to purchase in respect of the Tagore Property.

The title to the Tagore Property was transferred to and registered under the name of CT8 on 23 February 2012.

From the end of February 2012 to June 2012, CT8 worked with SCDA Architects Pte Ltd on the design of a factory to be constructed on the Tagore Property. An application was submitted on 5 July 2012 to the URA to obtain provisional permission for the proposal to erect a 4-storey multiple user light industrial factory with ancillary offices with a total of 128 units on the Tagore Property. The URA granted its provisional permission for the proposed construction on 13 July 2012. On 8 October 2012, the BCA issued a notice of approval to indicate its approval of the building plans for the factory.

Following the satisfaction of certain conditions imposed under the grant of provisional permission, the URA granted its planning permission for the construction of the factory by way of a grant of written permission issued on 1 November 2012.

In December 2012, CT8 launched the light industrial development, known as "Tagore 8", for public sale.

On 16 January 2013, CT8 called for tenders for the construction and completion of Tagore 8 and maintenance of the drains, roads and sewers on the Tagore Property. It received, amongst others, a tender offer from CTE Resources. Following a process of review and interviews and a revision to CTE Resources' tender offer, CT8, through SCDA Architects Pte Ltd, awarded the main contract for the construction and completion of Tagore 8 and maintenance of the factory on the Tagore Property to CTE Resources for a total contract sum of approximately S$53.4 million.

On 17 June 2015, the BCA issued a Temporary Occupation Permit for Tagore 8.

On 2 September 2015, the BCA issued a Certificate of Statutory Completion for Tagore 8.

On 15 December 2016, CTE, which holds a 50.0% interest in CTE Resources, acquired 10.0% of the issued and paid-up capital of CT8 from CT Construction for S$1,934,857. On 10 January 2017, CTE acquired the remaining 40.0% of the issued and paid-up capital of CT8 from Affluence Resource for S$6,968,316.

As at the Latest Practicable Date, a total of 122 out of 128 Tagore 8 units have been sold and titles to the units have been transferred to third party purchasers for an aggregate purchase price of S$206,991,896 (excluding taxes, grants and miscellaneous costs amounting to S$13,708,703). As at the Latest Practicable Date, the option-to-purchase in respect of a further two units in Tagore 8 has been exercised.

16.3 Business overview

Property development

Through the proposed acquisition of CT8, the Enlarged Group will acquire the management team with the necessary expertise and track record for property development and through its acquisition of the Kempas Land, the Enlarged Group will have available land to undertake property development immediately following Completion.

Property development typically covers the business of purchasing land, determining the type of properties to develop on the land, designing and obtaining the necessary approvals and financing, building or appointing builders to undertake construction of the structures, and ultimately, selling the properties. The Enlarged Group currently intends to outsource its design, building, and sales and marketing functions to architects, contractors, and sales and marketing agents who are able to meet the standards set.

Through its investment in CT8, the Enlarged Group has completed the development of Tagore 8, a freehold light industrial property which is located at 421 Tagore Industrial Avenue, Singapore, within the Tagore industrial estate off Upper Thomson Road, approximately two kilometres from Yio Chu Kang MRT Station and close to the upcoming Springleaf and Lentor MRT Stations. Tagore Industrial Avenue is about 20 minutes' drive to the Central Business District through the Lornie flyover, and can be accessed using the Seletar Expressway, Pan Island Expressway and Central Expressway.

Tagore 8 is a four-storey multiple user light industrial factory with ancillary offices with a total of 128 units. It has a total of 95 loading bays, two goods lifts and two fire lifts. Details of Tagore 8 are set out below:

Address	421 Tagore Industrial Avenue, Singapore
Tenure	Estate in perpetuity
Legal description	Lot 1278C Mukim 20
Master Plan Zoning	Business 1
Gross site area	143,310 sqft
Gross floor area	286,620 sqft
Acquisition date	February 2012
Certificate of Statutory Completion	2 September 2015
Total number of units	128 units
Aggregate market value of remaining unsold units (as at the Latest Practicable Date)	S$11.3 million
Units unsold (as at the Latest Practicable Date)	6[(1)] (4.7%)

Note:

(1) As at the Latest Practicable Date, the option-to-purchase in respect of two (2) Tagore 8 units have been exercised.

Please refer to Section 16.16 titled "Properties and fixed assets" of this Circular for more information.

CT8 has entered into sales and marketing agency agreements with a number of sales and marketing agents, pursuant to which they will, amongst others, market the remaining available units in Tagore 8 and actively participate in negotiations with potential purchasers. As at the Latest Practicable Date, 122 units in Tagore 8 have been sold and the option-to-purchase in respect of a further two (2) units has been exercised. All unsold units in Tagore 8 are owned by CT8.

The Company has also entered into the Kempas Agreement, pursuant to which the Company will acquire Kempas Land following Completion. The Company intends to develop the Kempas Industrial Project on the Kempas Land which will comprise 14 units of 2.5-storey detached industrial and/or showroom units with a total saleable floor area of approximately 147,830 sqft on Kempas Land which is approximately 239,669 sqft.

Please refer to Section 17 of this Circular titled "Information on the Kempas Land" for further details on the Kempas Industrial Project.

In addition to the Kempas Industrial Project, the Enlarged Group intends to undertake more property development projects in the future, both solely and in partnership with other parties that have complementary strengths so that it is able to enhance the future growth of its property development business.

Investment in commercial real estate

Through the acquisition of WBH, the Enlarged Group will acquire an investment in industrial real estate in Singapore.

WBH is the registered holder of the leasehold titles to 13 ground floor units in One Commonwealth. One Commonwealth is a 9-storey light industrial building in Singapore with a total of 250 factory/showroom units completed in 2010. One Commonwealth is strategically located along Commonwealth Avenue, is adjacent to the Commonwealth MRT station and close to the Pan-Island and Ayer Rajah Expressways.

The leasehold titles to the OCW Units will expire on 1 March 2038.

Please refer to Section 16.16 titled "Properties and fixed assets" of this Circular for more information.

The aggregate net leasable area of the OCW Units is 16,680 sqft (approximately 1,550 sqm).

As at the Latest Practicable Date, a total of 13 units in One Commonwealth held by WBH, covering an aggregate of 16,680 sqft, are tenanted. This represents an occupancy rate of approximately 100.0% of the net leasable area owned by WBH as at the Latest Practicable Date.

Please refer to Section 16.16 titled "Properties and fixed assets" for further details of the OCW Units.

Seasonality of the Target Companies' business

Real estate investment holding and property development businesses are not affected by seasonal changes in demand.

However, as the Target Companies' financial performance will be affected by its property development business which is project-based, the Target Companies' financial performance may fluctuate from year to year, depending on factors such as the timing of construction milestones, ability to secure new projects, developments in the future, and changes to existing policies and regulations relating to the property market.

16.4 Business process of the Target Companies

The Target Companies' business will be carried out in accordance with the framework set out below. This framework will also be adopted by the Enlarged Group:

(a) Feasibility studies

The Company will first carry out feasibility studies on the country in which it is considering acquiring land or partially completed real estate products for development/re-development, with the view of an eventual sale of the development, the leasing out of the development or a combination of both. The feasibility studies will encompass reviewing, among others, the general economic and political climate, the legal framework relating to foreign ownership and sale of properties, government regulations in relation to property development, tax and the repatriation of profits, as well as understanding the general market conditions in the country. The Company will also consider the general demand and supply for different classes of properties in that country, identifying the specific areas for growth as well as the profit margin by assessing the cost of land and various construction and ancillary costs against the general selling price of properties or the general rental yields of properties in the market. Based on the information gathered from such feasibility studies, the Company will identify cities in that country which have a healthy demand for quality residential, commercial, retail and/or industrial properties for sale or for rent.

(b) Assessment of quality of potential sites

After identifying the city, the Company will work with local agents, brokers or other third parties to identify sites which may be available for acquisition and which have strong development and intensification potential (i.e. the potential to develop a site at a higher density than its current baseline density). The Company will identify specific sites through monitoring announcements of public and/or private tenders, advertisements, discussions with local property agents or through the Company's network of contacts. In assessing the viability of a development site, it will take into consideration various factors, such as the likely purchase price of the site, the availability of financing, accessibility and surrounding environment of the site, available infrastructural support, marketability of the development, consumer demand for properties in the area, market conditions, planning and zoning guidelines, an estimate of land and construction costs and selling price and plans or restrictions imposed by authorities. These assessments are done internally or externally by professional consultants engaged by the Company.

(c) Acquisition of sites

After analysing the findings of its market research and feasibility studies, and being satisfied that it is commercially viable to embark on a development project on the selected site, the Company will commence the process to acquire the site.

The Company may pursue the development project on its own or it may consider entering into joint ventures or strategic alliances with other property developer(s) or third parties to leverage on their experience, track record and/or reputation.

The acquisition may be carried out through local property agents, private sales or tenders, based on a price that is acceptable to the Company.

(d) Planning and designing of sites

Following the acquisition of the site, the Company's management team will proceed to engage and formally appoint a team of professional consultants, including architects, quantity surveyors, civil and structural engineers and mechanical and electrical engineers. If the project is complex or is located in a city which requires specific domain knowledge and expertise for the conceptualising, planning and designing of property development projects, the Company will hire an established project management company which will assist in overseeing the overall development of the project. The project management company will work closely with the Company to manage the project and coordinate the work of its team of professional consultants, and assist in the planning and overseeing of the construction of the project. After conceptualising the preliminary building and development plan for the project, the Company will apply for the necessary approvals, licences and building plan clearances for the development and building plan of the project.

Please refer to Section 16.12 titled "Permits, approvals and licences" of this Circular for further details on the requisite approvals, licences and permits obtained and which are typically required for property development in Singapore.

The Company's finance department will concurrently prepare the budget and scheduled timeline to ensure that the development is carried out in a timely manner.

In conceptualising the project, the Company will also take into consideration feedback obtained from local marketing agents as well as costs which the quantity surveyors have identified. In some instances, depending on the complexity of the project, the Company may hire a building contractor to assist in the conceptualisation of the design in order to ensure the construction feasibility of its building plan. For the avoidance of doubt, the conceptualising, planning and design of each project is an integrated and concurrent process, can vary from project to project and is largely dependent on the size and complexity of each development.

(e) Sales and marketing

Upon obtaining the necessary approvals, including approvals for the building plan, and sale licences for the project, the Company will embark on the marketing and sales of the project. The Company's management is responsible for formulating the marketing strategy for the project. This includes among others, determining the name and positioning of the project, the media strategy, the design, production and distribution of promotional materials, as well as engaging external consultants such as established local property agents as the sales and marketing agents to handle sales of the development. The Company will usually conduct sales launches through media advertisements, exhibitions at the Company's showrooms during project launches and other channels.

Purchasers will pay a deposit upon signing the option to purchase or the sale and purchase agreement (as the case may be), and, depending on the market practice and relevant laws and regulations, may either pay the balance of the purchase price on completion or make progressive payments against the achievement of certain project and/or construction milestones.

The Company may also choose to hold some of its developed properties for rental yield, and reclassify them as investment properties, particularly if prevailing market conditions and/or seasonal factors are not conducive for the Company to sell down its outstanding inventory of units in its portfolio of development property projects. The Company will consider factors such as the market valuation of the property, the availability of financing, accessibility and surrounding environment of the property, rentability of the properties in the area and market conditions. These assessments will be done internally or externally by professional consultants engaged by the Company.

Tenants will pay a security deposit upon signing the tenancy agreement and, depending on the market practice and relevant laws and regulations, make monthly rental payments to the Company for use of the lease premises.

(f) Construction and development

As the Company believes that the quality of its main contractor will have a significant impact on the cost and quality of its properties, the Company will adhere to stringent criteria when awarding the construction contract to a main building contractor.

The process of selection involves the consideration of many factors, including the main contractor's licensed qualifications, financial status, reliability, reputation, track record, capacity to commit to the project timeline and its quality of workmanship and finishing.

The Company's project manager, with the assistance of the architect and other professional consultants, will manage and supervise the progress of each construction stage of the project closely in order to ensure that the development will be completed within the set budget and scheduled timeline and meet its internal quality standards.

The Company's projects department, together with its consultants, will also closely manage and supervise the progress of each stage of construction in order to ensure that its developments are in compliance with relevant rules and regulations, that the project will be completed within the set budget and scheduled timeline and that the quality of the development meets the Company's internal quality standards. The development will also be monitored by the project financiers of the Company.

Purchasers that make progressive payments of the purchase price will be required to do so based on the achievement of project milestones, namely, the completion of the foundation works, structural framework of the building, installation of walls, roofing, electrical wiring, plumbing, internal and external finishes, and the sewage works, drains and roads in relation to the building. Please refer to Section 16.7 titled "Credit policies of the Target Companies" of this Circular for further details on the typical credit policy granted to purchasers of property in Singapore developed by the Company.

(g) Completion and handover

Delivery of the Company's completed properties to purchasers will occur when the Company has received all relevant approvals and certification from the authorities and/or qualified professionals in line with applicable laws and regulations. In order for the Company to obtain the requisite approvals and/or certifications, the authorities and/or qualified professionals will inspect its development to determine, among others, whether applicable planning and building standards have been met. Upon the issuance of the relevant certification or notification or upon the handover of the completed property, purchasers will pay the remainder of the purchase price. Depending on the industry practice of the city in which the property is located or if required by applicable laws, the Company may also extend a defects rectification period to purchasers during which it may be obliged to rectify defects identified by the purchasers. For properties held for rent, the Company may commence discussions with its financiers to refinance the properties in question and the Company's property manager will manage and maintain the property and the tenants' roll with the assistance of other professional consultants.

16.5 Major customers of the Target Companies

The Target Companies' customer base comprises, for CT8, purchasers of the units in Tagore 8 ("**Tagore 8 Purchasers**") and for WBH, individual tenants of the OCW units ("**OCW Tenants**").

Based on the unaudited pro forma consolidated financial information of the Enlarged Group for FY2014, FY2015, FY2016 and HY2017, most of the OCW Tenants accounted for 5.0% or more of the Target Companies' revenues for FY2014 as CT8 did not generate any revenue during FY2014. In FY2015, none of the customers of the Target Companies accounted for 5.0% or more of the Target Companies revenues for FY2015. In FY2016, there were a number of Tagore 8 Purchasers that accounted for 5.0% or more of the Target Companies revenue for FY2016. However, as the Target Companies have not entered into any long-term contract with any of the Tagore 8 Purchasers, the Target Companies are not materially dependent on any contract with such purchasers.

The Proposed Directors believe that the business and profitability of the Target Companies will not be materially affected by the loss of any single OCW Tenant or Tagore 8 Purchaser and are currently not dependent on any particular industrial, commercial or financial contract with any such party.

To the best of the knowledge of the Proposed Directors, they are not aware of any information or arrangements which would lead to a cessation or termination of the Target Companies' current relationship with any of their major customers described above.

None of the Proposed Directors and Substantial Shareholders of the Company following Completion and their respective associates has any interest, direct or indirect, in any of the customers described above.

16.6 Major suppliers of the Target Companies

The Target Companies have not entered into long-term or exclusive contracts with any of its suppliers so as to allow it flexibility in terms of pricing, quality and timeliness of delivery. The Target Companies select its suppliers depending on the specific needs of the development project, which includes, amongst others, the quality and pricing of the products or services supplied and the track record of the suppliers.

The Target Companies' main and sole major supplier is the main contractor of Tagore 8, CTE.

		Percentage of total purchases (%)			
Supplier	**Services**	**FY2014**	**FY2015**	**FY2016**	**HY2017**
CTE	Main contractor for CT8	97.3	78.4	89.7	–

The Proposed Directors believe that the business and profitability of the Target Companies will not be materially affected by the loss of any single supplier and are currently not dependent on any particular industrial, commercial or financial contract with any supplier.

To the best of the knowledge of the Proposed Directors, they are not aware of any information or arrangements which would lead to a cessation or termination of its current relationship with any of its major suppliers.

Save for Ng Chee Beng, CTE and CTE Resources, none of the Proposed Directors and Substantial Shareholders of the Company following Completion and their respective associates has any interest, direct or indirect, in any of the major suppliers set out above. Please refer to Section 28 titled "Interested Persons Transactions and Potential Conflicts of Interest" of this Circular for further details on the relationship between Ng Chee Beng, CTE and CTE Resources, and the major supplies set out above.

16.7 Credit policies of the Target Companies

16.7.1 Credit policy for the customers of the Target Companies

The credit terms of the tenancy agreements entered into by WBH with its tenants are standardised. The sum to be paid by the tenants under the tenancy agreements are payable monthly in advance and clear of all deductions of the first day of each calendar month, without demand, free from any deduction and right of set off. As rental is paid in advance at the beginning of the month and security deposits are made, no credit terms are granted to tenants.

As at 31 December 2014, 2015, 2016 and 30 June 2017, WBH's receivables balances were approximately S$69,000, S$27,000, S$49,000 and S$32,000 respectively, and comprise overdue rental from tenants of the OCW Units. There were no write-offs or impairments of receivables provided by WBH for the Relevant Period.

The credit policy granted to purchasers of property developed by the Target Companies follows the progress payment schedule set out below:

Payment Schedule	Stage	Purchase Price (%)
Upon signing of the standard form sale and purchase agreement	1	20.0%
Within 14 days after the purchaser receives the following notices from CT8:	2	
(a) Notice that the foundation works relating to the unit have been completed		10.0%
(b) Notice that the reinforced concrete works relating to the unit have been completed		10.0%
(c) Notice that the brick walls relating to the unit have been completed		5.0%
(d) Notice that the ceiling of the unit has been completed		5.0%
(e) Notice that the doors and window frames are in position, and that the electrical wiring (without fittings), the internal plastering and the plumbing of the Unit have been completed		5.0%
(f) Notice that the installation of electrical plant, sanitary equipment and air-conditioning plant (if any) relating to the Unit has been completed		5.0%
(g) Notice that the car park, roads and drains serving the Building have been completed.		5.0%
Within 14 days after the purchaser receives the temporary occupation permit or certificate of statutory completion in respect of the unit purchased	3	25.0%
On the completion date of the sale and purchase in accordance with the sale and purchase agreement	4	10.0%, payable as follows: (a) 2.0% to CT8; and (b) 8.0% to the Singapore Academy of Law as stakeholder

Within four (4) working days after receiving a certificate of statutory completion relating to the unit purchased, the purchaser will have to serve:

(a) on the stakeholder the certificate of statutory completion and a notice of deduction from the purchase price of the unit; and

(b) on the relevant Target Company at the same time, the same notice of deductions from the purchase price.

The stakeholder will pay to the relevant Target Company the sum held by it less all authorised deductions three (3) working days after receiving from the purchaser the certificate of statutory completion relating to the unit purchased.

If the certificate of statutory completion relating to the unit purchased is issued before the completion date of the sale and purchase in accordance with the sale and purchase agreement, then instead of the arrangements in Stage 4 of the payment schedule above, the purchaser will have to pay to the relevant Target Company the last instalment of 10.0% of the purchase price of the unit in the following manner:

Payment Schedule		Purchase Price (%)
(a)	within 14 days after the purchaser receives the certificate of statutory completion	2.0%
(b)	completion date of the sale and purchase in accordance with the sale and purchase agreement	8.0%

For purchasers who are unable to settle payments at the respective stages, interest is chargeable on the unpaid amount in accordance with the sale and purchase agreement.

As at 31 December 2014, 2015 and 2016, and 30 June 2017, CT8 trade receivables balances were approximately S$2.0 million, S$15.3 million, S$4.1 million and S$3.0 million respectively, and comprise progress billings due from purchasers of units in Tagore 8.

16.7.2 Credit policy from the suppliers of the Target Companies

The Target Companies' main suppliers are building contractors and the method of payment to these contractors is based on the progress payment scheme in accordance with the agreed stages of completion, including the construction phases of the development properties, subject to certification by the appointed architect or quantity surveyor based on the terms and conditions stated in the building contracts.

In line with industry practice, CT8 is required to make an interim payment in respect of that stage of completion, usually within 30 days after certification of the invoice or progress claims.

As at 31 December 2014, 2015, and 2016, and 30 June 2017, CT8's trade payables balances amounted to approximately S$3.0 million, S$0.6 million, S$0.2 million and S$0.03 million respectively, which comprised mainly retention monies for building

contractors. Due to the Target Companies' revenue recognition method and the corresponding recognition of cost, it is not meaningful to compute the average trade payables' turnover days for the periods under review.

16.8 Inventory management of the Target Companies

As at Latest Practicable Date, six (6) units of Tagore 8 remains unsold. The option-to-purchase in respect of two (2) out of the six (6) remaining units of Tagore 8 has been executed.

16.9 Insurance maintained by the Target Companies

As at the Latest Practicable Date, the Target Companies have taken out fire insurance policies on each of the OCW Units and the following policies in relation to Tagore 8:

(i) fire and extraneous perils policy;

(ii) public liability policy; and

(iii) plate glass policy.

For its development projects, the Target Companies require their contractors to be covered by contractor's all risks and work injury compensation insurances during the construction period and defects liability period of the project. Upon vacant possession to the customer, the responsibility for insurance of each individual unit will be passed to the customer although the owners of the development will usually decide to obtain the insurance for the entire development through the joint management body of the development and share the insurance cost. In the case of unsold development properties, the Target Companies will take up insurance for each individual unit.

Following Completion, the Proposed Directors will review the insurance policies annually to ensure that the Target Companies have sufficient insurance coverage. The Proposed Directors are of the view that the insurance coverage from the above insurance policies is sufficient for the present operations of the Target Companies following Completion.

16.10 Intellectual property

As at the Latest Practicable Date, the Target Companies have not registered any trademarks.

The Target Companies do not have any patents, licences, trademarks or other intellectual property rights which are material to their business or profitability.

CT8 is a special purpose vehicle specifically incorporated for the development of Tagore 8. As the development of Tagore 8 has been completed and following the sale of the remaining units at Tagore 8, CT8 will not have any other business, as such, a trademark application would not be necessary for CT8.

The principal activity of WBH is the leasing of the OCW Units. Due to the nature of its business, a trademark application is not necessary. As such, a trademark application for the Company's new name and logo is not required.

Following the completion of the RTO, the Company will consider seeking a trademark application for the Company's new name and logo.

16.11 Research and development

The nature of the Target Companies' business does not require them to carry out extensive research and development and they have not incurred any significant research and development expenditure for FY2014, FY2015, FY2016 and HY2017. Notwithstanding this, in order to ensure that the Target Companies remain competitive, the Target Companies will from time to time and as where practicable, engage external consultants to perform market feasibility studies to allow the Target Companies to keep abreast of new concepts and trends in the property industry.

16.12 Permits, approvals and licences

As at the Latest Practicable Date, save for those disclosed in Section 34 titled "Government Regulations" of this Circular, the Target Companies' business and operations are not subject to any special legislation or regulatory controls which have a material effect on their business and operations.

For a summary of the relevant laws and regulations applicable to the business of Target Companies, please refer to Section 34 titled "Government Regulations" of this Circular.

The following are the material permits, approvals and licences issued and/or granted to the Target Companies pursuant to the relevant laws and regulations applicable to the Target Companies and which are essential for the business operations of the Target Companies (apart from those pertaining to general business requirements):

Holder	Date of grant or issue/ date of expiry	Permits/approvals/licences	Awarding organisation/ authority
CT8	13 July 2012/ 13 January 2013	Grant of Provisional Permission	URA
CT8	8 October 2012	Notice of Approval of Building Plans	BCA
CT8	22 October 2012	Certificate of Numbering	Inland Revenue of Singapore
CT8	1 November 2012[(1)]	Grant of Written Permission	URA
CT8	7 April 2015	Certificate of Statutory Completion (Roads and Transport)	LTA
CT8	15 April 2015	CSC Clearance	National Parks Board of Singapore

Holder	Date of grant or issue/ date of expiry	Permits/approvals/licences	Awarding organisation/ authority
CT8	13 May 2015	Compliance Certificate issued in relation to Section 33(8) of the Sewerage and Drainage Act (Chapter 294 of Singapore) and Section 33(7) of the Environmental Protection and Management Act (Chapter 94A of Singapore)	National Environment Agency
CT8	17 June 2015	Temporary Occupation Permit	BCA
CT8	17 June 2015	Letter approving maintenance charges	BCA
CT8	15 July 2015	Fire Safety Certificate	Singapore Civil Defence Force
CT8	15 July 2015	Certificate of Statutory Completion (Vehicle Parking)	LTA
CT8	2 September 2015	Certificate of Statutory Completion	BCA
CT8	24 December 2015	Certificate of Constitution of Management Corporation	SLA
CT8	21 December 2015	Subsidiary Strata Certificate of Title	SLA

Note:

(1) In accordance with Section 20(1) of the Planning Act, the permission would have lapsed on 29 August 2018 if the development of Tagore 8 was not completed by 29 August 2018. The development of Tagore 8 was completed on 2 September 2015.

To the best of the knowledge of the Proposed Directors, the Target Companies have obtained all necessary permits, approvals and licences required for their business and operations, and following the completion of the Kempas Acquisition, Tree Top Realty will have obtained from the Kempas Vendor all necessary permits, approvals and licences required in relation to the Kempas Acquisition.

As at the Latest Practicable Date, none of the aforesaid permits, approvals and licences have been suspended, revoked or cancelled and to the best of the knowledge and belief of the Proposed Directors, they are not aware of any facts or circumstances which would cause such permits, approvals and licences to be suspended, revoked or cancelled, as the case may be, or any applications for or renewal of, any of these permits, approvals and licences to be rejected by the relevant authorities.

16.13 Competition

The Proposed Directors believe that the Target Companies compete with existing property developers and investors in the markets, geographies and locations in which they operate. These existing property developers and investors may be more established than the

Target Companies and have greater brand recognition, financial, technical and marketing resources than the Target Companies. The Target Companies may also face competition from new entrants.

Notwithstanding the foregoing, the Proposed Directors believe that the Enlarged Group's competitive strengths will enable it to compete effectively in the markets, geographies and locations in which it operate.

Save as disclosed in Section 28 titled "Interested Persons Transactions and Potential Conflicts of Interest" of this Circular, none of the Proposed Directors and persons who would be Substantial Shareholders of the Company following Completion, or their respective associates, has any interest, direct or indirect, in any of the competitors of the Target Companies.

16.14 Competitive strengths

Following Completion, the Target Companies believe that they are able to compete effectively with the following competitive strengths:

Influential and well-connected controlling shareholder and promoter with strong track record in property development

The Company's controlling shareholder and promoter, CTE, has successfully launched and completed more than five property development projects in Singapore, including conservation, residential, commercial and industrial units in a variety of real estate product classes. Through CTE, the Company's management has established a reputable track record in delivering quality and well-designed real estate products in Singapore that appeal to real estate end-users and investors.

Coupled with the experience gained from CTE's successful real estate project launches in Singapore, as well as the network the Company has established, it believes that it is able to develop properties that appeal to its customers in terms of location, design and price.

The Company has an experienced and stable management team with established business relationships and extensive networks within the property development industry

The Company's management team after Completion has, in aggregate, more than 30 years of experience in the property development and building construction industries.

Daniel Long will be in charge of proposing key investment decisions and corporate initiatives to the Board. He is currently one of the managing partners and executive directors of PCM. Daniel Long has led PCM to successfully diversify into real estate investment and development to improve the returns of PCM's managed funds since 2008. He has also invested and assisted in the organising of liquidity events for such real estate asset classes as conservation property, mixed developments and residential property with an aggregate gross development value of approximately S$1.5 billion.

Wong Lien Feng's main tasks following Completion will be to assist in identifying new development projects, manage ongoing development projects, oversee the sales and marketing and construction departments and be the main liaison with the relevant government authorities. Wong Lien Feng is the senior development manager in CTE, and

was the *de facto* project director of Tagore 8. He assisted with the development of OCW and manages the leasing of the OCW Units. Wong Lien Feng currently manages the sales and marketing function for CTE's entire portfolio of industrial developments across Singapore.

Daniel Long and Wong Lien Feng are supported by the CFO, Wee Liang Hiam, and the project managers, Nancy Ng and Amanda Lim.

The Target Companies have diversified streams of income

The Target Companies business comprises property development as well as property investment. Whilst the Target Companies continue to focus on growing its land bank and building on the property development business, its property investment business provides a steady cash flow from the rental of the OCW Units to service the mortgages and to pay for the various expenses incurred by the Target Companies.

The Company has an extensive network of business relationships with third party contracts, consultants and other professionals

With their collective extensive experience, exposure and drive, the Proposed Directors and the Company's management team and staff also maintain an established network of, among others, contractors, suppliers, property agents, consultants, financiers as well as maintain strong relationships with the relevant government agencies. With these resources, the Company believes that it will be able to continually source for suitable development sites, achieve optimal development value from these sites, manage its construction and development processes efficiently and ensure customer satisfaction by delivering products of quality and value.

The Company is adaptable to the demands of its customers and is able to respond and adapt to changing consumer needs and preferences

In order to increase the appeal of the Company's projects, the Company will put in significant effort in architectural design and unit layout so as to give purchasers greater value for their investment. Its planning takes into account space utilisation, green living, consumer trends and the buildability of the project. With the management team's extensive experience and track record in the property development and investment business, knowledge of changing trends in consumer preferences, as well as leveraging on the appointed professional advisors and consultants for each property development project, the Company is able to design and develop real estate products which it believes will not only appeal to its target market but also allow it to achieve its financial and commercial goals.

16.15 Staff and training

(a) Staff

As the Target Companies are special purpose vehicles meant for the ownership of property, they do not have any staff nor do they employ any part-time staff. Critical manpower requirements of the Target Companies had historically been supplied by CTE. Following the completion of the Proposed Transactions, the Enlarged Group will have its own employees.

A breakdown of the number of employees of the Enlarged Group on a pro forma basis by business function as at 31 December 2014, 31 December 2015, 31 December 2016 and 30 June 2017 are as follows:

	As at 31 December 2014	As at 31 December 2015	As at 31 December 2016	As at 30 June 2017
Management[(1)]	2	2	2	2
Sales and marketing	1	1	1	1
Project management	1	1	1	1
Administrative	–	–	–	–
Finance and accounts	2	2	2	2
Business development	–	–	–	–
Total	**6**	**6**	**6**	**6**

Note:

(1) An Executive Director is classified as part of the management.

As the Enlarged Group expects the pace and scale of its business to grow in the future, it is envisaged that the number of employees will increase in time to come.

None of the employees of the Enlarged Group immediately after the completion of the Proposed Transactions is unionised. The relationship and cooperation between the management and staff has always been good and is expected to continue in the future. There has not been any incidence of work stoppages or labour disputes which affected the Enlarged Group's operations.

16.16 Properties and fixed assets

As at the Latest Practicable Date, the Target Companies own the following properties:

Owned by	Location	Gross area[(1)]	Tenure	Encumbrances	Usage
WBH	1 Commonwealth Lane, #01-07 One Commonwealth Singapore 149544	122.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-08 One Commonwealth Singapore 149544	121.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-09 One Commonwealth Singapore 149544	121.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-10 One Commonwealth Singapore 149544	121.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income

Owned by	Location	Gross area[1]	Tenure	Encumbrances	Usage
WBH	1 Commonwealth Lane, #01-11 One Commonwealth Singapore 149544	121.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-12 One Commonwealth Singapore 149544	121.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-13 One Commonwealth Singapore 149544	121.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-14 One Commonwealth Singapore 149544	121.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-15 One Commonwealth Singapore 149544	111.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-17 One Commonwealth Singapore 149544	117.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-18 One Commonwealth Singapore 149544	117.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-19 One Commonwealth Singapore 149544	117.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
WBH	1 Commonwealth Lane, #01-20 One Commonwealth Singapore 149544	119.0 sqm	Private leasehold estate with a lease of 30 years commencing on 1 March 2008	Mortgaged to United Overseas Bank Limited	Leased out for rental income
CT8	421 Tagore Industrial Avenue, #01-02, Singapore 787805	369 sqm (including strata void of 117 sqm)	Estate in Perpetuity	None	Vacant
CT8	421 Tagore Industrial Avenue, #01-04, Singapore 787805[1]	270 sqm (including strata void of 71 sqm)	Estate in Perpetuity	None	Vacant
CT8	421 Tagore Industrial Avenue, #01-05, Singapore 787805[1]	357 sqm (including strata void of 115 sqm)	Estate in Perpetuity	None	Vacant
CT8	421 Tagore Industrial Avenue, #01-09, Singapore 787805	258 sqm (including strata void of 67 sqm)	Estate in Perpetuity	None	Vacant
CT8	421 Tagore Industrial Avenue, #01-10, Singapore 787805	278 sqm (including strata void of 72 sqm)	Estate in Perpetuity	None	Vacant

Owned by	Location	Gross area[1]	Tenure	Encumbrances	Usage
CT8	421 Tagore Industrial Avenue, #01-12, Singapore 787805	258 sqm (including strata void of 67 sqm)	Estate in Perpetuity	None	Vacant

Note:

(1) As at the Latest Practicable Date, the option-to-purchase in respect of this unit has been exercised.

As at the Latest Practicable Date, the following properties owned by the Target Companies have been leased out:

Owned by	Location	Total approximate gross area[1]	Tenure (including date of grant of lease and any option to renew)	Lessee	Purpose/Use of Property
WBH	1 Commonwealth Lane, #01-10/17 One Commonwealth Singapore 149544	237 sqm	24 months commencing on 1 February 2017 and expiring on 31 January 2019 which can be renewed at the request of the tenant at a revised rent and on other terms and conditions determined by WBH	Bravat Singapore Pte. Ltd.	Showroom
WBH	1 Commonwealth Lane, #01-14/15 One Commonwealth Singapore 149544	231 sqm	24 months commencing on 1 September 2016 and expiring on 31 August 2018, which can be renewed at the request of the tenant at a revised rent and on other terms and conditions determined by WBH	Rodalink (S) Pte. Ltd.	Wholesale and retail sale of sporting equipment (including bicycles, boats and health care equipment)
WBH	1 Commonwealth Lane, #01-07/08/20 One Commonwealth Singapore 149544	361 sqm	24 months commencing on 1 January 2016 and expiring on 31 December 2017, which can be renewed at the request of the tenant at a revised rent and on other terms and conditions determined by WBH	Techmat Venture Pte Ltd	Car treatment, polishing and waxing services
WBH	1 Commonwealth Lane, #01-11/12/13 One Commonwealth Singapore 149544	362 sqm	18 months commencing on 16 November 2016 and expiring on 15 May 2018, which can be renewed at the request of the tenant at a revised rent and on other terms and conditions determined by WBH	MBM Wheelpower Pte Ltd	Business 1 activities as specified by the relevant authorities

Owned by	Location	Total approximate gross area[1]	Tenure (including date of grant of lease and any option to renew)	Lessee	Purpose/Use of Property
WBH	1 Commonwealth Lane, #01-09/18 One Commonwealth Singapore 149544	237 sqm	24 months commencing on 16 September 2017 and expiring on 15 September 2019 which can be renewed at the request of the tenant at a revised rent and on other terms and conditions determined by WBH	Autoinc Eurosports Pte. Ltd.	Car showroom
WBH	1 Commonwealth Lane, #01-19 One Commonwealth Singapore 149544	116 sqm	5.5 months commencing on 1 October 2017 and expiring on 15 March 2018 which can be renewed at the request of the tenant at a revised rent and on other terms and conditions determined by WBH	Carbiz Pte. Ltd.	Car showroom

Note:

(1) The difference between the gross area of the OCW Units and the approximate gross area leased out is due to rounding error.

As of the Latest Practicable Date, the Target Companies:

(a) do not lease or hold the licence to any properties; and

(b) do not have any production facilities.

To the best of the Proposed Directors' knowledge, there are no regulatory requirements or environmental issues that may materially affect the Target Companies' utilisation of the above properties and fixed assets, save as disclosed in Section 34 titled "Government Regulations" of this Circular.

16.17 Corporate social responsibility

The Target Companies believe that corporate social responsibility is an important aspect of the Target Companies' operations, and is thus committed to enhancing the well-being of the community. The Target Companies intend to establish a corporate social responsibility programme which includes reviewing and recommending policies in respect of corporate social responsibility issues to be undertaken by the Target Companies, reviewing the Target Companies' health, safety and environmental policies and standards in relation to its business operations, and reviewing the social impact of the Target Companies' business practices in Singapore.

17. INFORMATION ON THE KEMPAS LAND

17.1 Details of the Kempas Land

The Kempas Land, a vacant freehold plot of land with an area of approximately 2.2 hectares or 239,669 sqft and which is located in Johor Bahru, Malaysia, is approximately 10 minutes' drive from the Johor Customs, Immigration, and Quarantine Complex, reportedly close to a future Mass Rapid Transit station, and a meaningful distance from the sizable condominium developments along and close to the coast.

The Kempas Vendor has obtained the relevant planning permission for the development of 14 industrial units on the Kempas Land. Under the terms of the Kempas Agreement, the Kempas Vendor has irrevocably covenanted and agreed that Tree Top Realty shall be vested and conferred with and granted with all its rights, benefits, interests and obligations in respect of (i) the Kempas Industrial Project, (ii) the planning permission granted by the Johor Bahru City Council to the Kempas Vendor in relation to the Kempas Industrial Project, (iii) the layout plan approved under the said planning permission, the building plan and (iv) any other development order(s), planning permissions, permits, licences, consents and approvals obtained in respect of the Kempas Industrial Project, after the completion of the Kempas Acquisition. The Kempas Vendor shall deliver and sign all documents which is necessary to enable Tree Top Realty to receive and assume conduct and control of the Kempas Industrial Project.

Under the planning permission which the Kempas Vendor has obtained from the relevant authority, an access road is required to be built by the Kempas Vendor to provide for access to the Kempas Land and surrendered to the relevant authorities.

The completion of the acquisition of the Kempas Land is conditional upon the completion of the Proposed Acquisitions and the Proposed Transfer.

Please see Section 2.4 of this Circular titled "The Kempas Acquisition" for further details on the Kempas Agreement.

17.2 Details on the Kempas Industrial Project

The Company intends to develop the Kempas Industrial Project on the Kempas Land which will comprise 14 units of 2.5-storey detached industrial and/or showroom units with a total saleable floor area of approximately 147,830 sqft on Kempas Land which is approximately 239,669 sqft.

It is the Company's current expectation that the purchase consideration for Kempas Land of RM12.0 million (approximately S$3.9 million) will be funded through internal resources and more specifically, the proceeds from the sale of units at Tagore 8. As with the case for development projects in Malaysia and elsewhere, it is currently intended that the entire construction cost for the Kempas Industrial Project will be financed through bank loans to mitigate the risk of foreign currency exposure. The Company expects to begin development work on the Kempas Industrial Project following completion of the acquisition of the Kempas Land and expects to commence pre-sales of the developed industrial units in the second half of 2018.

17.3 Details on the Kempas Vendor

The Kempas Vendor is a company incorporated in Malaysia and it is wholly-owned by Ruben Emir Gnanalingam Bin Abdullah and Shaline Gnanalingam. Ng Siew Yong, the mother of Ruben Emir Gnanalingam Bin Abdullah, and Shirieene Hajamaideen, the spouse of Ruben Emir Gnanalingam Bin Abdullah, hold a 70.0% and 30.0% interest respectively in Makmal Capital Sdn. Bhd.. Makmal Capital Sdn. Bhd. is a shareholder of Providence SOGF Limited which in turn is a shareholder of EIGL. Please refer to Section 37 titled "Interest of Directors and Substantial Shareholders of the Company" of this Circular for further details.

18. RISK FACTORS

Shareholders should carefully evaluate the following risk factors and all other information contained in this Circular before deciding how to cast their votes on the resolutions in respect of the Proposed Transactions at the EGM.

Some of the following considerations relate principally to the industry in which the Enlarged Group operates and the Enlarged Group's business in general.

Other considerations relate principally to general social, economic, political and regulatory conditions in Singapore, the securities market and the ownership of the Shares, including possible future dilution in the value of the Shares.

Shareholders should also note that certain of the statements set forth below constitute "forward-looking statements" that involve risks and uncertainties. If any of the following risk factors and uncertainties develops into actual events, the Enlarged Group's business, financial condition, results of operations or cash flows may be adversely affected. In such circumstances, the trading price of the Shares could decline and Shareholders may lose all or part of their investment.

The Proposed Directors have represented to the Board that, to the best of their belief and knowledge, all risk factors which are material to Shareholders in making an informed judgment on the Enlarged Group have been set out below.

To the best of the Board's knowledge and belief, all risk factors which are material to Shareholders in making an informed judgement on the Proposed Transactions and/or the Enlarged Group have been set out in this Circular. If any of the following considerations and uncertainties develops into actual events, the results of operations or the financial position of the Enlarged Group could be materially and adversely affected.

18.1 Risks relating to the Enlarged Group, its business and industry

The Enlarged Group is subject to risks associated with developing new properties and projects

New property developments or projects to be undertaken by the Enlarged Group in the future will be subject to a number of risks, many of which are outside the Enlarged Group's control, including but not limited to:

(i) the possibility of changes in market conditions in the property development industry after acquisition;

(ii) the possibility of changes in the relevant regulations and approvals and possible delays in obtaining the requisite approvals; and

(iii) the possibility of construction delays or cost overruns due to third party performance risks, adverse weather conditions, environmental risks, labour, equipment or material shortages, labour stoppages and the unavailability of construction and/or long term financing.

A period of five (5) years normally elapses between the acquisition of the development site and the project's completion, during which time the prevailing political or social conditions of the property or project's location or other conditions critical to the success of the property or project may change, such that the Enlarged Group is unable to commence or continue development of the property or project, repay its debt financing and/or achieve its projected returns. The nature of the Enlarged Group's property development business may also result in mismatching cash flows, depending on the stage of development of the property development project. Notwithstanding that the Enlarged Group has not encountered any of the above events in the past which have had a material adverse impact on the Enlarged Group, if such events were to occur, the Enlarged Group's business, financial position and results of operations could be materially and adversely affected.

The Enlarged Group is dependent on its Controlling Shareholder, Ng Chee Beng, for its continued success

Ng Chee Beng, who will be a Controlling Shareholder of the Enlarged Group has undertaken to the Company, pursuant to the Transaction Deed, that the gross rental income for the OCW Units shall be at least S$6.00 psf/month for a period of three (3) years following completion of the Proposed Acquisitions, amounting to an aggregate of S$1,200,960 per annum based on the aggregate net leasable area of the OCW Units of 16,680 sqft (the "**Minimum Guaranteed Rent**"). As such, Ng Chee Beng will compensate the Company for any shortfall between the gross rental income which the Company receives for the OCW Units and the Minimum Guaranteed Rent during the period the Transaction Deed is in effect.

The Enlarged Group's success also depends to a large extent on the personal reputation, business generation capabilities, network and business relationships with members of the business community and real estate industry of its Controlling Shareholder, Ng Chee Beng. Since the Enlarged Group has a limited operating history as a property developer, Ng Chee Beng's reputation and business generation capabilities are critical elements in the Enlarged Group's ability to obtain and maintain business relationships and raise capital. Accordingly, his involvement is crucial to the Enlarged Group's success. Ng Chee Beng has agreed to provide a right of participation undertaking (the "**NCB ROPU**") in favour of the Company in relation to future development projects that he and/or any other special purpose development vehicles in which he is able to exercise control, such as CTE, may undertake, as long as he remains as a controlling shareholder of the Company. For further details on the NCB ROPU, please refer to the Section 28.5(a) titled "Potential conflicts of interest" of this Circular.

Except as otherwise described under the sections entitled "Moratorium" of this Circular, Ng Chee Beng will be able to dispose of his shareholdings in the Company. There is no assurance that he will remain as the Controlling Shareholder. If Ng Chee Beng is no longer

the Controlling Shareholder, the Company may not have the same level of support or access to opportunities and such loss may materially and adversely affect its business, results of operations, financial position and prospects.

The Enlarged Group is subject to financing risks and may not have adequate financial resources to finance business activities such as land acquisitions or property developments

Real estate development business is capital intensive in nature. The availability of adequate financing is crucial to the Enlarged Group's ability to acquire land, complete its development projects and finance periodic capital expenditure for purposes of refurbishments, renovations and improvements on its properties, before handing over the same to residents' committee. A combination of its own funds, shareholders' loans, bank borrowings, other loans and pre-sale proceeds are utilised to meet these capital needs.

There is no assurance that the Enlarged Group will be able to obtain financing, whether on a short-term or a long-term basis, on terms that are commercially available. Similarly, there is no assurance that the Enlarged Group will be able to fund the foregoing capital requirements solely from cash provided from its operating activities. The Enlarged Group's ability to obtain adequate financing with commercially acceptable returns depends on a number of factors that are beyond its control, including but not limited to general economic and political conditions, its own financial position, results of operation or cash flow, the property market's cyclical nature, the availability of other sources of debt or equity financing, prevailing conditions in the equity and/or debt markets and the terms on which banks and financial institutions are willing to extend and/or renew credit to the Enlarged Group.

The incurrence of debt will require the Enlarged Group to make interest payments on such debt obligations and could result in operating and financial covenants that may restrict its operations and its ability to pay dividends to Shareholders. Obtaining debt financing may increase the Enlarged Group's vulnerability to general adverse economic and industry-wide conditions and cash derived from operations will be applied towards repayment of debt, thereby restricting its deployment for other purposes. Issuance of securities for the purposes of meeting funding requirements may lead to a dilution in the equity interests of Shareholders. The Enlarged Group also cannot assure Shareholders that it will not be in breach of any existing or future covenants which may have a material adverse effect on its business, financial condition, results of operations and prospects.

Notwithstanding that the Enlarged Group has not experienced any difficulty in obtaining such financing or refinancing which has had a material adverse impact on the Enlarged Group, the failure to obtain financing or refinancing on commercially acceptable terms when required, may result in the Enlarged Group not having adequate funds to fund their operations, acquisitions or development of properties, or to service their financing obligations which would have a material adverse effect on the Enlarged Group's financial position, results of operations, cash flows and prospects.

The Enlarged Group is dependent on its third-party contractors and consultants

The Enlarged Group engages third-party contractors and consultants (including CTE) to provide various services such as architectural design, construction, piling and foundation works, mechanical and electrical engineering, interior design, sales and marketing to bring its property development project to completion. The Enlarged Group has, in the past,

engaged CTE as a main contractor to carry out construction and maintenance works on the Tagore Property. Please refer to Section 28.1 titled "Past interested persons transactions" for further details. In the event that the Company decides to enter into similar transactions with CTE in the future, such transactions will be conducted in accordance with the review procedures for interested persons transactions as set out in Section 28.4 titled "Review procedures for future interested persons transactions" of this Circular and Chapter 9 of the Catalist Rules.

Whilst the Enlarged Group adopts stringent procedures in the procurement of such services and has in place quality control measures to ensure that the quality of the workmanship and products of the contractors meet its requirements, there is no assurance that the services and products rendered by these third-party contractors and consultants will be satisfactory to or match the quality expected by the Enlarged Group and/or its purchasers.

In the event that any of its contractors fails to rectify any unsatisfactory works and/or the Enlarged Group is unable to find suitable alternative solutions in a timely manner, the Enlarged Group may not be able to complete its current or future projects within the set budget and time schedule. This may in turn result in cost overruns and project delays. Cost overruns and project delays may also arise in the event that its contractors fail to sustain their operations because of, amongst other reasons, adverse changes in their financial conditions, and/or if the Enlarged Group is subsequently unable to secure suitable replacement contractors in a timely manner. Cost overruns and project disruptions leading to delays may have a material adverse effect on the Enlarged Group's business, financial condition, results of operations, reputation and prospects.

Further, the Enlarged Group may also be exposed to delays arising from the inability of its contractors to complete the construction work for the current and future property development projects of the Enlarged Group and the Enlarged Group may not be able to successfully claim against these contractors. If the Enlarged Group experiences any delays in project completion, the Enlarged Group may be exposed to liquidated damages payable to purchasers of the affected properties and this may have a material adverse effect on the business, financial condition, results of operations, reputation and prospects of the Enlarged Group. In addition, if any contractor or sub-contractor engaged to work becomes insolvent, it may not be possible to recover compensation for such defective work or materials and the Enlarged Group may incur losses as a result of funding the repair of the defective work or paying damages to persons who have suffered loss as a result of such defective work. Notwithstanding that the Enlarged Group has not experienced any such incidents with any third-party consultants and/or contractors in the past which has had a material adverse impact on the Enlarged Group, there is no assurance that such incidents will not occur in the future and this may have a material adverse effect on the Enlarged Group's business, financial condition, results of operations, reputation and prospects.

Competition from other property developers

Although there are barriers to entry into the property development industry, the Enlarged Group may face intense competition from existing market players and new market entrants in respect of securing strategically located land parcels for development, supply of raw materials and labour and selling prices of property. There are many local and foreign property developers undertaking property development projects in Singapore, thus putting downward pressure on property prices and creating material and labour scarcity. The

Enlarged Group may also face competition from investment funds which operate for the acquisition of suitable development sites and available investment properties in Singapore.

Such competition among property developers and the other entities may result in, amongst others, increased acquisition costs of land for development, oversupply of properties in certain parts of Singapore, a decrease in property prices, a slowdown in the rate at which new property developments will be approved and/or reviewed by the relevant government authorities, an increase in construction costs and difficulties in obtaining high quality contractors and qualified employees.

While the Enlarged Group seeks to remain competitive in terms of pricing, design, quality and strategic marketing, there is no assurance that its proactive measures can effectively mitigate the potential adverse effects of competition on its future financial performance and position. Any failure by it to remain competitive would adversely affect its business and results of operations.

Further details on the Enlarged Group's competitive environment are set out in Section 16.13 titled "Competition" of this Circular.

The OCW Units may not be able to generate the same level of gross rental income that is commensurate with the levels attained with the Transaction Deed after the expiry of the Transaction Deed

Based on the Minimum Guaranteed Rent, the rental income generated from the OCW Units would have accounted for 7.2% and 7.5% of the revenue of the Enlarged Group for the financial year ended 31 December 2016 and for the six-month period ended 30 June 2017 respectively. Based on the assumption that the OCW Units are fully tenanted and based on a net leasable area of 16,680 sqft, the maximum aggregate shortfall payable by Ng Chee Beng for FY2018 is expected to be approximately S$38,152.

Following the expiry of the Transaction Deed in the fourth year after completion of the Proposed Acquisitions, the OCW Units may not be able to generate a level of income that is commensurate with the Minimum Guaranteed Rent under the Transaction Deed due to, amongst others, material changes in the economic and real estate policies or an unexpected supply of competing properties. In such a scenario and if the Enlarged Group is unable to generate other income streams through its property development business, the business, financial condition and results of operation of the Enlarged Group will materially and adversely affected.

The Enlarged Group is dependent on key qualified personnel for its operations

Wong Lien Feng, who is the proposed COO of the Company after Completion, and both Nancy Ng and Amanda Lim, who are the proposed Project Managers of the Company, bring with them an aggregate of over 30 years of valuable experience, judgment and project execution skills. The Enlarged Group anticipates that it will be necessary for it to employ additional key personnel as it pursues its growth strategy. However, it may not succeed in recruiting such additional personnel or retaining current key personnel as the market for such personnel is extremely competitive. If it is unable to attract or retain senior management, or if any of their senior management are unable or unwilling to continue in

his or her present position and they may not be able to fill such position readily or at all, their business may be adversely affected. Efforts to retain or attract key personnel may also result in significant additional expenses, which could adversely affect its profitability.

Profitability of the Enlarged Group may be affected by cost fluctuation and demand for properties

Profitability of the Enlarged Group may be affected by increase in land acquisition costs and fluctuation of construction costs which are inherent to the property development industry. Higher cost of materials (including steel, cement and tiles), labour costs, contractor fees and overheads, will reduce its profit margin in the event that the Enlarged Group is unable to pass these increased costs to its customers in the form of higher selling prices. Selling prices of properties are largely determined by product differentiation in terms of location, reputation, quality, design and the conditions of the property market in Singapore.

There can be no assurance that any changes in development cost will not have any material impact on its financial performance. Contractors typically bear the risk of fluctuation in prices of construction materials. The Enlarged Group seeks to limit this risk by continuing to closely monitor and manage the construction costs while making all reasonable efforts to maintain the quality of its products.

The demand for its properties is affected by the economic climate, conditions of the property market, buyers' perception and negative consumer sentiment and changes in market rental yields and interest rates, which the Enlarged Group may not have any control over. The Enlarged Group will continuously seek to mitigate these risks by constantly reviewing its development and marketing strategies in response to the ever-changing market conditions and adopting different development concepts and techniques that position the Enlarged Group to meet the needs of its target markets.

The Enlarged Group may not be able to identify or acquire land for development at commercially acceptable prices

To maintain the growth of its property development business operations and financial performance, the Enlarged Group has to identify and acquire suitable land sites for development. The Enlarged Group will replenish and source for new plots of land by participating in property auctions, acquiring plots of land from private owners as well as sourcing for suitable sites that have buildings for potential development through government land sales programmes or external property agents. Suitability of a piece of land for development is dependent on various factors, including, amongst others, size, location, government policies and future prospects of the location. The Enlarged Group competes with other property developers for new development sites which results in scarcity of such sites and corresponding increase in land costs.

Notwithstanding that the Enlarged Group has not experienced any difficulty in securing new land sites which has caused a material adverse impact on the Enlarged Group, there is no assurance that the Enlarged Group will be able to secure a sufficient number of desired new land sites to maintain its land bank and other potential real estate for enhancement at commercially reasonable prices. As a result, the Enlarged Group may be forced to undertake fewer property development projects or projects with less desirable margins in the future and this may in turn adversely affect the Enlarged Group's business and profitability.

Transportation amenities and infrastructure near the Enlarged Group's properties may be closed, relocated or not built as planned

The proximity of transportation amenities and infrastructure to properties being marketed by the Enlarged Group such as MRT and bus interchanges provides convenient access to these properties and (in relation to the retail assets) a constant flow of human traffic. Such closure, relocation, termination or failure to build these amenities may adversely affect the accessibility of these properties which will (in relation to the retail assets) reduce the flow of human traffic to and may have an adverse effect on the demand and the rental rates for these properties and adversely affect the financial position of the Enlarged Group.

Declines in property values may lead to downward revaluations of the properties in which the Enlarged Group holds interests

Real estate assets are inherently difficult to value. As a result, valuations are subject to substantial uncertainty and subjective judgments and are made on the basis of assumptions which may not be correct. Additionally, the inspections of the Enlarged Group's properties and other work undertaken in connection with a valuation exercise, may not identify all material defects, breaches of contracts, laws and regulations, and other deficiencies and factors that could affect the valuation. There is no assurance that the Enlarged Group's property interests will retain the price at which it may be valued or that its investment in such properties will be realised at the valuations or property values it has recorded or reflected in its financial statements or in this Circular.

The Enlarged Group's completed investment properties are initially recognised at cost, including transaction cost and subsequently carried at fair value determined annually by independent professional valuers. Its properties are and will be valued with an independent valuation carried out at least once every year. The Enlarged Group assesses the valuation of each interest to ensure that the carrying amount of each investment property reflects the market conditions as at the relevant financial reporting date. The value of its interest in properties may fluctuate from time to time due to market and other conditions. Such adjustments to the Enlarged Group's share of the fair value of the properties in the Enlarged Group's portfolio could have an adverse effect on its NAV and profitability. They may also affect its ability to incur more borrowings, or result in its having to reduce debt, if the financial covenants in its financing and other agreements require it to maintain a level of debt relative to its asset value, and such covenants are triggered as a result of adjustments made to the fair value of the properties in its portfolio. Notwithstanding that the Enlarged Group has not encountered such fluctuations in the value of its interest in properties in the past which have had a material adverse impact on the Enlarged Group, there is no assurance that such fluctuations will not occur in future which may cause the Enlarged Group's business and financial performance to be materially and adversely affected.

If consumer bank financing becomes more costly or otherwise less attractive, the Enlarged Group's sales to its customers will be affected

It is likely that a significant proportion of purchasers of the Enlarged Group's properties rely on bank financing to fund their purchases. An increase in interest rates may significantly increase the cost of bank financing, thus adversely affecting the affordability of residential properties. In addition, the Singapore government and commercial banks may also increase the down-payment requirements, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing

unavailable or unattractive to potential property purchasers. As a result of the foregoing and/or any new adverse changes, the Enlarged Group's business and financial performance may be materially and adversely affected.

The Enlarged Group is subject to risks in relation to its properties which are sold prior to completion as well as unsold properties for its own development projects

The Enlarged Group conducts sales of units prior to completion in line with industry practice. In the event of a failure or delay in the delivery of these properties to purchasers, the Enlarged Group may be liable for potential losses that purchasers may suffer as a result. Failure to complete a real estate development on time may be attributed to factors such as delays in obtaining requisite licences, permits or approvals from government agencies or authorities, shortages of labour, adverse weather conditions, natural disasters, labour disputes, disputes with contractors, accidents and changes in government priorities and policies. If the delivery is delayed beyond the contractually specified period, the purchasers may also be entitled to terminate the pre-sale agreements and seek refund of monies paid and damages. There is no assurance that the Enlarged Group will not experience significant delays in completion or delivery.

Also, in the event that the Enlarged Group is unable to sell a significant proportion of its properties, its financial performance will be materially and adversely affected. Furthermore, the unsold completed properties that the Enlarged Group continues to hold for sale may be relatively illiquid, which will limit the Enlarged Group's ability to realise cash from unsold units on short notice. Such illiquidity may also have a negative effect on the prices of unsold units in the event that the Enlarged Group is required to sell the unsold properties urgently, and limits the ability of the Enlarged Group to vary its portfolio of property held for sale in response to changes in economic, political, social or regulatory conditions in a timely manner. In such an event, the Enlarged Group's cash flow and financial performance will be adversely affected.

Property valuations may materially differ from prices that can be achieved

The valuations of the Enlarged Group's properties are conducted by professional valuers using certain assumptions. These valuations are not intended to be predictions of, and may not accurately reflect, the actual value which may be realised upon liquidation or disposal of these assets. Unforeseeable changes to the economic or regulatory environment, exchange rates, the actual condition of the Enlarged Group's properties or other relevant factors may affect the premises upon which the valuations are based and, hence, the resulting valuations. Please refer to Appendix D of this Circular for the Property Valuation Letters of the OCW Units and the unsold units of Tagore 8.

The due diligence exercise on the OCW Units, tenancies, buildings and equipment may not have identified all defects, breaches of laws and regulations and other deficiencies

The Enlarged Group believes that reasonable due diligence investigations with respect to the OCW Units have been conducted prior to their acquisitions. However, there is no assurance that these assets will not have defects or deficiencies requiring repair or maintenance (including design, construction or other latent property or equipment defects in the assets which may require additional capital expenditure, special repair or maintenance expenses) or be affected by breaches of laws and regulations. Such defects

or deficiencies may require significant capital expenditures or obligations to third parties and involve significant and unpredictable patterns and levels of expenditure which may have a material adverse effect on the Enlarged Group's earnings and cash flows.

The OCW Units are held on leases with a remaining tenure of approximately 21 years

The OCW Units are located in One Commonwealth, which is an industrial property that is held under a lease from JTC (which in turn is the lessee of One Commonwealth under the relevant lease from the Singapore Government). The OCW Units are held on a 30-year leasehold tenure which commenced on 1 March 2008 which will expire on 1 March 2038. The remaining leasehold tenure of the OCW Units amounts to approximately 21 years.

After the expiry of the lease from JTC, the ownership of the OCW Units will revert to JTC and the interests and rights of the leasehold owners in One Commonwealth (including the Company) will be extinguished. There is no assurance that the Company will be successful in extending the tenure of the leases it holds if it wishes to hold on to its interest in the units. The extension of the lease from JTC will require the cooperation of all the leasehold owners of the units in One Commonwealth which are not owned by the Company, and will likely involve the payment of a premium to JTC for the extension of the leases. In the event that the lease from JTC is not extended, the Company will not be entitled to receive any rental income from the OCW Units, and the loss of such income may negatively impact its financial performance.

In addition, should the Company wish to sell any of the OCW Units to third party purchasers after Completion, the purchase price obtained for such sale may be lower than the WBH Consideration due to the shorter remaining lease of the OCW Units at the time of the sale compared to the time of their purchase, thereby resulting in the Company suffering a capital loss.

The OCW Units are located in One Commonwealth, which is on lease from JTC, and the lease contains certain provisions and are heavily regulated and subject to frequent introduction of new regulations

The leases for the OCW Units are subject to terms and conditions ordinarily found in leases granted by JTC or leases from the Singapore Government, including provisions that may require the Enlarged Group to surrender free of cost to the lessor portions of the respective properties that may be required in the future for certain public uses, such as roads, drainage, railways, rapid transit systems and other public improvements. There have been previous instances in which lessees of land from JTC have been required to surrender portions of their land for roads, without compensation, pursuant to similar provisions in the relevant land leases. If the Enlarged Group are required to surrender a portion of one of their properties, it may have an adverse impact on their operations, profitability and financial performance. The lease from JTC also contains the right of lessors to re-enter the properties, and terminate the lease (without compensation) in the event the lessees fail to observe or perform the terms and conditions of the relevant lease, or any seizure or sale is made in respect of such properties held under leases from JTC.

In addition, properties held under leases from JTC are heavily regulated and subject to frequent introduction by JTC of new regulations and land allocation policies, including further measures by JTC to facilitate overall industrial land use planning and development

needs in Singapore, which may adversely affect the Enlarged Group's business. For instance, from 2013 to 2014, JTC announced and introduced a series of new measures as follows:

(a) increased the minimum sublet quantum to be occupied by approved anchor subtenants from 50.0% to 70.0% of total GFA within five (5) years from receipt of the temporary occupation permit and 70.0% thereafter and the approved anchor subtenant must satisfy JTC's assessment of value-added, remuneration per worker and skilled worker profile, as well as the minimum GFA requirement;

(b) new leases from JTC as well as transfers/assignments and lease renewals of JTC properties by owners should give JTC the right to buy the relevant property should the lessee decide to sell the property in the future (excluding sale and lease-back transactions and mortgagee sales); and

(c) revision of assignment of lease policy which resulted in industrialists and third-party facility providers who own industrial properties on JTC-leased sites being subject to a longer assignment prohibition period and the extension of the minimum occupation period for anchor tenants of third party facility providers.

Notwithstanding that the Enlarged Group has not encountered any new measures (including the aforementioned measures) which have had a material adverse impact on the Enlarged Group, there can be no assurance that JTC will not adopt additional and more stringent industry policies, regulations and measures in the future. It is also impossible to ascertain the extent of the impact of any such measures. Compliance with the terms of JTC's leases may restrict the Enlarged Group's flexibility to respond to changing real estate market conditions, re-let a property to different tenants or perform valuable asset enhancements. If it fails to adapt its operations to new policies, regulations or measures that may come into effect from time to time with respect to the property industry, it may be required by JTC to rectify such breaches as well as pay liquidated damages in respect of the breaches. For subsequent offences, the Enlarged Group may be barred from further subletting, transfers, assignments or renewals, as the case may be. JTC may also exercise its right of repossession under the relevant lease. Should they be subject to such penalties by JTC, the Enlarged Group's business, operations, results of operations and financial position may be adversely affected.

The Enlarged Group may be exposed to risk of loss and potential liabilities that may not be covered or adequately covered by insurance

The Enlarged Group's properties face the risk of suffering physical damage caused by fire, acts of God such as natural disasters or other causes, as well as potential public liability claims, including claims arising from the operations of the properties. Design, construction or other latent property or equipment defects in the Enlarged Group's properties also require additional capital expenditure, special repair, maintenance expenses or the payment of damages or other obligations to third parties.

Costs or liabilities arising from such property or equipment defects may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on the Enlarged Group's earnings and cash flows. Statutory or contractual representations, warranties and indemnities given by any seller of properties or construction companies may not afford satisfactory protection from costs or liabilities arising from such property or equipment defects.

The Enlarged Group maintains insurance policies covering certain eventualities arising from business operations. Such policies include fire & extraneous perils policy, public liability policy and plate glass policy. Certain types of risks (such as war risk and losses caused by the outbreak of contagious diseases, contamination or other environmental breaches) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Currently, the Enlarged Group's insurance policies for its properties do not cover acts of war, outbreak of contagious diseases, contamination or other environmental breaches. Please refer to Section 16.9 titled "Insurance maintained by the Target Companies" of this Circular for further details on the Enlarged Group's existing insurance coverage.

Certain liabilities and risks in respect of the business, operations and assets of the Enlarged Group may not be covered or adequately covered by insurance for a variety of reasons. Notwithstanding that the Enlarged Group has not encountered such incidences in the past which have had a material adverse impact on the Enlarged Group, in the event that the Enlarged Group is not insured or is inadequately insured against losses in future, it could be required to pay compensation and/or lose capital invested in the affected property as well as anticipated future revenue from that property as it may not be able to rent out or sell the affected property. The Enlarged Group will also be liable for any debt or other financial obligation related to that property. No assurance can be given that material losses in excess of insurance proceeds will not occur. In addition, if the Enlarged Group fails to put in place or maintain adequate insurance in relation to its potential liabilities to third parties, it may be exposed to various liabilities and losses to the extent that such assets and liabilities are not adequately insured.

The Enlarged Group may be liable for representations made by it or its marketing agents

The Enlarged Group currently markets its properties locally and abroad as part of its business operations. Notwithstanding that the Enlarged Group has not been the subject of any complaints or legal action for representations made by it or its marketing agents in the past which have had a material adverse impact on the Enlarged Group, there can be no assurance that dissatisfied customers will not lodge complaints or take legal action against the Enlarged Group for certain representations which the Enlarged Group or its marketing agents may have made in the course of promoting projects, marketing properties and the Enlarged Group's marketing activities in the future. In the event that it is held liable for any damages suffered by the customers, the quantum payable may materially affect the financial condition or results of operations of the Enlarged Group.

Even if the Enlarged Group is not held liable for any damages, the negative perception of the Enlarged Group may adversely affect its reputation and business.

The Enlarged Group's results of operations may be adversely affected by failure or delay in obtaining or renewing governmental approvals for its projects

For the purpose of the Kempas Acquisition, Tree Top Realty is required to obtain prior approval from the State Authority of Johor pursuant to Section 433B(1) of the National Land Code 1965) ("**State Authority Approval**"). The receipt of this approval is a condition precedent to the completion of the Kempas Acquisition and if the approval is not obtained, completion of the Kempas Acquisition will not occur under the Kempas SPA and the Enlarged Group will need to immediately source for another plot of land to develop. As at the Latest Practicable Date, the Kempas Vendor has submitted the relevant applications

to the Johor Land Office to obtain the individual title documents in respect of the Kempas Land. Upon the receipt of these title documents by the Kempas Vendor, Tree Top Realty may then apply for the State Authority Approval with the particulars of the individual title documents. Tay & Partners, the legal adviser to the Company as to Malaysian Law, have advised that they do not foresee that the State Authority Approval would not be obtained, assuming Tree Top diligently adheres to the applicable procedures in respect of its application for State Authority Approval and complies with the terms (if any) which may be imposed by the State Authority of Johor in its absolute discretion. Upon receipt of the State Authority Approval, and following the completion of the Kempas Acquisition, the Kempas Vendor will deliver the original title documents to Tree Top Realty for Tree Top Realty to present them at the relevant land registry to effect registration of the transfer of title from the Kempas Vendor to Tree Top Realty. Upon registration of the transfer of title, Tree Top Realty will be the legal owner of the Kempas Land and will be able to commence development work on the Kempas Land. Pursuant to the Kempas SPA, the Kempas Vendor has undertaken to execute all documents, do all acts and things and use its best endeavours to ensure that the transfer of the title documents are duly registered in favour of Tree Top Realty upon the full payment of the purchase consideration. Notwithstanding the above, there can be no assurance that the State Authority Approval will be granted with respect to the Kempas Acquisition, which would cause a delay or termination of the Kempas SPA, which would in turn have a material adverse effect on the business, future plans, financial condition or results of operations of the Enlarged Group.

In relation to the Kempas Industrial Project, as at the Latest Practicable Date, the Company currently does not require any licenses for the purpose of carrying out property development activities. However, following the completion of the Kempas Acquisition, and in line with industry practice, and at various stages of the development process, Tree Top Realty will need to apply for and obtain at various stages of the development process, various approvals, licences and clearances necessary for the sale and construction of the project. The approvals, licenses and clearances required are specific to each project and may only be applied for at the relevant stages of development of a project. Failure to obtain such approvals, licences and clearances or revocation of such approvals, licences and building plan clearances or changes imposed on the terms and conditions of licensing may cause disruption or delay in relation to the Enlarged Group's business operations and consequential financial loss to the Enlarged Group.

In addition, the permits, licences and certificates (for example, the developer's licence and advertising and sales permits) of the Enlarged Group are subject to periodic review and renewal by the relevant government authorities. In addition, the standards of compliance required may, from time to time, be subject to changes. Failure to obtain or renew such permits, licences or certificates or revocation of such permits, licences or certificates or changes imposed on the terms and conditions of licensing may cause disruption or delay in relation to the Enlarged Group's business operations and consequential financial loss to the Enlarged Group.

Although the Enlarged Group has not experienced any difficulty in obtaining and maintaining the requisite permits and licences in the past, and the Enlarged Group does not foresee any potential issues arising from the renewal of its existing permits and licenses, there is no assurance that existing permits and licenses will be renewed, or renewed within the anticipated timeframe, or that any new licences required by the Enlarged Group will be obtained or obtained in a timely manner or maintained without interruption after being obtained.

Revenue and profits on development properties that have been sold are recognised when the construction of the development properties is completed

Revenue and profits on development properties that have been sold are recognised by the Enlarged Group when the construction of the development properties is completed and the risks and rewards of ownership have been transferred to the buyer through either the transfer of legal title or an equitable interest in a property. As the Enlarged Group recognises revenue from the development of a property project only upon the completion of the project, the number of projects completed within a financial year will have an impact on the revenue for that financial year, compared to the prior financial year(s). Hence, and on the basis of the foregoing, the Enlarged Group's revenue may vary significantly year-on-year.

The Enlarged Group may be adversely affected by unsold properties

In the event that the Enlarged Group is unable to sell a significant proportion of the properties it develops, its financial performance will be materially and adversely affected. Furthermore, the unsold properties that the Enlarged Group continues to hold for sale post-completion may be relatively illiquid, which will limit its ability to realise cash from unsold units on short notice. In such an event, the Enlarged Group's cash flow and financial performance will be adversely affected.

A decline in rental or occupancy levels, or difficulties in securing tenants may materially and adversely affect financial performance of the Enlarged Group

Property investments are subject to varying degrees of risk. The returns from such investments depend largely on the amount of income earned and capital appreciation generated by the properties. If the properties do not generate sufficient revenue to meet operating expenses, including debt service and capital expenditure, the ability to make distributions to shareholders will be adversely affected. The revenues and values of investment properties may be adversely affected by a number of factors, including:

(a) international, regional and local economic climate;

(b) local real estate conditions;

(c) perceptions by businesses, retailers or shoppers of the attractiveness of the development projects;

(d) competition from other available properties;

(e) changes in market rates for comparable sales and rental;

(f) inability to collect rent due to bankruptcy or insolvency of tenants or otherwise;

(g) the need for periodical repair and re-let space and the costs thereof and, as the properties get older, the need to undertake major renovations that necessitates capital expenditure and that may result in loss of income during the period of renovation;

(h) casualty losses due to fire, floods and other natural and man-made disasters;

(i) the ability of an owner to provide adequate maintenance and insurance; and

(j) increased operating costs.

Property investments are also affected by such factors as:

(i) changes in interest rates;

(ii) the availability of funds;

(iii) changes in governmental regulations;

(iv) changes in tax laws or rates; and

(v) potential environmental or other legal liabilities.

Certain significant expenditure associated with an investment in real estate (such as mortgage payments, real estate taxes and maintenance costs) generally are not reduced when circumstances cause a reduction in revenue from the investment.

The Enlarged Group will try to limit the above risks by closely monitoring and managing its property investment in the future. However, there can be no assurance that any changes to the factors mentioned above will not have any material adverse impact on its financial performance.

The Enlarged Group is subject to the credit risk of non-payment its tenants or the risk of non-renewal, non-replacement or early termination of leases

The Enlarged Group is subject to a potential volatility in its earnings if its tenants fail to fulfil their contract lease payment obligations as and when they fall due. Further, if a substantial number of tenants in its properties do not renew their leases at the end of a lease cycle or a significant number of early terminations occur, and replacement tenants cannot be found in a timely manner and on terms acceptable to the Enlarged Group, there is likely to be a material adverse effect on its developments, which could materially and adversely affect the business, financial condition and results of operations of the Enlarged Group. Notwithstanding that the Enlarged Group has not encountered any non-payment, failure to renew or early termination of lease which have had a material adverse impact on the Enlarged Group, there can be no assurance that such non-payment, failure to renew or early termination of lease may not occur in future, which may materially and adversely affect the business, financial condition and results of operations of the Enlarged Group.

The loss of a significant number of tenants or a downturn in the businesses of a significant number of tenants could have an adverse impact on the Enlarged Group's financial performance, operating results and cash flows

The Enlarged Group's financial conditions and results of operations and capital growth may be adversely affected by the bankruptcy, insolvency or downturn in the businesses of a significant number of tenants of the OCW Units as well as the decision by one or more of these tenants not to renew its lease or to terminate its lease before it expires. If a tenant terminates its lease or does not renew its lease at expiry, it may be difficult to secure replacement tenants at short notice.

In addition, the amount of rent and the terms on which lease renewals and new leases are agreed may be less favourable than the current leases. If a significant number of tenants in the OCW Units do not renew their leases at the end of a lease cycle or a significant number of early terminations occur and replacement tenants cannot be found, this could adversely affect the Enlarged Group's business, financial condition and results of operations.

The gross revenue earned from, and the value of, the Enlarged Group's properties may be adversely affected by a number of factors

The gross revenue earned from, and the value of, the Enlarged Group's properties may be adversely affected by a number of factors, including, but not limited to:

(a) the Enlarged Group's ability to collect rent from the tenants on a timely basis or at all;

(b) the amount and extent to which the Enlarged Group is required to grant rental rebates to the tenants;

(c) defects affecting the properties which could affect the operations of the tenants, resulting in the inability of such tenants to make timely payments of rent or at all;

(d) the tenants requesting waiver of interest on late payment of rent;

(e) the tenants seeking the protection of bankruptcy laws which could result in delays in the receipt of rent payments, inability to collect rental income, or delays in the termination of the lease, or which could hinder or delay the re-letting of the space in question or the sale of the relevant property;

(f) the local and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for space, changes in market rental rates and operating expenses for the properties);

(g) vacancies following the expiry or termination of leases (with or without cause) that lead to reduced occupancy rates;

(h) terms agreed under new tenancies being less favourable than those under current tenancies;

(i) tenants exercising the right and/or option to take up additional space at the properties at a rent less than the rent such space may have otherwise received;

(j) the Enlarged Group's ability to provide adequate management and maintenance or to purchase or put in place adequate insurance;

(k) competition from other industrial properties for tenants;

(l) changes in laws and governmental regulations and policies in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure to ensure compliance or may affect the investment strategy of the Enlarged Group and the market value of the properties. Rights related to the

properties may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment;

(m) the tenants failing to comply with the terms of the tenancy agreement; and

(n) acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases, natural disasters and other events beyond the control of the Enlarged Group.

Notwithstanding that the Enlarged Group has not encountered any of the above events which have had a material adverse impact on the Enlarged Group, there can be no assurance that the such events may not occur in future, which may materially and adversely affect the business, financial condition and results of operations of the Enlarged Group.

Renovation or redevelopment works or physical damage to the Enlarged Group's properties may disrupt the operations of the properties and collection of rental income

The quality and design of the Enlarged Group's properties have a direct influence over the demand for space in, and the rental rates of, the properties. The properties may need to undergo renovation, redevelopment or asset enhancement works from time to time to retain their competitiveness and may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations. The costs of maintaining industrial properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the building ages. The business and operations of the properties may suffer some disruption and it may not be possible to collect the full or any rental income on space affected by such renovation or redevelopment works.

Any redevelopment or asset enhancement works that the Enlarged Group proposes for its properties may require the consent of owners of neighbouring properties, which may not be forthcoming in a timely manner or at all, or on terms acceptable to the Enlarged Group. Its inability to obtain the requisite consent of these owners may affect its ability to deal with its interests in some of its properties in a manner which achieves its objectives and in turn could have a material adverse impact on its business, financial condition, results of operations and prospects. Its lack of control and rights to manage the shared or common areas at such properties means that it may not be able to ameliorate any shortcomings or deterioration of, or execute any enhancement works on, the shared or common areas. Further, it will also not be able to determine the service charges and sinking fund contributions towards maintenance and upkeep of the shared or common areas, any or all of which events, could have an adverse effect on its business, financial condition, results of operations and prospects.

Physical damage to the properties resulting from fire or other causes may lead to a significant disruption to the business and operation of the properties and, together with the foregoing, may impose unbudgeted costs on the Enlarged Group and result in an adverse impact on the financial condition and results of operations of the Enlarged Group.

Notwithstanding that the Enlarged Group has not encountered any renovation or redevelopment works or physical damage to the Enlarged Group's properties which has had a material adverse impact on the Enlarged Group, there can be no assurance that such incidences will not occur in the future, which may have an adverse effect on the Enlarged Group's business, financial condition, results of operations and prospects.

The rate of increase in rentals of the property assets may be less than the inflation rate

The rate of increase in rentals (if any) of the property assets may be less than the inflation rate and therefore an investment in the Enlarged Group may not provide an effective hedge against inflation.

The Enlarged Group may not be able to generate adequate returns on its properties held for long-term investment purposes in future

Property investment is subject to varying degrees of risk. The investment returns available from industrial and commercial property investments depend, to a large extent, on the amount of capital appreciation generated, income earned from the rental of the relevant properties as well as the expenses incurred.

Maximising yields from such properties held for long-term investment also depend to a large extent on active ongoing management and maintenance of the properties. The revenue derived from and the value of property investment may be adversely affected by a number of factors, including but not limited to changes in market rates for comparable rentals, the inability to collect rent due to bankruptcy or insolvency of tenants and the costs resulting from periodic or ad-hoc maintenance, repair and re-letting. If the Enlarged Group is unable to generate adequate returns, its overall financial condition and results of operations may be adversely affected.

The Enlarged Group's business is currently focused primarily on real estate in Singapore and Malaysia and are not effectively diversified across other asset classes in other countries

The Enlarged Group's current strategy of focusing primarily on real estate in Singapore and Malaysia involves a higher level of risk as compared to a portfolio which has a diverse range of investments. Hence, the Enlarged Group is subject to risks arising out of its concentration in real estate assets primarily in Singapore and Malaysia.

The Enlarged Group may not be able to successfully implement its business strategy and growth plans

The successful implementation of the Enlarged Group's strategies will entail actively managing its properties, identifying suitable acquisition opportunities and making such acquisitions, undertaking development or asset enhancement initiatives, securing tenants, raising funds in the capital or credit markets, and the cooperation of its partners who invest with it, its tenants, and other counterparties. There is no assurance that the Enlarged Group will be able to implement all or some of its business strategies, and the failure to do so may materially adversely affect its business, financial condition, results of operations and prospects.

The Enlarged Group's future growth plans may include the expansion of its business in Singapore or overseas by either acquiring, investing or through joint ventures with, when the opportunity arises, companies which can complement the Enlarged Group's business or expand its operations into these countries. The results of any such acquisitions, investments or joint ventures are not guaranteed and may be limited because of unforeseen events, difficulties and complications.

The success of the Enlarged Group's future acquisitions and investments depends on a number of factors, including:

(a) its ability to identify suitable opportunities for investment or acquisition;

(b) its ability to reach an acquisition or investment agreement on terms that are satisfactory to the Enlarged Group and whether any approvals required or other conditions that must be fulfilled for any acquisition or investment can be secured;

(c) the extent to which the Enlarged Group is able to exercise control over the acquired company or business;

(d) the economic, business or other strategic objectives and goals of the acquired company or business compared to those of the Enlarged Group; and

(e) its ability to successfully integrate the acquired company or business with the Enlarged Group.

There is no assurance that any expenditure in pursuing these matters will result in successful implementation and there is no assurance that the Enlarged Group's revenue will see a corresponding increase following such expenditure. If the Enlarged Group is unsuccessful in its acquisitions and investments or if it is unable to increase its revenues with such expenditure, the business of the Enlarged Group may be materially and adversely affected.

Further, in the event disagreements arise between the Enlarged Group and its future joint venture partners regarding the business and operations of the future joint venture entities, the Enlarged Group may not be able to resolve them in a manner that will best preserve its interests, or which will maintain the business relationship with its future joint venture partners. In addition, its future joint venture partners may (i) have economic or business interests or goals that are inconsistent with the Enlarged Group's; (ii) take actions contrary to the Enlarged Group's instructions, requests, policies or objectives; (iii) be unable or unwilling to fulfill their obligations; (iv) have financial difficulties; or (v) have disputes with the Enlarged Group as to the scope of their responsibilities and obligations. Any of these and other future joint ventures partners, which may in turn materially and adversely affect the performance of its future joint ventures, which may in turn materially and adversely affect its financial performance and financial position.

The Enlarged Group's interest in real estate and real estate-related assets are illiquid

The Enlarged Group is established with the principal investment objective of developing and owning real estate and real estate-related assets. Real estate investments tend to be relatively illiquid. Such illiquidity may affect the Enlarged Group's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real

estate market or other conditions. For instance, the Enlarged Group may be unable to sell WBH or its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. Moreover, the Enlarged Group may face difficulties in securing timely and commercially favourable financing due to the illiquid nature of real estate assets. These factors may adversely affect the Enlarged Group's business, financial conditions and results of operations.

The Enlarged Group is dependent on the conditions of the property industry in Singapore as well as general conditions of the economy

The present business focus, existing property development project and the current property development plans of the Enlarged Group are confined to Singapore. As such, the Enlarged Group's business operations and financial performance depend largely on the specific economic, industry conditions and regulatory framework within Singapore. Should the property industry in Singapore be subject to cyclical fluctuations during which there may be periods of stagnant or decreasing residential or commercial property sales or property prices due to factors such as the prevailing economic conditions, interest rates, changes in government regulations and policies or lack of market interest, the Enlarged Group's business operations and financial performance may be adversely affected.

The conditions of the global financial markets and the macro economy may adversely affect the Enlarged Group's business, financial performance, operating results and prospects

Although the Enlarged Group's properties are located in Singapore, an economic decline in Singapore and other Asian markets and the global economy could adversely affect the Enlarged Group's results of operations and future growth. The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries.

These events could adversely affect the Enlarged Group insofar as they result in an increase in counterparty risk (being the risk of monetary loss which the Enlarged Group may be exposed to if any of its counterparties encounters difficulty in meeting its obligations under the terms of its respective transaction):

(a) an increased likelihood that one or more of the Enlarged Group's insurers or banks which provide bankers' guarantees or performance bonds for the rental deposits or other types of deposits relating to or in connection with the Enlarged Group's operations may be unable to honour their commitments to the Enlarged Group;

(b) a decrease in valuations of property assets resulting from deteriorating operating cash flow and/or widening capitalisation rates;

(c) a decrease in rental or occupancy rates;

(d) a negative impact on the ability of the tenants to pay their rents in a timely manner or continuing their leases, thus reducing the Enlarged Group's cash flows;

(e) the insolvency of contractors resulting in construction delays in the Enlarged Group's development properties; and/or

(f) an adverse effect on the cost of funding the Enlarged Group's business.

There is also uncertainty as to the strength of the United States and the global economy, the decrease in consumer demand and the impact of the global downturn on the economy of Singapore.

Political and economic conditions in Singapore

Adverse developments in the political and economic conditions in Singapore may materially and adversely affect the Enlarged Group's business and prospects. Such political and economic uncertainties include, but are not limited to, changes in political leadership, monetary and fiscal policies, taxation laws, currency exchange controls and nationalisation. In addition, Singapore is susceptible to terrorist attacks which might result in a destabilisation of its government and economy. Such results could lead to concerns about stability in the region and negatively affect investor's confidence. Violent acts arising from and leading to instability and unrest have in the past had, and could continue to have, a material adverse effect on investment and confidence in, and the performance of, the economies in Southeast Asia, and in turn on businesses. Such unforeseen changes may bring about political upheavals, civil commotions, financially prohibitive importation and other taxes and prohibitive policies. While the Enlarged Group adopts prudent financial management and operating procedures, there can be no assurance that such adverse political and economic developments which are beyond the Enlarged Group's control, will not materially and adversely affect its business operations and financial performance.

Occurrence of any acts of God, war and terrorist attacks

Acts of God such as natural disasters are beyond the control of the Enlarged Group and may materially and adversely affect the economy, infrastructure and livelihood of the local population in Singapore. The Enlarged Group's business and operations may be materially and adversely affected should such acts of God occur. There can also be no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have a material and adverse effect on the Enlarged Group's business and operating results.

The Enlarged Group is subject to risks caused by adverse weather conditions

The Enlarged Group manages and monitors the costs of its development projects closely, starting from the tender stage until installation and commission of the development projects. In the preparation of tenders for its property development projects, the Enlarged Group carries out internal costing and budgeting estimates of labour and construction material costs which are based on quotations given by its suppliers, contractors and subcontractors, as well as other estimated costs to be incurred. However, delays may arise as a result of adverse weather conditions.

Exposure to such external factors may affect the timely completion and launch of the Enlarged Group's property development projects and may lead to cost implications that may bring about cost overruns. Whilst such cost overruns are typically borne by the

Enlarged Group's contractors, in the event that the contractors are unable to bear the cost overruns, the Enlarged Group may be liable for such cost overruns. In such an event, the Enlarged Group's profitability may be affected.

The Enlarged Group may be subject to third party litigation and government proceedings which could result in significant liabilities

The Enlarged Group may in the future be involved in disputes with various parties involved in the development and sale of its properties such as main contractors, sub-contractors, suppliers, construction companies, purchasers, other partners and lenders. Disputes with purchasers may include claims relating to delays and defective works. These disputes may lead to legal and other proceedings, and may cause the Enlarged Group to suffer additional costs and delays.

In addition, the Enlarged Group may have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavourable decrees that will result in financial losses and delay the construction or completion of its projects. Any project delays arising from the above will affect the Enlarged Group's business and financial performance.

Notwithstanding that the Enlarged Group has not been the subject of any third party litigation or government proceedings which has had a material adverse impact on the Enlarged Group in the past, there can be no assurance that the Enlarged Group will not be the subject of such proceedings in the future, which may affect the Enlarged Group's business and financial performance.

Fluctuations in the fair value of the Enlarged Group's future investment properties may have a significant impact on its net asset value and profitability

The net asset value and profitability of the Enlarged Group may be affected by the valuations of its future investment properties. The Enlarged Group envisages applying the fair value model when accounting for all its investment properties. The value of its future investment properties may fluctuate from time to time due to market and other conditions, including changes in the supply and demand of properties as well as rental and occupancy levels. Such adjustments to the fair value of its investment properties could have an adverse effect on its net asset value and profitability.

The Enlarged Group is exposed to risks in respect of outbreaks of infectious and/or communicable diseases

An outbreak of the influenza virus and its variants including influenza A (H1N1) and the avian influenza (H5N1), the Ebola Virus, the Middle East respiratory syndrome or any other communicable diseases or the recurrence and spread of severe acute respiratory syndrome (SARS), may potentially affect the Enlarged Group's business and/or the operations of the Enlarged Group's business partners. In the event that an outbreak occurs at the Enlarged Group's premises, the Enlarged Group may be required to temporarily suspend part of the Enlarged Group's operations and quarantine all affected employees to prevent the spread of the diseases which could materially and adversely affect the Enlarged Group's business, financial condition and results of operations. Although the long-term effect of such diseases cannot currently be predicted, previous occurrences of such diseases had an adverse effect on the economies of those countries in which they were most prevalent.

The Enlarged Group is subject to various regulations and government policies in Singapore

To promote a stable and sustainable property market, the government monitors the property market closely and adopts measures as and when it deems necessary. The government may introduce new policies or amend or abolish existing policies at any time. These changes may have a material and adverse impact on the overall performance of the Singapore property market and thus affect the Enlarged Group's operations and financial performance.

In 2014, JTC, the lead agency in Singapore for industrial property leasing and tenancy agreements, decreased the maximum allowable GFA for subletting after a 5-year period from 50.0% to 30.0%.

On 11 January 2013, the Singapore government announced that a seller's stamp duty will be imposed on industrial properties which are bought or acquired on or after 12 January 2013 and sold or disposed of within three years. The amount of seller's stamp duty payable shall be 15.0%, 10.0% and 5.0% of the sale price or market value, whichever is higher, if the holding period of the property is one year, two years and three years respectively. Although various control measures are intended to promote more balanced property developments in the long-term, these measures could adversely affect the development and sales of the properties developed by the Enlarged Group. In addition, there is no assurance that the Singapore government will not introduce additional measures from time to time to regulate the property market. The continuation of the existing measures and the introduction of any new measures may materially and adversely affect the Enlarged Group's business, financial condition and results of operations.

The Enlarged Group's properties are subject to property taxes that may increase, or capital gains taxes that may be imposed or increased, and thereby adversely affect the Enlarged Group's financial performance and operating results

Some property assets are subject to various property taxes in Singapore that may increase as tax rates increase or as these property assets are assessed or reassessed by relevant authorities. If tax liabilities of the Enlarged Group in respect of these property assets increase, the real estate taxes may increase and the distributions of the Enlarged Group and the capital growth of the Enlarged Group could be adversely affected.

The Enlarged Group's properties may be subject to compulsory acquisition by the authorities

The Land Acquisition Act, Chapter 152 of Singapore gives the Singapore Government the power to, amongst others, acquire any land in Singapore:

(a) for any public purpose;

(b) where the acquisition is for public benefit or of public utility or in the public interest; or

(c) for any residential, commercial or industrial purpose.

In the event that property assets in Singapore belonging to the Enlarged Group are acquired compulsorily, the relevant authority will take into consideration, amongst others, the following, in determining the amount of compensation to be awarded:

(i) the market value of the property as at the date of the publication in the Government Gazette of the notification of the likely acquisition of the land (provided that within six months from the date of publication of such notification, a declaration of intention to acquire is made by publication in the Government Gazette); or

(ii) the market value of the property as at the date of publication in the Government Gazette of the declaration of intention to acquire.

Accordingly, if the market value of a property or part thereof which is acquired is greater than the market values referred to above, the compensation paid in respect of the acquired property may be less than its market value and this would have an adverse effect on the assets of the Enlarged Group.

Environmental, health and safety laws could impose material liabilities on Target Companies and could require them to incur material capital and operational costs

The Enlarged Group' operations are subject to various environmental laws, including those relating to air pollution control, water pollution control, waste disposal, noise pollution control and the storage of dangerous goods. Under these laws, an owner or operator of real property may be subject to liability, including a fine or imprisonment, for air pollution, noise pollution or the presence or discharge of hazardous or toxic chemicals at that property. In addition, the Enlarged Group may be required to make capital expenditures to comply with these environmental laws. The presence of contamination, air pollution, noise pollution or dangerous goods without a valid license or the failure to remediate contamination, air pollution, noise pollution or dangerous goods may expose the Enlarged Group to liability or materially adversely affect its ability to sell or lease the real property or to borrow using the real property as collateral. Accordingly, if the Enlarged Group's properties are affected by contamination or other environmental effects not previously identified and/or rectified, the Enlarged Group risk prosecution by environmental authorities and may be required to incur unbudgeted capital expenditure to remedy such issue and the financial position of tenants may be adversely impacted, affecting their ability to trade and to meet their tenancy obligations.

18.2 Risk factors relating to the CJFH Group prior to Completion

The CJFH Group currently suffers net losses and has negative working capital

The CJFH Group incurred audited net losses of RMB56.6 million for FY2015 and RMB20.8 million for FY2016 and unaudited net losses of RMB1.9 million for HY2017, and had audited net current liabilities of RMB76.4 million as at 31 December 2016, and unaudited net current liabilities of RMB78.8 million as at 30 June 2017. As the PRC Subsidiaries have ceased operations and the Company has no other business, unless the Proposed Transactions and in particular the Proposed Acquisitions are completed, the CJFH Group will not be able to achieve positive operating profits or positive operating cash flows in FY2017.

The Company may not be able to continue as a going concern

Given that the CJFH Group unable to continue in their operational existence for the foreseeable future, it is unable to discharge its liabilities in the normal course of business. The ability of the Company to continue its operations in the foreseeable future and to meet its financial obligations as and when they fall due depends on the favourable outcome of the measures undertaken as disclosed in this Circular, in particular, on successful completion of the Proposed Acquisitions, failing which, there is no assurance that the Enlarged Group is able to continue as a going concern and discharge its liabilities in the ordinary course of business.

18.3 Risks relating to Malaysia

The Enlarged Group may be affected by changes in government regulations and policies regulating the property markets in Malaysia and compliance with current or future requirements may limit its growth or adversely affect its future business

The Enlarged Group is subject to regulatory oversight in Malaysia. Such regulations include those affecting land and title acquisition, development planning and design and construction.

Changes in the relevant laws and regulations may lead to an increase in the Enlarged Group's cost of operations or result in unforeseen capital expenditure in order to ensure the Enlarged Group's compliance with such changes. For example, the Real Property Gains Tax ("**RPGT**") scheme was reinstated by the Malaysian government in 2010 and the RPGT rates were revised upwards thereafter in order to deter speculative activities in the secondary property market. Any changes in such regulations or policies imposed by the Malaysian government from time to time may have an adverse effect on the business, financial performance, future growth and prospects of the Enlarged Group.

In addition, the Malaysian federal government had earlier imposed a minimum purchase price of RM0.5 million on properties purchasable by foreigners. Such minimum price was revised from RM0.5 million to RM1.0 million in the Malaysia Budget 2014 as part of the Malaysian government's plans to restrict speculative activities in the property market. However, as land is a state matter, each state is entitled to impose a different minimum purchase price in accordance with its own foreign ownership policies, which effectively overrule the Malaysian federal government policies. In relation to the state of Johor, the Johor Land and Mineral Office issued a circular dated 18 February 2014 (Circular No. 2/2014) (which became effective on 1 May 2014, stating the minimum price for properties that can be purchased by foreigners is RM1.0 million. Although the purchase consideration payable for the Kempas Acquisition is RM12.0 million (excluding GST) and accordingly, the Kempas Acquisition is not prohibited under Circular No. 2/2014. However, the Kempas Acquisition will still require approval from the State Authority as provided under Section 433B of the National Land Code. Based on Circular No. 2/2014, the State Authority is entitled to impose approval fees calculated at 2.0% of the purchase price or RM20,000 whichever is higher. There can be no assurance that there will not be any future changes/proposed changes in the regulations, policies, concessions and treatment in the property development industry in Malaysia by the authorities which may materially and adversely affect the financial condition and the results of the operations of the Enlarged Group.

Environmental, health and safety laws in Malaysia could impose material liabilities on the Enlarged Group and could require them to incur material capital and operational costs

The Enlarged Group is subject to environmental, health and safety laws and regulations in Malaysia. In general, the Environmental Quality Act 1974 ("**EQA**") and various subsidiary regulations contain provisions restricting the emission of environmentally hazardous substances including the emission of noise into the environment. The EQA further provides for regulations to specify what are acceptable conditions for such emissions into the environment and may set aside any area where such emissions are restricted. A licence may be required under the EQA in certain situations if emissions are not within acceptable conditions.

Failure to comply with any of these laws or regulations could cause the Enlarged Group to incur material liabilities and costs and be exposed to fines, penalties or other sanctions. In addition, such non-compliance may concurrently lead to civil claims by any persons who suffer from any damage arising therefrom. These may also have the effect of delaying the timely progress of the development of the Kempas Land and any project that the Enlarged Group undertakes in Malaysia. Investigations by the relevant authorities and the issuance of a stop-work order may also cause delay in the completion of the Kempas Land development and/or the Enlarged Group's future property development projects in Malaysia (if any).

In addition, the adoption of new laws and regulations or any modification to the existing laws and regulations may result in the Enlarged Group having to incur additional compliance costs and expenses, which in turn may result in the curtailment of its operations and the restriction in its ability to expand its business. Accordingly, the Enlarged Group's business, financial position, future growth and prospects may in turn be adversely and materially affected.

There may be a general lack of updated information on property market conditions in Malaysia

The Enlarged Group is subject to property market conditions in Malaysia. Currently, up-to-date information may not generally be available in Malaysia on the scale and nature of property development and investment activities, the demand and absorption rates for such developments, the supply of new properties being developed or the availability of land and buildings suitable for development and investment. Consequently, the business decisions of the Enlarged Group involving any investment or development in Malaysia may not always have been, and may not be in the future, based on accurate, complete and timely information. Inaccurate or incomplete information may adversely affect its business decisions, which could materially and adversely affect the results of operations and financial condition as well as the future growth and prospects of the Enlarged Group.

The Enlarged Group is subject to the political and economic conditions in Malaysia

Adverse developments in the political and economic conditions in Malaysia may materially and adversely affect the Enlarged Group's business and prospects in Malaysia. Such political and economic uncertainties include, but are not limited to, changes in political leadership, monetary and fiscal policies, taxation laws, currency exchange controls and

nationalisation. Such unforeseen changes may bring about political upheavals, civil commotions, epidemics, financially prohibitive importation and other taxes and prohibitive policies.

In particular, there is generally weak consumer sentiment in the property market due to, among others, the soft Malaysian economy, devalued ringgit, and increased consumption tax. On the other hand, the depreciation of the ringgit has allowed non-Malaysian residents to find it cheaper to purchase or lease properties in Malaysia.

While the Enlarged Group adopts prudent financial management and operating procedures, there can be no assurance that such adverse political and economic developments which are beyond the Enlarged Group's control, will not materially and adversely affect the Enlarged Group's business operations and financial performance.

18.4 Risks relating to ownership of the Shares following Completion

The Company will be controlled by the Obliged Parties and the ability of the other Shareholders to influence matters requiring Shareholders' approval will be extremely limited

Upon the issue and allotment of the Consideration Shares and assuming all 300,000,000 Repayment Shares are issued and allotted to Ng Chee Beng, the Obliged Parties will hold in aggregate approximately 61.6% of the Enlarged Share Capital of the Company. As a result, the Obliged Parties will be able to exercise significant influence over the outcome of matters submitted to Shareholders for approval, including, amongst others, election of the directors of the Company, the approval of significant corporate transactions and the affairs and policies of the Company. Control of a majority and a significant portion of the Shares by the Vendors could delay, defer, deter or prevent future transactions including a take-over or a change in control of the Company, and could make some transactions more difficult or impossible to complete without the support of the Obliged Parties, which may otherwise have benefited Shareholders.

The Share price may be volatile, which could result in substantial losses for investors in the Shares after Completion

The market price of the Shares may fluctuate significantly and rapidly as a result of, amongst others, the following factors, some of which are beyond the control of the Company and the Enlarged Group:

(a) the success or failure of the Enlarged Group's management team in implementing business and growth strategies;

(b) gain or loss of important or significant business or other relationships;

(c) the addition or departure of key personnel;

(d) announcements by the Enlarged Group of its competitors of significant contracts, acquisitions, strategic alliances, partnerships, joint ventures, capital commitments or new products and/or services which may be offered by the Enlarged Group or its competitors;

(e) changes in the Enlarged Group's operating results;

(f) fluctuations in general stock market conditions including stock prices and volume;

(g) any negative publicity on the Enlarged Group;

(h) involvement in litigation or other legal proceedings or processes;

(i) differences between the actual financial operating results of the Enlarged Group and those expected by investors;

(j) changes in investor sentiment towards particular market sectors;

(k) changes in securities analysts' estimates of the Enlarged Group's financial performance;

(l) foreign exchange fluctuations and translations; and

(m) changes or uncertainty in the general economic, political and regulatory environment in the markets in which the Enlarged Group operates.

In recent years, the stock markets including the SGX-ST have experienced extreme price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Company or the Enlarged Group, and these fluctuations may materially affect the price of its Shares.

Existing Shareholders will face shareholding dilution following Completion

Upon issue and allotment of the Consideration Shares and assuming all 300,000,000 Repayment Shares are issued and allotted to Ng Chee Beng, the existing Shareholders will, on a collective basis, own approximately 13.1% of the Enlarged Share Capital of the Company, and the shareholdings of the Obliged Parties will be approximately 61.6%.

The Company may not be able to pay dividends in future and, if declared, exchange rate fluctuations may adversely affect the value of the Company's dividends

The Company's ability to declare dividends to Shareholders will depend on its future financial performance and distributable reserves, which, in turn, depends on the Enlarged Group successfully implementing its plans and strategies and capital requirements as well as financial, competitive, regulatory, technical and other factors, general economic conditions, order books and other factors specific to its industry and business, many of which are beyond the Company's control. As such, there is no assurance that the Company will be able to pay dividends to its Shareholders after the Completion. In the event that any company in the Enlarged Group enters into any loan agreements in the future, covenants therein may also limit when and how much dividends the Company can declare and pay.

Negative publicity involving any of the Proposed Directors, Proposed Executive Officers or Substantial Shareholders

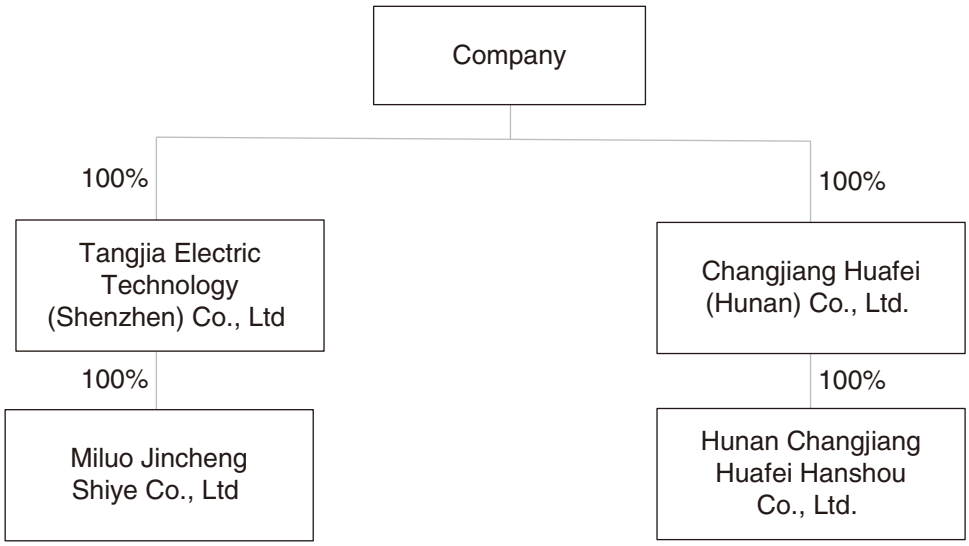
Any negative publicity or announcement relating to any of the Proposed Directors, Proposed Executive Officers or Substantial Shareholders of the Company following the Completion may adversely affect the market perception of the Enlarged Group or performance of the Share price, whether or not it is justifiable.

Future sale of securities may adversely affect the price of the Shares

Following Completion of the Proposed Transactions, 41,633,777 Consolidated Shares, which will comprise 60.5% of the Enlarged Share Capital, held in aggregate by CTE, EIGL, Daniel Long, and the Sponsor and Financial Adviser will be subject to a moratorium. Separately, Ng Chee Beng and the Legal Adviser intend to sell, through the Placement Agent following Completion but before the resumption of trading of the Consolidated Shares on Catalist, the Repayment Shares and Professional Advisers' Shares (as the case may be) which they hold, representing 10.9% and 2.0% of the Enlarged Share Capital respectively. Any of Ng Chee Beng's Repayment Shares which are not sold by the Placement Agent will be subject to a moratorium (the details of which are set out in Sections 2.5 and 5.3 of this Circular). For the avoidance of doubt, none of the Professional Advisers' Shares held by the Legal Adviser will be subject to a moratorium. Any sale of a significant number of such Consolidated Shares after the expiration of the applicable moratorium period, or the perception that such Sales may occur, could materially and adversely affect the market price of the Consolidated Shares and may thereby also affect the Enlarged Group's ability to raise funds through the issue of equity or other forms of securities.

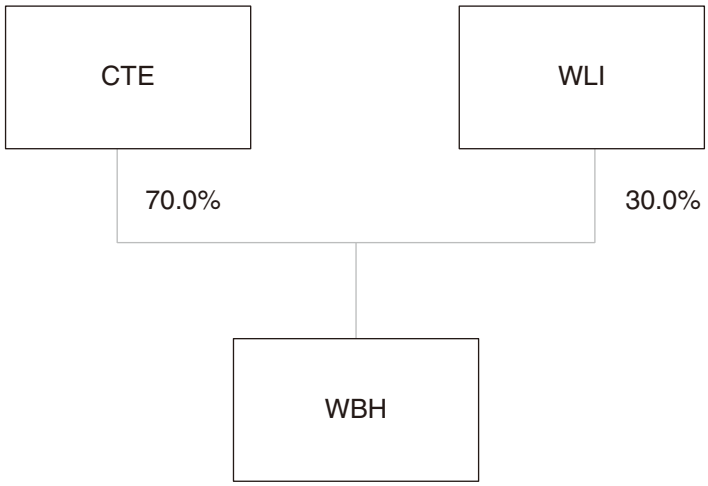
19. ORGANISATIONAL STRUCTURE

19.1 Organisational structure of the Company prior to the Proposed Disposal



19.2 Organisational structure of the Target Companies as at the date of this Circular

WBH



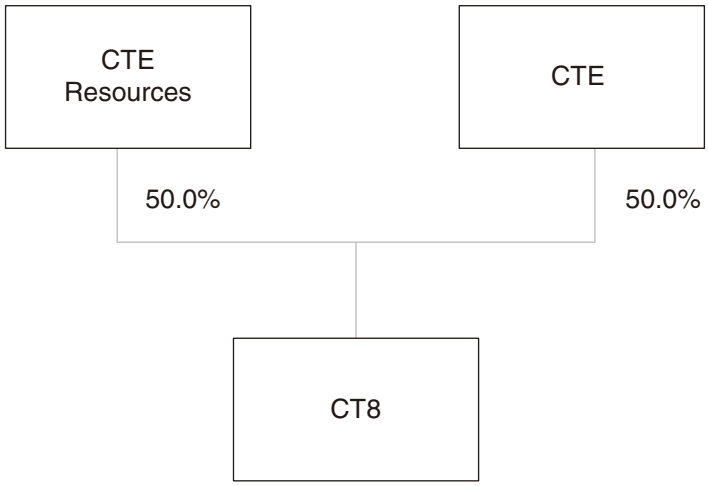
Details of WBH are as follows:

Name	Date and place of incorporation	Principal activities	Issued and paid-up share capital (S$)	Aggregate equity interest held by the WBH Vendors (%)
WBH Investments Pte. Ltd.	12 April 2010	Leasing of commercial real estate	100,000	100.0%(1)

Note:

(1) Under the WBH SPA, it is a condition precedent to the Completion that the shares of WBH held by YMKR shall be transferred to CTE, such that CTE shall be the legal and beneficial owner of 70.0% of the WBH Sale Shares and WLI be the legal and beneficial owner of 30.0% of the WBH Sale Shares. As at the date of this Circular, the transfer of the WBH Sale Shares between YMKR and CTE has been completed.

CT8

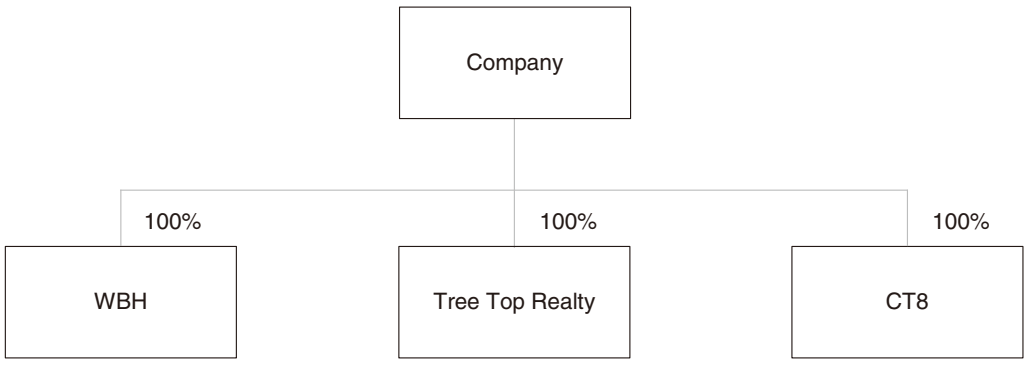


Details of CT8 are as follows:

Name	Date and place of incorporation	Principal activities	Issued and paid-up share capital (S$)	Aggregate equity interest held by CTE Resources and CTE (%)
Chiu Teng 8 Pte. Ltd.	18 August 2011, Singapore	Real estate development	1,000,000	100.0

19.3 Organisational structure of the Enlarged Group

Pursuant to the Proposed Acquisitions and the Proposed Disposal, the Company will hold 100.0% of WBH and 100.0% of CT8 upon Completion. The organisation structure of the Enlarged Group will be as follows:



Details of Tree Top Realty are as follows:

Name	Date and place of incorporation	Principal activities	Issued and paid-up share capital (RM)	Aggregate equity interest held by the Company (%)
Tree Top Realty Sdn. Bhd.	15 September 2017, Malaysia	Real estate development and investment	1	100.0

Save as disclosed in this Circular in Section 37 titled "Interest of Directors and Substantial Shareholders of the Company" of this Circular, none of the Proposed Directors, and as far as the Proposed Directors are aware, none of the Substantial Shareholders of the Company following Completion, has any interest, whether direct or indirect, in the Enlarged Group.

None of the above subsidiaries of the Enlarged Group, namely WBH, CT8 and Tree Top Realty, are listed on any stock exchange.

20. SHAREHOLDING STRUCTURE

20.1 Share capital of the Target Companies

20.1.1 WBH

As at the Latest Practicable Date, WBH's issued and paid-up ordinary share capital is S$100,000 comprising 100,000 ordinary shares and all its issued shares are fully paid-up.

As at the Latest Practicable Date:

(i) there are no other classes of shares in WBH's share capital;

(ii) none of the shares in WBH are held by or on behalf of WBH, its subsidiaries and/or associated companies; and

(iii) there has been no undertaking to increase the capital of WBH.

There were no changes in the issued and paid-up share capital of WBH within the three (3) years preceding the Latest Practicable Date.

20.1.2 CT8

As at the Latest Practicable Date, CT8's issued and paid-up ordinary share capital is S$1.0 million comprising 1,000,000 ordinary shares and all its issued shares are fully paid-up.

As at the Latest Practicable Date:

(i) there are no other classes of shares in CT8's share capital;

(ii) none of the shares in CT8 are held by or on behalf of CT8, its subsidiaries and/or associated companies; and

(iii) there has been no undertaking to increase the capital of CT8.

There were no changes in the issued and paid-up share capital of CT8 within the three (3) years preceding the Latest Practicable Date.

20.1.3 Other Information

(a) there has not been any public take-over offer, by a third party in respect of any of the shares of the Target Companies or by any of the Target Companies in respect of the shares of another corporation or the units of a business trust, which has occurred between the beginning of the most recent completed financial year and the Latest Practicable Date;

(b) to the extent known to the Proposed Directors and save as disclosed in Section 20 titled "Shareholding Structure" of this Circular, the Target Companies are not directly or indirectly owned or controlled, whether severally or jointly, by any person or government as at the Latest Practicable Date;

(c) as at the Latest Practicable Date, save as disclosed in Section 2 titled "Details of the Proposed Acquisitions" of this Circular, the Proposed Directors are not aware of any arrangement, the operation of which may, at a subsequent date, result in a change in control of the Target Companies;

(d) as at the Latest Practicable Date, no person has, or has the right to be given, an option to subscribe for any shares of the Target Companies; and

(e) as at the Latest Practicable Date, there is no arrangement which involves the employees of the Target Companies in the capital of any of the Target Companies that involves the issue or grant of options or their shares or any other securities in the Target Companies, and no option to subscribe for or purchase their shares has been granted to, or was exercised by, the Proposed Directors, the WBH Directors and the CT8 Directors.

20.2 Shareholding structure of the Target Companies

20.2.1 WBH

As at the date of this Circular the shareholding interest in WBH comprises the following:

	Direct Interest		Deemed Interest	
Name of Shareholder	**Number of Shares**	**%**	**Number of Shares**	**%**
WBH Directors				
Ng Chee Beng[(1)]	–	–	70,000	70.0
Bailey Wang[(2)]	–	–	30,000	30.0
Ng Chee Hwa	–	–	–	–
Other Shareholders				
CTE[(1)]	70,000	70.0	–	–
WLI[(2)]	30,000	30.0	–	–
Lee Tee Eng[(2)]	–	–	30,000	30.0
Total	**100,000**	**100.0**		

Notes:

(1) Ng Chee Beng has a direct interest in 90.0% of the issued share capital of CTE. Accordingly, he is deemed interested in the shares held by CTE by virtue of Section 4 of the SFA.

(2) Bailey Wang and Lee Tee Eng each have a direct interest in 50.0% of the issued share capital of WLI. Accordingly, Bailey Wang and Lee Tee Eng are deemed interested in the shares held by WLI by virtue of Section 4 of the SFA. Each of Bailey Wang and Lee Tee Eng is not related to the existing directors, executive officers and/or controlling shareholders of the Company or the proposed directors, executive officers and/or controlling shareholders of the Company.

The shares in WBH held by the WBH Directors and the shareholders of WBH do not carry different voting rights.

Save for the transfer of 30.0% of the issued share capital of WBH from YMKR to CTE on 14 November 2017, which is a condition precedent to the WBH SPA, there have been no changes in the percentage of ownership of the shareholders of WBH in WBH over the last three (3) financial years prior to the Latest Practicable Date.

20.2.2 CT8

As at the date of this Circular the shareholding interest in CT8 comprises the following:

	Direct Interest		Deemed Interest	
Name of Shareholder	**Number of Shares**	**%**	**Number of Shares**	**%**
CT8 Directors				
Ng Teng Yeng[2]	–	–	–	–
Ng Chee Beng[1], [2]	–	–	1,000,000	100.0
Ng Chee Hwa[2]	–	–	–	–
Bailey Wang	–	–	–	–
Other Shareholders				
CTE Resources[2]	500,000	50.0	–	–
CTE[2]	500,000	50.0	500,000	50.0
Total	**1,000,000**	**100.0**		

Notes:

(1) Ng Teng Yeng is the father of Ng Chee Beng, while Ng Chee Hwa and Ng Chee Beng are siblings.

(2) Ng Chee Beng has a direct interest in 90.0% of the issued share capital of CTE and is deemed interested in the shares held by CTE by virtue of Section 4 of the SFA. CTE has a direct interest in 40.0% of the issued share capital of CTE Resources. Accordingly, CTE is deemed interested in the shares held by CTE Resources by virtue of Section 4 of the SFA. The other shareholders of CTE Resources are Lee Tee Eng, Ong & Ong Enterprise Pte. Ltd. and Serena Lee Chooi Li who each hold 20.0% of the issued share capital.

The shares in CT8 held by the CT8 Directors and the shareholders of CT8 do not carry different voting rights.

Save for the acquisition of 10.0% and 40.0% of the issued share capital of CT8 by CTE from CT Construction on 15 December 2016 and Affluence Resource on 10 January 2017 respectively, there have been no changes in the percentage of ownership of the shareholders of CT8 in CT8 over the last three (3) financial years prior to the Latest Practicable Date. The purchase consideration for the acquisition of the shares of CT8 by CTE from CT Construction and Affluence Resource respectively was based on 50.0% of the net book value of CT8 as at 31 December 2016.

20.3 Changes in shareholding structure of the Company

The Company will be issuing the Consideration Shares to the Obliged Parties pursuant to the Proposed Acquisitions.

The shareholding structure of the Company upon Completion and completion of the Proposed Share Consolidation will be as follows:

	Before the Proposed Transactions and the Proposed Share Consolidation				After the Proposed Transactions but before the Proposed Share Consolidation				After the Proposed Transactions and the Proposed Share Consolidation			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Existing Directors and Proposed Directors												
Daniel Ee	–	–	–	–	–	–	–	–	–	–	–	–
Daniel Long	–	–	–	–	100,000,000	3.6%	–	–	2,500,000	3.6%	–	–
Alan Cheong	–	–	–	–	–	–	–	–	–	–	–	–
Aloysius Wee	–	–	–	–	–	–	–	–	–	–	–	–
Cai Jianhua	90,900,590	25.3%	–	–	90,900,590	3.3%	–	–	2,272,514	3.3%	–	–
Zhu Xuecheng[1]	–	–	16,666,666	4.6%	–	–	16,666,666	0.6%	–	–	416,666	0.6%
Controlling Shareholders												
CTE	–	–	–	–	1,396,471,087	50.7%	–	–	34,911,777	50.7%	–	–
Ng Chee Beng[2][5]	–	–	–	–	300,000,000	10.9%	1,396,471,087	50.7%	7,500,000	10.9%	34,911,777	50.7%
Substantial Shareholders												
Bailey Wang	–	–	–	–	252,528,673	9.2%	–	–	6,313,216	9.2%	–	–
Existing Substantial Shareholders and other non-public shareholders												
EIGL	88,880,000	24.7%	–	–	88,880,000	3.2%	–	–	2,222,000	3.2%	–	–
GKG Investment Holdings Pte Ltd[3]	–	–	88,880,000	24.7%	–	–	88,880,000	3.2%	–	–	2,222,000	3.2%
Goh Geok Khim[3]	–	–	88,880,000	24.7%	–	–	88,880,000	3.2%	–	–	2,222,000	3.2%
Goh Yew Lin[3]	–	–	88,880,000	24.7%	–	–	88,880,000	3.2%	–	–	2,222,000	3.2%
Jinchen Investment Holdings Pte. Ltd.	70,880,000	19.7%	–	–	70,880,000	2.6%	–	–	1,772,000	2.6%	–	–
Cheng De You[4]	–	–	70,880,000	19.7%	–	–	70,880,000	2.6%	–	–	1,772,000	2.6%
China Hui Xin Investment Management Ltd[1]	16,666,666	4.6%	–	–	16,666,666	0.6%	–	–	416,666	0.6%	–	–

	Before the Proposed Transactions and the Proposed Share Consolidation				After the Proposed Transactions but before the Proposed Share Consolidation				After the Proposed Transactions and the Proposed Share Consolidation			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Public Shareholders												
Existing public shareholders	92,572,744	25.7%	–	–	92,572,744	3.4%	–	–	2,314,318	3.4%	–	–
Ong & Ong Enterprise Pte. Ltd.	–	–	–	–	104,524,746	3.8%	–	–	2,613,118	3.8%	–	–
Serena Lee Chooi Li	–	–	–	–	104,524,746	3.8%	–	–	2,613,118	3.8%	–	–
RHT Capital Pte. Ltd.	–	–	–	–	80,000,000	2.9%	–	–	2,000,000	2.9%	–	–
WongPartnership LLP	–	–	–	–	56,000,000	2.0%	–	–	1,400,000	2.0%	–	–
Total	**359,900,000**	**100.0%**			**2,753,949,252**	**100.0%**			**68,848,727**	**100.0%**		

Notes:

(1) Zhu Xuecheng has a direct interest in 55.0% of the issued share capital of China Hui Xin Investment Management Ltd. Accordingly, he is deemed interested in all the Shares held by China Hui Xin Investment Management Ltd. by virtue of Section 7 of the Companies Act and Section 4 of the SFA. The remaining shareholders of China Hui Xin Investment Management Ltd. are Xu Zhen, Cao Hui and Bin Xiao Min, who are the existing executive officers of the Company and each hold 15.0% of the issued share capital of China Hui Xin Investment Management Ltd.

(2) Ng Chee Beng has a direct interest in 90.0% of the issued share capital of CTE. Accordingly, he is deemed interested in all the Shares held by CTE by virtue of Section 7 of the Companies Act and Section 4 of the SFA.

(3) GKG Investment Holdings Pte Ltd, Goh Geok Khim and Goh Yew Lin are deemed to be interested in all the Shares held by EIGL by virtue of Section 7 of the Companies Act and Section 4 of the SFA.

(4) Cheng De You is deemed to be interested in all the Shares held by Jinchen Investment Holdings Pte. Ltd. by virtue of Section 7 of the Companies Act and Section 4 of the SFA.

(5) Following the Completion but before the resumption of trading of the Consolidated Shares on Catalist, Ng Chee Beng and the Legal Adviser intend to sell, through the Placement Agent, the Repayment Shares and Professional Advisers' Shares (as the case may be) which they hold. Any of Ng Chee Beng's Repayment Shares which are not sold by the Placement Agent will be subject to a moratorium. For the avoidance of doubt, none of the Professional Advisers' Shares held by the Legal Adviser will be subject to a moratorium.

Shares held by the Existing Directors, the Proposed Directors and Substantial Shareholders of the Company, do not carry different voting rights.

21. DIVIDEND POLICY

Save as disclosed below, none of the Target Companies has declared, approved and paid any dividends since incorporation.

CT8:

FY2014		FY2015		FY2016		1 January 2017 to the Latest Practicable Date	
Total (S$)	Per share (S$)	Total (S$)	Per share (S$)	Total (S$)	Per share (S$)	Total (S$)	Per share (S$)
–	–	–	–	5,000,000[(1)]	5.00	–	–

Note:

(1) Dividends declared have been fully paid to the then shareholders of CT8, being CTE Resources, Affluence Resource and CT Construction.

As at the Latest Practicable Date, none of the Target Companies has a fixed dividend policy.

As disclosed under Section 18 titled "Risk Factors", there is no assurance that dividends will be paid following Completion or in the future or on the amount or timing of any dividends that may be paid following Completion and in the future.

The declaration and payment of any future dividends will depend upon factors such as operating results, financial position, cash requirements, expansion plans as well as any other factors deemed relevant by the directors of the Company and subject to the approval of Shareholders.

As a holding company, the Company is dependent on distributions from its subsidiaries in order to pay dividends in the future. The ability of its subsidiaries to declare and pay dividends to the Company, in terms of the timing, amount and form, will be dependent on the cash income of and cash available to subsidiaries and may be restricted under applicable laws or regulations.

In making their dividend recommendation, the New Board will take into consideration the performance of the Enlarged Group, including the operating results, financial position, working capital requirements, capital expenditure needs, the terms of borrowing arrangements (if any), the level of cash and retained earnings, and other factors deemed relevant by the New Board. In addition, in determining the amount of dividends to be paid, consideration will be given to maximise Shareholders' value. In such circumstances, there is no assurance that dividends will be paid in the future or as to the amount or timing of any dividends that will be paid.

The Company may, by ordinary resolution, declare dividends at a general meeting, but it may not pay dividends in excess of the amount recommended by its Board. The Board may declare interim dividends without seeking Shareholders' approval. The Company must pay all dividends out of its profits pursuant to the Companies Act.

Shareholders and potential investors should note that all the foregoing statements are statements of the intention of the Current Board and New Board and shall not constitute legally binding statements in respect of future dividends which may be subject to the sole and absolute discretion of the Board. No inference should or can be made from any of the foregoing statements as to actual future profitability of the Enlarged Group or the ability of the Enlarged Group to pay dividends in the future.

22. SELECTED PRO FORMA FINANCIAL INFORMATION

The following selected financial information should be read in conjunction with the full text of this Circular, including the Sections titled:

(a) "Management's Discussion and Analysis of Results of Operations and Financial Position";

(b) "Independent Auditor's Report on the Audited Financial Statements of WBH Investments Pte. Ltd. for the Financial Years ended 31 December 2014, 2015 and 2016";

(c) "Independent Auditor's Report on the Audited Financial Statements of Chiu Teng 8 Pte. Ltd. for the Financial Years ended 31 December 2014, 2015 and 2016";

(d) "Independent Auditor's Review Report on the Interim Financial Statements of WBH Investments Pte. Ltd. for the Six-month Period ended 30 June 2017";

(e) "Independent Auditor's Review Report on the Interim Financial Statements of Chiu Teng 8 Pte. Ltd. for the Six-month Period ended 30 June 2017"; and

(f) "Report on Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group for the Financial Years ended 31 December 2014, 2015 and 2016 and the Six-month Period ended 30 June 2017",

as set out in Section 23, Appendix I, Appendix J, Appendix K, Appendix L and Appendix M to this Circular, respectively.

22.1 Pro forma statements of comprehensive income of the Enlarged Group

	Financial Years ended 31 December			Six-Month period ended 30 June	
	2014	2015	2016	2017	2016
	$	$	$	$	$
	← Unaudited →				
Sales	1,148,255	170,751,096	16,779,927	8,003,864	4,690,476
Cost of sales	–	(139,857,378)	(14,007,127)	(5,643,473)	(3,510,705)
Gross profit	1,148,255	30,893,718	2,772,800	2,360,391	1,179,771
Other income	3,156,115	15,953	188	12,932	234
Expenses					
– Selling and distribution	(472,447)	(3,530,944)	(697,708)	(243,005)	(180,908)
– Administrative	(10,168,977)	(2,376,681)	(2,002,083)	(744,837)	(905,744)
– Finance	(365,561)	(1,381,632)	(325,111)	(50,781)	(273,667)
(Loss)/profit before income tax	(6,702,615)	23,620,414	(251,914)	1,334,700	(180,314)
Income tax credit/(expense)	6,031	(4,312,242)	(135,416)	(268,693)	(25,174)
Total comprehensive (loss)/income, representing net (loss)/profit	(6,696,584)	19,308,172	(387,330)	1,066,007	(205,488)
(Loss)/earnings per share attributable to equity holders of the Company (cents)	(0.24)	0.70	(0.01)	0.04	(0.01)

22.2 Pro forma statements of financial position of the Enlarged Group

	31 December 2016 $	30 June 2017 $
	← Unaudited →	
ASSETS		
Current assets		
Cash and bank balances	3,208,213	9,671,731
Trade receivables	4,163,307	3,000,679
Development properties	13,675,663	8,032,190
	21,047,183	20,704,600
Non-current assets		
Investment properties	12,166,000	12,166,000
Development properties	3,866,760	3,866,760
	16,032,760	16,032,760
Total assets	37,079,943	36,737,360
LIABILITIES		
Current liabilities		
Trade and other payables	21,101,685	21,013,077
Borrowings	546,824	498,660
Provisions	249,323	–
Current income tax liabilities	2,582,598	1,571,156
	24,480,430	23,082,893
Non-current liabilities		
Borrowings	4,004,173	3,765,503
Total liabilities	28,484,603	26,848,396
NET ASSETS	8,595,340	9,888,964
EQUITY		
Capital and reserves attributable to the equity holders of the Company		
Share Capital	7,946,232	7,946,232
Reverse acquisition reserve	(10,597,277)	(10,597,277)
Retained profits	11,246,385	12,540,009
Total equity	8,595,340	9,888,964

22.3 Pro forma statements of cash flow of the Enlarged Group

	Financial Year ended 31 December 2016 $	Six-month Period ended 30 June 2017 $
	← Unaudited →	
Cash flow from operating activities		
Net (loss)/profit	(5,744,371)	1,066,007
Adjustments for:		
– Share-based payment arising from reverse acquisition	6,713,124	–
– Professional fees settled through issuance of new shares	680,000	–
– Bargain purchase on acquisition of a subsidiary corporation	(614,490)	–
– Waiver of amounts owing to directors and former controlling shareholder	(2,541,593)	–
– Depreciation of investment properties	455,236	227,617
– Interest income	–	(5,771)
– Interest expense	325,111	50,781
– Income tax expense	135,416	268,693
Operating cash flow before working capital changes	(591,567)	1,607,327
Changes in working capital:		
– Trade receivables	11,430,241	1,162,628
– Development properties	13,866,127	5,643,473
– Provisions	155,541	(249,323)
– Trade and other payables	1,362,750	(5,282)
Cash generated from operations	26,223,092	8,158,823
Interest received	–	5,771
Income tax paid	(1,668,630)	(1,280,135)
Net cash provided by operating activities	24,554,462	6,884,459
Cash flows from investing activities		
Acquisition of subsidiary corporations, net of cash acquired	45,980	–
Net cash provided by investing activities	45,980	–

	Financial Year ended 31 December 2016 $	Six-month Period ended 30 June 2017 $
	← Unaudited →	
Cash flows from financing activities		
Repayment of shareholder's loans	(20,000,000)	–
Dividends paid	(5,000,000)	–
Repayment of bank borrowings	(463,743)	(238,670)
Interest paid	(325,111)	(50,781)
Net cash used in financing activities	(25,788,854)	(289,451)
Net (decrease)/increase in cash and cash equivalents	(1,188,412)	6,595,008
Cash and cash equivalents at beginning of the financial year/period	4,235,591	3,047,179
Cash and cash equivalents at end of the financial year/period	3,047,179	9,642,187
Cash and cash equivalents comprise:		
Cash and bank balances (as per statements of financial position)	3,208,213	9,671,731
Less: Restricted cash	(112,870)	(29,544)
Less: Bank overdraft	(48,164)	–
	3,047,179	9,642,187

Reconciliation of liabilities arising from financing activities

	1 January 2017 $	Principal and interest payments $	Non-cash changes $	30 June 2017 $
			Interest expense	
Bank borrowings	4,502,833	(289,451)	50,781	4,264,163

23. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION OF THE ENLARGED GROUP

The following discussion of the Enlarged Group's results of operations and financial position for FY2014, FY2015, FY2016 and for HY2017 has been prepared by the Proposed Directors and should be read in conjunction with the following:

(a) "Independent Auditor's Report on the Audited Financial Statements of WBH Investments Pte. Ltd. for the Financial Years ended 31 December 2014, 2015 and 2016";

(b) "Independent Auditor's Report on the Audited Financial Statements of Chiu Teng 8 Pte. Ltd. for the Financial Years ended 31 December 2014, 2015 and 2016";

(c) "Independent Auditor's Review Report on the Interim Financial Statements of WBH Investments Pte. Ltd. for the Six-month Period ended 30 June 2017";

(d) "Independent Auditor's Review Report on the Interim Financial Statements of Chiu Teng 8 Pte. Ltd. for the Six-month Period ended 30 June 2017"; and

(e) "Report on Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group for the Financial Years ended 31 December 2014, 2015 and 2016 and the Six-month Period ended 30 June 2017",

as set out in Appendix I, Appendix J, Appendix K, Appendix L and Appendix M to this Circular, respectively.

This discussion contains forward-looking statements that involve risks and uncertainties. The actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but not limited to, those discussed below and elsewhere in this Circular, particularly in Section 18 titled "Risk Factors" of this Circular. Under no circumstances should the inclusion of such forward-looking statements herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Company, the Target Companies, the Sponsor and Financial Adviser or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements that speak only as at the date hereof. Please refer to the section titled "Cautionary Notes Regarding Forward-Looking Statements" of this Circular.

Except as otherwise indicated, the following discussion is based on the Pro Forma Financial Information which have been prepared in accordance with the Singapore Financial Reporting Standards.

The financial statements are presented in Singapore Dollars ("**S$**") which is the functional currency of the Company.

23.1 Overview

The Enlarged Group comprises the Company, CT8, WBH and Tree Top Realty. The Company has discontinued its operations in its PRC subsidiary corporations namely Miluo Jincheng Shiye Co., Ltd, Changjiang Huafei (Hunan) Co., Ltd, Hunan Changjiang Huafei Hanshou Co., Ltd and Tangjia Electric Technology (Shenzhen) Co., Ltd, all of which had been proposed to be disposed as part of the Proposed Disposal. For the purpose of analysing the financial performance of the Enlarged Group for the financial years ended 31 December 2014, 2015 and 2016 and the six month period ended 30 June 2017, we have included the financial results of CT8 and WBH, which are principally engaged in the development of, and investment in, light industrial real estate respectively as well as the Company wherein the financial impact from the discontinued businesses (the PRC Subsidiaries) has been excluded.

Revenue

Upon Completion, the Enlarged Group will become a property developer specialising in real estate in Singapore and the region. The Enlarged Group's revenues would be derived mainly from the sales of properties under development as well as rental income from property investment. The Enlarged Group's revenue was generated primarily from Singapore and denominated in S$.

Revenue comprises the fair value of the consideration received or receivable and is presented net of goods and services tax, rebates and discounts. The Enlarged Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Enlarged Group's activities are met as follows:

(A) Property development

Property development typically covers the business of purchasing land, determining the type of properties to develop on the land, designing and obtaining the necessary approvals and financing, building or appointing builders to undertake construction of the structures, and ultimately, selling the properties. The Enlarged Group currently intends to outsource its design, building, and sales and marketing functions to architects, contractors, and sales and marketing agents who are able to meet the standards imposed by the Enlarged Group.

(i) Sale of development properties under construction

Where development property is under construction and agreement has been reached to sell such property when construction is complete, revenue is recognised when the significant risks and rewards of ownership of the real estate have been transferred to the buyer, which generally occurs upon completion of the construction of the property. Properties are considered complete upon the issuance of the Temporary Occupation Permits ("**TOP**") by the Building and Construction Authority of Singapore.

Sales of development properties under construction in respect of sale and purchase agreements are entered into prior to completion of construction will be deferred and presented as deferred income within "Trade and other payables" on the balance sheet and will be recognised as revenue upon the issuance of TOP.

The Enlarged Group's revenues generated from property development are generated primarily from Singapore and are mainly dependent on the following factors:

(a) Demand and sales volume of the Tagore 8 units;

(b) Sale prices of the Tagore 8 units;

(c) Changes in laws and regulations relating to the property insurance in Singapore;

(d) Availability of mortgage financing available to the purchasers of the Tagore 8 units; and

(e) Market sentiment, market competition and general economic conditions.

(B) Investment in industrial real estate

Through WBH, the Enlarged Group will undertake investment in industrial real estate in Singapore. WBH is the registered holder of the leasehold titles to 13 ground floor units in One Commonwealth. One Commonwealth is a nine storey light industrial building in Singapore with a total of 250 factory/showroom units completed in 2010. One Commonwealth is strategically located along Commonwealth Avenue, is adjacent to the Commonwealth MRT station and close to the Pan-Island and Ayer Rajah Expressways.

(i) Rental income

Rental income from operating lease (net of any incentives given to the lessee) is recognised on a straight-line basis over the lease term.

The Enlarged Group's revenues generated from investment in industrial real estate are generated primarily from Singapore and are mainly dependent on the following factors:

(a) Health of the property industry in Singapore, particularly the rental market, as well as the general economy;

(b) Enlarged Group's ability to retain its existing tenants and source for new tenants;

(c) Changes in laws and regulations relating to the property insurance in Singapore;

(d) Ability to compete for tenants; and

(e) Fluctuations in rental prices.

Cost of Sales

Cost of sales comprises mainly cost of land, construction, architect fees, stamp duties incurred for acquisition of land, loan interest during construction, and other costs directly related to the development of properties. Cost of sales in FY2014, FY2015, FY2016 and HY2017 was nil, S$139.9 million, S$14.0 million and S$5.6 million respectively and accounted for approximately nil, 81.9%, 83.5% and 70.5% of the Enlarged Group's total revenue for FY2014, FY2015, FY2016 and HY2017 respectively.

The Enlarged Group's cost of sales was generated primarily from Singapore and denominated in S$.

The Enlarged Group's cost of sales is mainly dependent on the following factors:

(a) Changes to the cost of properties including cost of land and construction costs, related overhead expenditure;

(b) Changes to financing charges and other net costs incurred during the period of development;

(c) Changes in the pricing and quality of property building materials;

(d) Ability to control the efficiency in the utilisation of contractors for the development;

(e) Ability to source for competitively priced land banks; and

(f) Changes in the fees charged by subcontractors.

Other Income

Save for a one-off pro forma adjustment to reflect the effects of the bargain purchase on the WBH Acquisition, as well as the waiver of debts due to Zhu Xuecheng, Cai Jianhua and Zhu Cheng Bao in FY2014, other income primarily comprises government grants and interest income. Save for the one-off pro forma adjustment stated above, other income in accounted for less than 1.0% of the Enlarged Group's revenue in the respective years during the Period Under Review.

Operating Costs

The operating costs comprise selling and distribution expenses, administrative expenses and finance expenses. The Enlarged Group's total operating costs accounted for 958.6%, 4.3%, 18.0% and 13.0% of the Enlarged Group's total revenue in FY2014, FY2015, FY2016 and HY2017 respectively. The operating costs are denominated in S$.

Selling and distribution expenses comprise mainly sales commission, sales office expenses, selling and marketing expenses. Selling and distribution expenses accounted for approximately 4.3%, 48.4%, 23.1% and 23.4% of the Enlarged Group's total operating expenses in FY2014, FY2015, FY2016 and HY2017 respectively.

Administrative expenses comprise mainly depreciation of investment properties, maintenance fees, property taxes, payroll cost of administrative staff, professional fees, and office expenses. Administrative expenses accounted for approximately 92.4%, 32.6%, 66.2% and 71.7% of the Enlarged Group's total operating expenses in FY2014, FY2015, FY2016 and HY2017 respectively.

Finance expenses comprise mainly interest on bank borrowings and shareholders' loans. Finance accounted for approximately 3.3%, 19.0%, 10.7% and 4.9% of the Enlarged Group's total operating expenses in FY2014, FY2015, FY2016 and HY2017 respectively.

Operating costs may be affected by the following factors:

(a) Changes in payroll and related costs due to factors such as availability of labour in the market, qualifications and experience of staff hired, staff head count and changes in government labour policies and regulations;

(b) Changes in rental rates of commercial spaces and economic conditions;

(c) Increase in depreciation due to addition of property, plant and equipment; and

(d) Changes in bank interest.

Income Tax

The Enlarged Group enjoyed an income tax credit of S$6,031 in FY2014. In FY2015, FY2016 and HY2017, the effective tax rate of the Enlarged Group was approximately 18.3%, (53.8)% and 20.1% respectively. The companies in the Enlarged Group are taxed in accordance with the prevailing tax rates, however the losses incurred by some of the entities in the Enlarged Group cannot be offset against the profits of the other entities in the Enlarged Group due to the inherent differences in nature of their business activities thus group tax relief cannot be enjoyed.

23.2 Results of Operations

A breakdown and analysis of the Enlarged Group's revenue generated by CT8 and WBH in FY2014, FY2015, FY2016 and HY2017, is set out below and should be read in conjunction with the "Independent Auditor's Report on the Audited Financial Statements of WBH Investments Pte. Ltd. for the Financial Years ended 31 December 2014, 2015 and 2016", "Independent Auditor's Report on the Audited Financial Statements of Chiu Teng 8 Pte. Ltd. for the Financial Years ended 31 December 2014, 2015 and 2016", "Independent Auditor's Review Report on the Interim Financial Statements of WBH Investments Pte. Ltd. for the Six-month Period ended 30 June 2017" and "Independent Auditor's Review Report on the Interim Financial Statements of Chiu Teng 8 Pte. Ltd. for the Six-month Period ended 30 June 2017" as set out in Appendix I, Appendix J, Appendix K and Appendix L of this Circular.

Breakdown of past performance by CT8 and WBH

Revenue

	FY2014		FY2015		FY2016		HY2016		HY2017	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%	S$'000	%
CT8	–	–	169,847	99.5	16,008	95.4	4,280	91.2	7,522	94.0
WBH	1,148	100.0	904	0.5	772	4.6	410	8.8	482	6.0
Total	**1,148**	**100.0**	**170,751**	**100.0**	**16,780**	**100.0**	**4,690**	**100.0**	**8,004**	**100.0**

Profit/(loss) before income tax

	FY2014		FY2015		FY2016		HY2016		HY2017	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%	S$'000	%
CT8	(839)	(214.0)	24,975	99.4	751	96.8	176	86.3	1,560	92.4
WBH	447	114.0	161	0.6	25	3.2	28	13.7	128	7.6
Total	**(392)**	**100.0**	**25,136**	**100.0**	**776**	**100.0**	**204**	**100.0**	**1,688**	**100.0**

There was no revenue recorded by the Company for the Period Under Review. However, the losses attributed to the Company were S$39.2 million, S$1.5 million, S$1.5 million and S$0.4 million for FY2014, FY2015, FY2016 and HY2017 respectively.

23.3 Review of Past Operating Performance

FY2015 vs. FY2014

Revenue

The Enlarged Group's total revenue increased by approximately S$169.6 million or 14,770.5%, from S$1.1 million in FY2014 to S$170.8 million in FY2015. The overall revenue growth in FY2015 was contributed mainly by the revenue booked in CT8 due to the commencement in the recognition of sales of development properties which had previously been pre-sold prior to FY2015 as well as sales booked in FY2015, with the TOP of the development being obtained. The sale of 107 units in Tagore 8, was recognised as sales in FY2015.

CT8's revenue amounted to S$169.8 million in FY2015 and it did not generate any revenue in FY2014. WBH's revenue decreased by approximately S$0.3 million from S$1.2 million in FY2014 to S$0.9 million in FY2015 due to the expiry of tenancy of some of the rental units in the OCW Units.

Cost of Sales and Gross Profit

In line with the increase in revenue in FY2015, the Enlarged Group's cost of sales increased to S$139.9 million in FY2015. The Enlarged Group's gross profit increased by S$29.7 million from S$1.2 million in FY2014 to S$30.9 million in FY2015.

WBH's revenue which is primarily derived from the rental of the OCW Units does not have any direct cost of sales. With the commencement in the recognition of sales in FY2015 for CT8's development properties, cost of sales was correspondingly recognised. The cost of sales for CT8 amounted to S$139.9 million in FY2015 and the gross profit generated by CT8 in FY2015 was S$30.0 million with a gross profit margin of 17.7%.

The combined gross profit margin for CT8 and WBH for FY2015 was 18.1%.

Other Income

Other income decreased by S$3.1 million from S$3.2 million in FY2014 to S$0.02 million in FY2015 mainly due to a one-off pro forma adjustment to reflect the effects of the bargain purchase on the WBH Acquisition and waiver of debts due to Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao pursuant to waiver letters received from each of Zhu Xuecheng, Cai Jianhua and Zhu Cheng Bao.

Operating Costs

The Enlarged Group's operating costs comprised selling and distribution expenses, administrative expenses and finance expenses. Total operating costs decreased by S$3.7 million or 33.8% from S$11.0 million in FY2014 to S$7.3 million in FY2015 mainly due to the decrease in administrative expenses, which was offset by an increase in selling and distribution expenses and finance expenses.

Selling and Distribution Expenses

With the increase in sales of development properties by CT8 in FY2015, the Enlarged Group's selling and distribution expenses increased by approximately S$3.1 million or 647.4%, from S$0.5 million in FY2014 to S$3.5 million in FY2015. The increase was primarily due to increased sales commission paid for the increased sales.

Administrative Expenses

The Enlarged Group's administrative expenses decreased by S$7.8 million or 76.6%, from S$10.2 million in FY2014 to S$2.4 million in FY2015, mainly due to the pro forma adjustment for estimated cost of listing arising from the reverse takeover of the Company amounting to S$8.5 million in FY2014 based on the assumption that the pro forma Enlarged Group had been in existence since 1 January 2014. This was offset by an increase in administrative expenses mainly due to an increase in payroll costs of S$0.5 million incurred by the Company and an increase in maintenance expenses and property tax arising from the unsold units in CT8 in FY2015 of S$0.2 million.

Finance Costs

The Enlarged Group recorded an increase in finance costs amounting to $1.0 million or 277.9%, from S$0.4 million in FY2014 to S$1.4 million in FY2015, due mainly to the increase in interest expenses incurred by CT8 which cannot be capitalised as development costs in FY2015.

Profit/(loss) before Income Tax

As a result of the above, the Enlarged Group enjoyed a profit before income tax of S$23.6 million in FY2015 compared to a loss before income tax of S$6.7 million in FY2014.

Income Tax Credit

In FY2014, the Enlarged Group enjoyed an income tax credit of S$6,031 due mainly to the Enlarged Group's loss before income tax, taking into account the effect of the different income tax positions of the various operating entities in the Group.

The Enlarged Group incurred an income tax expense of S$4.3 million in FY2015 and its effective income tax rate was 18.3%, which is slightly higher than the statutory income tax rate of 17.0% in Singapore. The Enlarged Group incurred a higher effective income tax rate than the statutory income tax rate in FY2015 due mainly to deferred tax assets not recognised and expenses not deductible for income tax purposes.

FY2016 vs. FY2015

Revenue

The Enlarged Group's total revenue decreased by approximately S$154.0 million or 90.2%, from S$170.8 million in FY2015 to S$16.8 million in FY2016. The fall in revenue for FY2016 was mainly due to most of the sales in CT8 being recognised in FY2015. Nonetheless, CT8's development properties were still the major contributor to total revenue as the sale of 11 units in Tagore 8 was recognised as sales in FY2016.

CT8's revenue amounted to S$16.0 million in FY2016 and decreased by S$153.9 million as compared to S$169.9 million in FY2015. WBH's revenue decreased by S$0.1 million from S$0.9 million in FY2015 to S$0.8 million in FY2016 due to the expiry of tenancy of some of the rental units in the OCW Units.

Cost of Sales and Gross Profit

In line with the decrease in revenue in FY2016, the Enlarged Group's cost of sales decreased by S$125.9 million or 90.0%, from S$139.9 million in FY2015 to S$14.0 million in FY2016. The Enlarged Group's gross profit decreased to S$2.8 million in FY2016 from S$30.9 million in FY2015. With the decrease in the Enlarged Group's gross profit, its gross profit margin also decreased from 18.1% in FY2015 to 16.5% in FY2016.

WBH's revenue which is derived primarily from the rental of the OCW Units does not have any direct cost of sales. The cost of sales for CT8 amounted to S$14.0 million in FY2016 and the gross profit generated by CT8 in FY2016 was S$2.0 million with the gross profit margin of 12.5%. As compared to the gross margin of CT8 in FY2015 of 17.7%, the gross margin percentage had decreased by 5.2% primarily due to lower selling prices of the Tagore units sold in FY2016.

Other Income

Other income decreased significantly and substantially from FY2015 to FY2016 to an insignificant amount due to the absence of interest income received from the Enlarged Group's bank deposits.

Operating Costs

The Enlarged Group's operating costs comprised selling and distribution expenses, administrative expenses and finance expenses. Total operating costs decreased by S$4.3 million or 58.5% from S$7.3 million in FY2015 to S$3.0 million in FY2016 mainly due to the decrease in selling and distribution expenses.

Selling and Distribution Expenses

With the decrease in sales of development properties by CT8 in FY2016, the Enlarged Group's selling and distribution expenses decreased by approximately S$2.8 million or 80.2%, from S$3.5 million in FY2015 to S$0.7 million in FY2016, primarily due to decreased sales commission paid for the decreased sales.

Administrative Expenses

The Enlarged Group's administrative expenses decreased by S$0.4 million or 15.8% from S$2.4 million in FY2016 from S$2.0 million in FY2015, mainly due to pro forma adjustment made for expense incurred in connection with the Proposed Transactions amounting to S$0.5 million, offset by an increase in administrative expenses for CT8 of approximately S$0.1 million for professional fees incurred in relation to the development of Tagore 8.

Finance Costs

The Enlarged Group's finance costs decreased by S$1.1 million or 76.5%, from S$1.4 million in FY2015 to S$0.3 million in FY2016, mainly due to the decrease in interest expenses of S$0.9 million relating to CT8.

Profit/(loss) before Income Tax

As a result of the above factors, the Enlarged Group had a loss before income tax of S$0.3 million in FY2016 compared to a profit before income tax of S$23.6 million in FY2015 primarily due to lower contribution from sales.

Income Tax Expense

The Enlarged Group incurred an income tax expense of S$0.1 million in FY2016 despite a loss before income tax of S$0.3 million due to under-provision of income taxes in FY2015, and expenses not deductible for income tax purposes.

HY2017 vs. HY2016

Revenue

The Enlarged Group's total revenue increased by approximately S$3.3 million or 70.6%, from S$4.7 million in HY2016 to S$8.0 million in HY2017. The overall revenue growth in HY2017 was contributed mainly by the revenue growth in CT8 due to the additional sale of four units in Tagore 8.

CT8's revenue amounted to S$7.5 million in HY2017, which had increased by S$3.2 million or 75.8% from S$4.3 million in HY2016 due to the 3.0% sales of its Tagore 8 development. WBH's revenue increased by S$0.1 million from S$0.4 million in HY2016 to S$0.5 million in HY2017 due to the letting out of empty units of the OCW Units to new tenants.

Cost of Sales and Gross Profit

In line with the increase in revenues in HY2017, the Enlarged Group's cost of sales increased by S$2.1 million or 60.8% from S$3.5 million in HY2016 to S$5.6 million in HY2017. The Enlarged Group's gross profit increased to S$2.4 million in HY2017 from S$1.2 million in HY2016. With the increase in the Enlarged Group's gross profit, its gross profit margin improved by 4.3% in HY2017 as compared to HY2016.

WBH's revenue which is primarily from the rental of the OCW Units does not have any direct cost of sales. The cost of sales for CT8 amounted to S$5.6 million in HY2017 and the gross profit generated by CT8 in HY2017 was S$1.9 million with the gross profit margin of 25.0% as compared to S$0.8 million and 18.0% in HY2016.

The combined gross profit margin for CT8 and WBH for HY2017 was 29.5% as compared to 25.2% in HY2016.

Other Income

Other income increased by approximately S$10,000 from approximately S$100 in HY2017. Other income arises mainly from interest received from bank deposits.

Operating Costs

The Enlarged Group's operating costs comprised selling and distribution expenses, administrative expenses and finance expenses. Total operating costs decreased by S$0.3 million or 23.6% from S$1.4 million in HY2016 to S$1.0 million in HY2017 mainly due to the decrease in administrative expenses and finance costs.

Selling and Distribution Expenses

With the increase in sales of development properties by CT8 in HY2017, the Enlarged Group's selling and distribution expenses increased by approximately S$0.1 million or 34.3%, from S$0.2 million in HY2016 to S$0.3 million in HY2017. The increase is primarily due to increased sales commission paid for the increased sales.

Administrative Expenses

The Enlarged Group's administrative expenses decreased by S$0.2 million or 17.8% from S$0.9 million in HY2016, to S$0.7 million in FY2017. The decrease was mainly due to a decrease in administrative expenses for CT8 of approximately S$0.2 million for professional fees and property taxes in relation to the development in Tagore 8.

Finance Costs

The Enlarged Group's finance costs decreased by S$0.2 million or 81.4% from S$0.3 million in HY2016 to S$0.1 million in HY2017 mainly due to a decrease in interest expenses of CT8 in HY2017.

Profit before Income Tax

As a result of the above, the Enlarged Group enjoyed a profit before income tax of S$1.3 million in HY2017 compared to a loss before income tax of S$0.3 million in HY2016.

Income Tax Expense

The Enlarged Group incurred an income tax expense of S$0.3 million in HY2017 and its effective income tax rate was 20.1%, which is slightly higher than the statutory income tax rate of 17.0% in Singapore. The Enlarged Group incurred a higher effective income tax rate than the statutory income tax rate in HY2017 due mainly to expenses not eligible for deductions for income tax purposes.

23.4 Review of Financial Position

As at 31 December 2016

Non-current Assets

Non-current assets comprised mainly investment properties and development properties. As at 31 December 2016, the Enlarged Group's total non-current assets amounted to S$16.0 million which accounted for approximately 43.2% of the total assets.

Investment properties amounted to S$12.2 million, including a pro forma adjustment for a fair value gain of S$2.4 million which was attributable to the 13 OCW units.

Development properties amounted to S$3.9 million and attributable to the pro forma adjustment for the acquisition of the Kempas Land.

Current Assets

As at 31 December 2016, the Enlarged Group's total current assets amounted to S$21.0 million and accounted for 56.8% of total assets. Current assets comprised of development properties, trade receivables and cash and bank balances.

Development properties amounted to S$13.7 million, and are attributable to the balance 10 unsold units in Tagore 8 as at 31 December 2016.

Trade receivables amounted to S$4.2 million arising from unbilled receivables due from the sale of Tagore 8 units and tenants of the OCW Units.

Cash and bank balances amounted to S$3.2 million.

Current Liabilities

As at 31 December 2016, the Enlarged Group's total current liabilities amounted to S$24.5 million which accounted for 85.9% of total liabilities. The Enlarged Group's current liabilities include trade and other payables, current portion of bank borrowings, provisions and current income tax liabilities.

Trade and other payables amounted to S$21.1 million and comprise mainly trade payables to non-related parties and related parties, non-trade payables to non-related parties and related parties, deposits received and accrued expenses. Trade payables are unsecured, non-interest bearing and generally on 30 to 90 days credit terms. The non-trade payables to related parties are unsecured, non-interest bearing and repayable on demand.

Current portion of bank borrowings of S$0.5 million comprised current portion of term loans.

Provisions of S$0.3 million comprise mainly amounts set aside for the renovation rebates granted to customers for Tagore 8 and current income tax liabilities amounted to S$2.6 million.

Non-current Liabilities

Non-current liabilities comprised of the non-current portion of term loans and amounted to S$4.0 million.

Shareholders' Equity

As at 31 December 2016, the Enlarged Group's shareholders' equity attributable to equity holders of the Group amounted to S$8.6 million and comprise mainly of share capital amounting to S$7.9 million, a reverse acquisition reserve amounting to S$(10.6) million and retained profits of S$11.2 million.

As at 30 June 2017

Non-current Assets

Non-current assets comprised mainly investment properties and development properties. As at 30 June 2017, the Enlarged Group's total non-current assets amounted to S$16.0 million which accounted for approximately 43.6% of the total assets.

Investment properties amounted to S$12.2 million, including a pro forma adjustment for a fair value gain of S$2.6 million which was attributable to the 13 OCW units.

Development properties amounted to S$3.9 million which was attributable to the pro forma adjustment for Kempas Land.

Current Assets

As at 30 June 2017, the Enlarged Group's total current assets amounted to S$20.7 million and accounted for 56.4% of total assets. Current assets comprised of development properties, trade receivables and cash and bank balances.

Cash and bank balances amounted to S$9.7 million.

Development properties amounted to S$8.0 million, and are attributable to the balance 6 unsold units in Tagore 8 as at 30 June 2017.

Trade receivables amounted to S$3.0 million arising from unbilled receivables due from the sale of Tagore 8 units and tenants of the OCW Units.

Current Liabilities

As at 30 June 2017, the Enlarged Group's total current liabilities amounted to S$23.1 million which accounted for 86.0% of total liabilities. The Enlarged Group's current liabilities include trade and other payables, current portion of bank borrowings and current income tax liabilities.

Trade and other payables amounted to S$21.0 million and comprise mainly trade payables to non-related parties and related parties, non-trade payables to non-related parties and related parties, deposits received and accrued expenses. Trade payables are unsecured, non-interest bearing and generally on 30 to 90 days credit terms. The non-trade payables to related parties are unsecured, non-interest bearing and repayable on demand.

Current portion of bank borrowings of S$0.5 million comprised current portion of term loans and current income tax liabilities amounted to S$1.6 million.

Non-current Liabilities

Non-current liabilities comprised of the non-current portion of term loans and amounted to S$3.8 million.

Shareholders' Equity

As at 30 June 2017, the Enlarged Group's shareholders' equity attributable to equity holders of the Group amounted to S$9.9 million and comprise mainly of share capital amounting to S$7.9 million, a reverse acquisition reserve amounting to S$(10.6) million and retained profits of S$12.5 million.

23.5 Liquidity and Capital Resources

A summary of the Enlarged Group's cash flow for FY2016 and HY2017 is as follows:

(S$'000)	FY2016	HY2017
Net cash provided by operating activities	24,554	6,884
Net cash provided by investing activities	46	–
Net cash used in financing activities	(25,789)	(289)
Net (decrease)/increase in cash and cash equivalents	(1,189)	6,595
Cash and cash equivalents at beginning of financial year/financial period	4,236	3,047
Cash and cash equivalents at end of financial year/financial period	3,047	9,642

Net cash provided by Operating Activities

In FY2016, the Enlarged Group recorded a net cash inflow from operating activities of S$24.6 million.

This was contributed mainly from cash generated from working capital changes amounting to S$26.2 million, mainly attributable to: (i) reduction in trade receivables generating S$11.4 million with increased collections from customers; (ii) reduction in development properties generating S$13.9 million with the increased sales of development properties; and (iii) increase in trade and other payables generating S$1.4 million.

The above was offset by the net cash outflows from operating activities before working capital changes, mainly attributable to the net loss recorded by the Enlarged Group amounting to S$5.7 million and non-cash adjustments such as: (i) share based payment arising from the reverse acquisition exercise of the Enlarged Group amounting to S$6.7 million; and (ii) waiver of amounts owing to directors and former controlling shareholder amounting to S$2.5 million.

In HY2017, the Enlarged Group recorded a net cash inflow from operating activities of S$6.9 million.

This was contributed mainly from cash generated from working capital changes amounting to S$8.2 million, mainly attributable to: (i) reduction in trade receivables generating S$1.2 million with increased collections from customers; and (ii) reduction in development properties generating S$5.6 million with the increased sales of development properties.

Net cash inflows from operating activities before working capital changes also contributed to the increase in cash inflows, mainly attributable to the net profit recorded by the Enlarged Group amounting to S$1.1 million and non-cash adjustments such as: (i) depreciation of the investment properties amounting to S$0.2 million; and (ii) income tax expense amounting to S$0.3 million.

In view of management's plan to develop Kempas Land as industrial properties for sale, the acquisition of Kempas Land is accounted for as acquisition of asset to be recorded at cost which represents fair value of consideration of Kempas Land and subsequently carried at lower of cost and net realisable value. The accounting treatment of acquisition of CT8, WBH and Kempas Land is not expected to give rise to any financial assets which are subject to impairment assessment.

Net cash provided by Investing Activities

In FY2016, the Enlarged Group recorded a net cash inflow from investing activities of S$0.1 million arising from the acquisition of WBH net of cash acquired.

There was no cash flows generated or used in investing activities in HY2017.

Net cash used in Financing Activities

In FY2016, the Enlarged Group recorded a net cash outflow of S$25.8 million, mainly attributable to: (i) repayment of shareholder loans amounting to S$20.0 million to existing shareholders of CT8 which were obtained for the purpose of financing the development of Tagore 8; (ii) dividends paid amounting to S$5.0 million; (iii) repayment of bank borrowings amounting to S$0.5 million; and (iv) interest paid amounting to S$0.3 million.

In HY2017, the Enlarged Group recorded a net cash outflow of S$0.3 million, mainly attributable to: (i) repayment of bank borrowings amounting to S$0.2 million; and (ii) interest paid amounting to S$0.05 million.

23.6 Seasonality

Due to the nature of our business, the Enlarged Group has not observed any significant seasonal trends within each of the Periods Under Review.

23.7 Inflation

Our financial performance for the Periods Under Review was not materially affected by inflation or deflation.

23.8 Capital Expenditure, Divestments and Commitments

Capital Expenditure

There were no capital expenditures made by the Enlarged Group during the Period Under Review and for the period from 1 July 2017 to the Latest Practicable Date.

Divestments

Save for the Proposed Disposal, no material divestments were made by the Group during the Period Under Review.

Capital Commitments

Save for the proposed acquisition of Kempas Land, the Enlarged Group has no other capital commitments as at 30 June 2017 and the Latest Practicable Date.

Operating Lease Commitments

As at the Latest Practicable Date, the CJFH Group has no operating lease commitments.

Finance Lease Commitments

As at the Latest Practicable Date, the CJFH Group did not have any finance lease commitments.

Contingent Liabilities

As at the Latest Practicable Date, the CJFH Group did not have any contingent liabilities.

23.9 Foreign Exchange Management

As at the Latest Practicable Date, the Enlarged Group's business operations are based primarily in Singapore. The Enlarged Group's revenue and operating expenses are denominated in Singapore Dollars and accordingly, the Enlarged Group is not exposed to financial risks of changes in foreign currency exchange rates.

The Enlarged Group's do not currently have a formal hedging policy although we may, subject to the approval of our Board, enter into relevant transactions when necessary, to hedge our exposure to foreign currency fluctuations. We will also put in place, where necessary, procedures to hedge our exposure to foreign currency fluctuations. Such procedures will be reviewed and approved by our Audit Committee and our Board.

23.10 Significant Accounting Policy Changes

The summary of significant accounting policies have been consistently applied by the Enlarged Group during the financial years ended 31 December 2014, 2015 and 2016.

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Enlarged Group's accounting periods beginning on or after 1 January 2017 or later periods of which the Enlarged Group has not early adopted:

Effective for annual periods beginning on or after 1 January 2017

– Amendments to FRS 7: Disclosure Initiative

– Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses

Effective for annual periods beginning on or after 1 January 2018

– FRS 109 Financial Instruments

The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI.

The Enlarged Group does not expect the new guidance to have a significant impact on the classification of its financial assets.

For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designed at fair value through profit or loss. There will be no impact on the Enlarged Group's accounting for financial liabilities as the Company does not have any such liabilities.

In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Management anticipates that the initial application of the new FRS 109 will result in changes to the accounting policies relating to the impairment provisions of financial asset. Management will consider whether a lifetime or 12-month expected credit losses on financial assets should be recognised, which is dependent on whether there has been a significant increase in the credit risk of the assets from initial recognition to the date of initial application of FRS 109. Additional disclosures will also be made. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Enlarged Group's financial statements in the period of initial application as management has yet to complete its detailed assessment.

– Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers

This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

At this stage, the Enlarged Group is not able to estimate the impact of the new rules on the Enlarged Group's financial statements. The Enlarged Group will make more detailed assessment of the impact over the next twelve months.

Effective for annual periods beginning on or after 1 January 2019

– FRS 116 Leases

FRS 116 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The standard will affect primarily the accounting for the Enlarged Group's operating leases. However, the Enlarged Group has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Enlarged Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

Effective date: to be determined*

– Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore (ASC) in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

IFRS Convergence in 2018

Singapore-incorporated companies listed on the SGX-ST will be required to apply a new Singapore financial reporting framework that is identical to the International Financial Reporting Standards ("**IFRS**") for annual periods beginning on or after 1 January 2018. The Enlarged Group will be adopting the new framework for the first time for financial year ending 31 December 2018, with retrospective application to the comparative financial year ending 31 December 2017 and the opening statement of financial position as at 1 January 2017.

As the Company will only be applying the IFRS Convergence for the annual period beginning on 1 January 2018 and the application involves certain rules, transition choices and exceptions which are available and relevant to the Company on initial application, the management team is still gathering input from Board of Directors, Audit Committee and other professional consultants to assess the effects of the transition choice, tax implication and potential adjustments of each standard applicable to the Enlarged Group. Accordingly, the Company is unable to provide the effects of the application of the IFRS Convergence.

24. CAPITALISATION AND INDEBTEDNESS

24.1 The following table, which should be read in conjunction with Section 23 titled "Management's Discussion and Analysis of Results of Operations and Financial Position of the Enlarged Group" of this Circular, and the following sections:

(a) "Independent Auditor's Report on the Audited Financial Statements of WBH Investments Pte. Ltd. for the Financial Years ended 31 December 2014, 2015 and 2016";

(b) "Independent Auditor's Report on the Audited Financial Statements of Chiu Teng 8 Pte. Ltd. for the Financial Years ended 31 December 2014, 2015 and 2016";

(c) "Independent Auditor's Review Report on the Interim Financial Statements of WBH Investments Pte. Ltd. for the Six-month Period ended 30 June 2017";

(d) "Independent Auditor's Review Report on the Interim Financial Statements of Chiu Teng 8 Pte. Ltd. for the Six-month Period ended 30 June 2017"; and

(e) "Report on Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group for the Financial Years ended 31 December 2014, 2015 and 2016 and the Six-month Period ended 30 June 2017",

as set out in Appendix I, Appendix J, Appendix K, Appendix L and Appendix M to this Circular, respectively, show the Enlarged Group's cash and cash equivalents, capitalisation and indebtedness as of 31 December 2016 and 30 June 2017:

(a) based on the unaudited financial statements of WBH and CT8;

(b) based on the unaudited pro forma financial information of the Enlarged Group; and

(c) after deducting estimated expenses incurred in connection with the Proposed Acquisitions.

(S$'000)	**As at 31 December 2016**	**As at 30 June 2017**	**As at the Latest Practicable Date**
Cash and cash equivalents	3,208	9,672	11,569
Current liabilities			
Trade and other payables	21,102	21,013	21,744
Borrowings	547	499	419
Provisions	249	–	–
Current income tax liabilities	2,583	1,571	500
Subtotal	**24,481**	**23,083**	**22,663**
Non-current liabilities			
Borrowings	4,004	3,766	3,686
Subtotal	**4,004**	**3,766**	**3,686**
Total indebtedness	**28,485**	**26,849**	**26,349**
Capitalisation			
Equity attributable to equity holders of the Company	**8,595**	**9,889**	**10,495**
Total capitalisation and indebtedness	**37,080**	**36,738**	**36,844**

24.2 Borrowings

As at the Latest Practicable Date, the Enlarged Group's banking facilities from the financial institutions are as follows:

WBH

Financial Institution	Nature of facility	Facility amount (S$'000)	Outstanding utilised amount (S$'000)	Amount available for drawdown (S$'000)	Interest rate	Maturity profile
UOB	Commercial property loan facility	7,362	4,105	–	1.50% over the 3-month SWAP Offer Rate. The interest can be varied from time to time in UOB's absolute discretion.	15 years
UOB	Overdraft facility	1,250	–	1,250	UOB's prime lending rate prevailing from time to time. The interest can be varied from time to time in UOB's absolute discretion.	Repayable on demand
Total		**8,612**	**4,105**	**1,250**		

The banking facilities are repayable over a period of fifteen (15) years from 1 June 2010 subject to floating interest rates at 1.5% per annum over the 3-month SOR. Bank overdrafts are subject to the bank's prime interest rate.

As at the Latest Practicable Date, the banking facilities are secured and/or guaranteed by one or more of the following:

(i) First legal mortgage over WBH's 13 ground floor units in One Commonwealth;

(ii) Personal guarantees by the Ng Chee Beng, Ng Chee Hwa and Bailey Wang. These personal guarantees would be terminated upon Completion and converted into a corporate guarantee to be provided by the Enlarged Group;

(iii) First legal charge over WBH's rental proceeds account and operating account maintained by UOB;

(iv) Legal assignment of (a) rental proceeds and rental deposits derived from WBH's 13 ground floor units in One Commonwealth, and (b) of all rights, titles and interests in the contract, insurance, bonds, Transaction Deed, sales and rental proceeds in respect of WBH's 13 ground floor units in One Commonwealth; and

(v) Corporate guarantee by the Financial Adviser.

In addition to the above banking facilities, WBH has taken the following loans from its shareholders:

(a) S$1,700,000 from CTE;

(b) S$1,275,000 from WLI; and

(c) S$1,275,000 from YMKR.

The loans from its shareholders are interest-free loans.

As at the Latest Practicable Date, WBH has banking facilities and loans aggregating approximately S$8.6 million, of which approximately S$4.1 million is outstanding. Such banking facilities and loans taken up by WBH comprise subsisting banking facilities procured from UOB and the loans from its shareholders.

CT8

As at the Latest Practicable Date, CT8 had no amounts outstanding under the banking facility.

The Enlarged Group has signed indicative term sheets for such loans, the terms of which are still subject to negotiation and pending the signing of definitive agreements following Completion. These term sheets contain covenants that include, among others, restrictions on changes of control in shareholding and/or management of the Company. Based on discussions between the lending bank and the Company, the lending bank is aware that the Company is in the process of undergoing a potential restructuring exercise, which may result in a direct or indirect change in the existing shareholding and management of the Company and have indicated to the Company that it would have no objections to any change in shareholding and/or management in the Company as a result of such restructuring exercise, subject to the entering of definitive loan agreements following Completion.

As at the Latest Practicable Date, save as disclosed above, there are no loans or borrowings or banking facilities taken up by the Target Companies.

Save as disclosed in Section 23 titled "Management's Discussion and Analysis of Results of Operations and Financial Position of the Enlarged Group" of this Circular, the Enlarged Group does not have any material unused sources of liquidity.

To the best of the Proposed Directors' knowledge, the Target Companies are not in breach of any of the terms and conditions or covenants associated with the Target Companies' financing arrangements which could materially affect the Target Companies' financial position and results or business operations, or the investments of their shareholders.

25. WORKING CAPITAL

The Enlarged Group financed its operations through both internal and external sources of funds. Internal sources of funds comprise shareholders' funds and cash from operating activities. In FY2016, the Enlarged Group had generated a positive cash flow of S$24.6 million from operating activities. External sources of funds comprise mainly banking facilities and borrowings from financial institutions. Please refer to Section 24 of this Circular titled "Capitalisation and Indebtedness" for further details.

As at 31 December 2016, the Enlarged Group had cash and cash equivalents amounting to approximately S$3.2 million. As at 31 December 2016, the Enlarged Group had negative working capital of S$3.5 million. As at 30 June 2017, the Enlarged Group had a positive working capital amounting to S$2.5 million before taking into account the pro forma adjustments as stated in Appendix M – "Report on Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group for the Financial Years ended

31 December 2014, 2015 and 2016 and the Six-month Period ended 30 June 2017", as elaborated below. The positive working capital is mainly contributed by the incoming Target Companies, CT8 and WBH, which has a combined positive working capital of S$7.4 million as at 30 June 2017, which is offset by a negative working capital of RMB23.6 million (or approximately S$4.9 million) incurred by the Group.

The pro forma adjustments taken into account by the Reporting Accountant in Appendix M – "Report on Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group for the Financial Years Ended 31 December 2014, 2015 and 2016 and the Six-month Period ended 30 June 2017", in preparation for the RTO are as follows:

(i) an increase in the cash and cash equivalents amounting to S$6.0 million due to the adjustments to reinstate a rescinded dividend;

(ii) an increase in trade and other payables amounting to S$10.6 million due to the adjustments to reflect the deferred cash consideration payable to the CT8 Vendors as a result of the Proposed CT8 Acquisition;

(iii) an increase in trade and other payables amounting to S$0.3 million due to the adjustments to reflect the effects of the Proposed WBH Acquisition;

(iv) an increase in trade and other payables amounting to S$0.6 million due to the adjustments to reflect payment for estimated professional fees and other expenses relating to the RTO;

(v) a decrease in trade and other payables amounting to S$2.0 million due to loans amounting to S$1.5 million provided by Ng Chee Beng to finance the Company's operating and other expenses as well as an amount of S$0.5 million (being directors' fees owed and payments on behalf of the Company to Daniel Long, Chief Executive Officer and Executive Director for its operating and other expenses) which will be repaid via the issuance of 300,000,000 new pre-consolidated Shares and 100,000,000 new pre-consolidated Shares in the Company respectively;

(vi) an increase in trade and other payables amounting to S$3.9 million due to the adjustments to reflect the Proposed Kempas Land Acquisition; and

(vii) a decrease in trade and other payables amounting to S$2.5 million due to the adjustments in relation to the receipt of waivers of the shareholders loans and director fees owing to: (i) Cai Jianhua, the Executive Chairman of the Company; (ii) Zhu Xuecheng, the Deputy CEO and Executive Director of the Company; (iii) Zhu Cheng Bao, the former controlling shareholder of the Company; amounting to a total of S$2.5 million.

The incoming Target Companies, being CT8 and WBH, have combined positive working capital of S$7.4 million prior to the pro forma adjustments. The negative working capital was mainly due to pro forma adjustments arising from the Proposed Transactions as well as the restructuring plans to revive the Company and rather than from the on-going operations of the incoming Target Companies.

Notwithstanding the negative working capital of the Enlarged Group as at 31 December 2016 and 30 June 2017, the Enlarged Group has sufficient resources to meet its working capital requirements and service its financial obligations as and when they fall due after taking into consideration the following:

(a) As at the Latest Practicable Date, the Enlarged Group had total cash and cash equivalents of approximately S$11.6 million and total banking facilities of S$1.3 million consisting of bank overdraft which had remained unutilised;

(b) A contemplated further sale of two (2) Tagore 8 units owned by CT8 will provide an estimated S$4.3 million of cash to the Enlarged Group (options to purchase have been exercised);

(c) The potential sale of the remaining four (4) unsold Tagore 8 units owned by CT8 which will provide additional cash inflow to the Company; and

(d) The Deed of Undertaking provided by Ng Chee Beng in relation to the rental support for 13 OCW units owned by WBH which will provide certainty of profit and cash flow to the Enlarged Group.

In this regard, the negative working capital is mainly attributable to the Company being designated as a cash company and not due to the Target Companies. Further, the Proposed Acquisitions is meant to revive the Company and provide a new business of property development and property investment to the Company.

In view of the above, the Current Board and the New Board are of the reasonable opinion that, after having made due and careful enquiry and after taking into account the existing cash and cash equivalents of the Enlarged Group and existing banking facilities, the working capital available to the Enlarged Group is sufficient for present requirements and for at least 12 months after the date of transfer to Catalist.

The Financial Adviser is of the reasonable opinion that, after having made due and careful enquiry and after taking into account (i) the potential cash flows generated from the Enlarged Group's operating activities and sale of the remaining Tagore 8 units, (ii) the existing cash and cash equivalents and existing banking facilities as at Latest Practicable Date (iii) the waiver of the shareholders loans and directors' fees and settlement of the loans by Ng Chee Beng and directors fees and payments on behalf of the Company by Daniel Long, Acting CEO and Executive Director, the working capital available to the Enlarged Group is sufficient for present requirements and for at least 12 months after Completion.

26. PROSPECTS, TREND INFORMATION, BUSINESS STRATEGIES AND FUTURE PLANS

26.1 Prospects and trend information

The following discussion about the Enlarged Group's prospects includes forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those that may be projected or implied in these forward-looking statements. Please refer to the section titled "Cautionary Notes Regarding Forward-Looking Statements" of this Circular.

All the information presented in this section are extracted, where relevant, from sources believed by the Proposed Directors to be accurate and relevant. Information from external sources, including various government publications and industry reports, have not been independently verified by the Existing Directors or the Proposed Directors and the Financial Adviser or any other party, and each of their respective officers, agents and employees.

The Proposed Directors have observed the following trends on (i) the revenue and operations of the Enlarged Group for the current financial year and (ii) the future plans of the Enlarged Group:

Despite a persistent weak global macroeconomic environment, the global property market has continued to benefit from a highly-favourable low interest rate environment and a preference for investments in hard assets in an environment where financial markets are highly-volatile.

Population growth in most developed and emerging markets with a burgeoning middle class is expected to drive demand for properties. Despite the trend of government intervention in the form of property cooling measures, there is still strong underlying demand and quality products priced attractively will still be highly sought after by buyers. The Company will remain nimble and assess opportunities brought about by its stakeholders and network of business contacts which allows the Company to develop profitable projects to the benefit of all minority shareholders.

Singapore

Land scarcity in Singapore combined with strong mandate for People's Action Party's policies in the Singapore General Election in 2015 will likely result in accelerated plans to meet population growth targets. Singapore, due to its political stability will continue to remain as an attractive destination for High Networth Individuals ("**HNWI**") for a multitude of reasons. In addition, the Company expects healthy demand projected from HDB upgraders in future after the proliferation of HDB newbuild since the mid-2000s. Having noted these market trends, the Company will focus on opportunities within the high-end residential apartments and landed homes in prime locales for new HNWI citizens and "mass-market plus" developments for upgraders.

Malaysia

The Board is of the view that the Proposed Acquisition will provide the opportunity for the Company to venture into the growing property development market in Malaysia. Malaysia was recently named as one of the world's most attractive infrastructure investment destinations according to the third edition of the Global Infrastructure Investment Index. The property development market in Malaysia is expected to rebound over the long term in view of, inter alia, strong consumer demand, infrastructure improvement and the continued development and government support of economic zones such as Iskandar Malaysia. In particular, there has been news of several high-profile foreign companies such as China's Alibaba, Coca-Cola and Microsoft announcing plans to set up operations in Iskandar Malaysia. This anticipated increase in commercial activities is expected to boost investors' confidence in the growth of the area. The Company will also explore opportunities in the capital city of Kuala Lumpur.

Indonesia

Indonesia is ASEAN's largest economy with approximately 5.0% GDP growth. It has recently been classified as "newly-industrialised country," where the government is set to implement unprecedented spending on infrastructure to boost productivity, connectivity and wealth creation. The burgeoning middle class and affluent consumers in Indonesia is expected to double by 2020 to 141.0 million people. With the Jokowi administration, politics and policies are conducive to property development and FDI. Indonesia's property market remains the only ASEAN market unadulterated by aggressive foreign investment. Given that the government is set to liberalise foreign ownership of property in Indonesia, the property market is potentially set up for significant capital gains in the near term. Demand for property across all segments is expected to be strong. For a start, the Company will assess opportunities primarily around Jakarta.

26.2 Order book

Due to the nature of the Enlarged Group's business, it does not maintain an order book.

26.3 Business strategies and future plans

(a) Acquisition of new development sites for land bank in current and new markets

The Enlarged Group intends to continue sourcing for development sites in Singapore and Malaysia which meet its selection criteria to add to its land bank. This will enable the Enlarged Group to add to its project development pipeline and to capitalise on suitable development opportunities when market conditions are favourable.

In addition, the Enlarged Group also intends to explore project development opportunities in countries such as Indonesia, Vietnam and London, United Kingdom, which are geographies that the proposed management team are familiar with, with the aim of eventually diversifying the Enlarged Group's geographical reach and concentration.

For its property development projects, depending on the requirements of a particular project, the Enlarged Group may either undertake it on its own or jointly with other property developers. In the event that a minority equity stake is acquired or retained, the Enlarged Group will seek to ensure that ample protection is provided for within the relevant contractual arrangements, and that the Enlarged Group will have adequate influence over the major decisions made regarding the projects' direction.

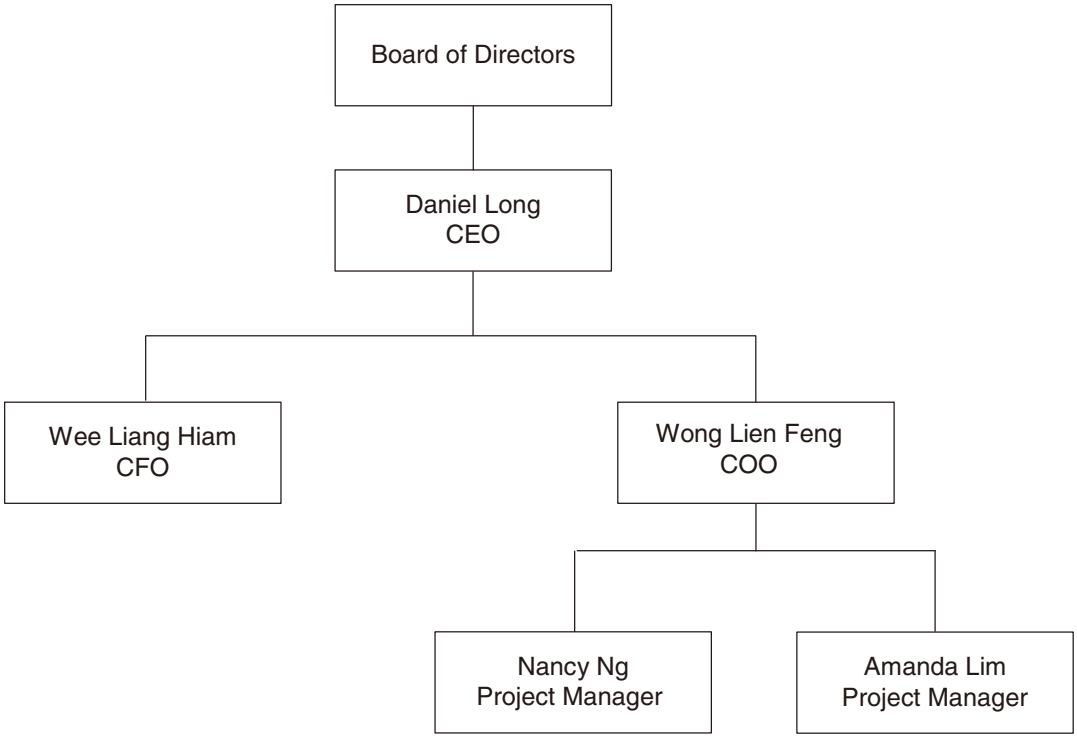
(b) Joint ventures and strategic alliances

In addition to growing organically, the Enlarged Group may consider expanding its business by entering into acquisitions, joint ventures or strategic alliances with parties who create synergies with its existing business. Joint ventures or strategic alliances allow the Enlarged Group to share the risks associated with such projects with such partners and to leverage on the strengths of such partners to complement the Enlarged Group's own strengths and experiences and to engage in development projects beyond the scale that it would otherwise have been limited to given its resources.

27. PROPOSED DIRECTORS, PROPOSED EXECUTIVE OFFICERS AND RELATED EMPLOYEES

27.1 Management reporting structure

Upon Completion, the proposed management reporting structure of the Company will be as follows:



27.2 Proposed Directors

The following Proposed Directors will be entrusted with the responsibility for the overall management and direction of the Enlarged Group and their particulars are set out below:

Name	Age	Address	Proposed position in the Enlarged Group
Daniel Ee	64	c/o 114 Lavender Street, #06-01 CT Hub 2, Singapore 338729	Independent Non-Executive Chairman
Daniel Long	47	c/o 114 Lavender Street, #06-01 CT Hub 2, Singapore 338729	CEO and Executive Director
Alan Cheong	52	c/o 114 Lavender Street, #06-01 CT Hub 2, Singapore 338729	Independent Non-Executive Director
Aloysius Wee	48	c/o 114 Lavender Street, #06-01 CT Hub 2, Singapore 338729	Independent Non-Executive Director

As at the Latest Practicable Date, none of the Proposed Independent Directors sits on the board of the Target Companies.

None of the Proposed Directors has any family relationships with one another, the Proposed Executive Officers or the Substantial Shareholders of the Company following Completion.

(a) Qualifications and working experience of the Proposed Directors

Information on the business and working experience, education and professional qualifications, if any, and areas of responsibilities of the Proposed Directors are set out below:

Daniel Ee is proposed to be appointed as the Independent Non-Executive Chairman of the Company upon Completion. Since 2015, Mr. Ee has been an independent director of Keppel Infrastructure Fund Management Pte Ltd, a trustee manager of Keppel Infrastructure Trust. He is also the current Vice Chairman of the Singapore Institute of Directors[1], a position which he has held since 2015 and of which he has been a director since 2008, and has been a director of the Singapore Mediation Centre since 2014. Since 1999, Mr. Ee has been appointed by various companies as an independent director, where his responsibility included assisting on various aspects of corporate governance in such companies. In the last five years since the Latest Practicable Date, he was an independent director of Citibank Singapore Limited, an appointment which he held from 2005 to 2015, in CitySpring Infrastructure Management Pte. Ltd., the trustee-manager for CitySpring Infrastructure Trust, an appointment which he held from 2010 to 2015 and in Surface Mount Technology (Holdings) Limited, an appointment which he held from 2001 to 2013. From 1989 to 1999, Mr. Ee was the Chief Executive Officer and Managing Director of Standard Chartered Merchant Bank Ltd, where he was responsible for overseeing mergers and acquisitions and fund raisings engaged in by the company, and involved in the provision of corporate finance advice, loan syndications and bond trading. From 1985 to 1989, he was a Manager in the Corporate Finance Department in Baring Brothers & Co. Ltd, Singapore, a merchant bank, and involved in mergers and acquisitions and fund raisings engaged in by the company and the provision of corporate finance advice. From 1982 to 1985, Mr. Ee was a Director of Planning, Research and Development in the National Productivity Board of Singapore where he participated in research, planning and policy formulation. From 1979 to 1982, Mr. Ee was an administrative officer in the Administrative Service in Singapore where he was responsible for policy formulation in the Ministry of Trade and Industry and the Ministry of Home Affairs of Singapore. Mr. Ee began his career in 1975 in the Republic of Singapore Air Force, where he was responsible for the preparation of forward projections of aircraft spares requirements as Head Air Provisioning up to 1978. Mr. Ee graduated with a Bachelor of Science (First Class Honours) from Bath University in the United Kingdom in 1975.

Daniel Long is proposed to be appointed as CEO and Executive Director of the Company upon Completion, where he will be responsible for the day-to-day operations and leadership of the strategic direction of the Company. He is presently the Managing Partner and Executive Director of Providence Capital Management

[1] Daniel Ee will be stepping down as Vice Chairman and will cease to be a director of the Singapore Institute of Directors from 20 November 2017.

Pte. Ltd. where he manages and advises a number of umbrella funds and special purpose investment vehicles across various asset classes, a position he has held since 2007. Mr. Long was appointed Chief Financial Officer and Head of Corporate Support at Ecquaria Technologies Pte Ltd from 2001 to 2007. In 2005, his scope of responsibilities increased to cover that of a Deputy Chief Executive Officer, Chief Financial Officer and Head of Sales. His responsibilities included management of financial assets, revamping customer engagement methodologies, negotiating with investors and provision of general corporate legal advice. Between 1998 and 2001, Mr. Long was the Assistant Director of Investments and Corporate Development (Legal) at MMI Holdings Limited and assisted in the execution of the company's diversification strategy via mergers and acquisitions. In 1995, Mr. Long graduated from the University of Sheffield, United Kingdom with a Bachelor of Laws, and in 1992, obtained a Diploma in Singapore Law from the National University of Singapore. He was admitted as an advocate and solicitor of the Supreme Court of Singapore in 1996.

Alan Cheong is proposed to be appointed as an Independent Non-Executive Director of the Company upon Completion. From 2011, Mr. Cheong has held the position of Senior Director (Research and Consultancy) at Savills Valuation and Professional Services (S) Pte. Ltd. From 2004 to 2011, Mr. Cheong held positions at DMG & Partners Securities Pte Ltd, DBS Asset Management Ltd and OCBC Securities Private Limited where he was the Vice President (Equity Sales), Vice President (Head of Performance & Quantitative Risk) and Assistant Vice President (Treasury/Risk Management), respectively. He was Head of Equities Research at Prudential-Bache Securities Asia Pacific Ltd between 1998 to 2000. From 1997 to 1998, Mr. Cheong was a research analyst at Nava Securities Pte Ltd. Between 1994 to 1997, Mr. Cheong held various positions at Jones Lang Wootton (under Global Realty Advisors), Kay Hian James Capel Pte Ltd and Yamaichi Research Institute (Singapore) Pte Ltd, where he was engaged as an investment analyst and thereafter investment strategist of sectors including real estate. From 1991 to 1994, he was an Assistant Manager of the corporate banking, project financing department of UOB. Mr. Cheong started his career as a senior officer in the research and administration department of the URA. He holds a Bachelor of Science in Estate Management (Second Class Upper Honours) from the National University of Singapore and a Bachelor of Science in Mathematics from The Open University in United Kingdom. He also holds a Graduate Diploma in Statistics from the Royal Statistical Society in United Kingdom and has received Series 7 and Series 63 licenses from the Financial Industry Regulatory Authority of United States. Mr. Cheong was appointed Honorary Advisor (Real Estate Consultancy) of Real Estate Developers of Singapore in 2015.

Aloysius Wee is proposed to be appointed as an Independent, Non-Executive Director of the Company upon Completion. He currently holds the position of Managing Partner at Aquinas Law Alliance LLP where his areas of practice include intellectual property law, corporate law and real estate transactions, a position he has held since 2016. Wee is also currently a director of, among others, Tay Leck Teck Foundation and Verbum Dei Limited, and has previously held directorships including Shanghai Turbo Enterprises Ltd and CCM Group Limited between 2010 and 2016. Wee graduated from the University of Kent and Canterbury, United Kingdom with a Bachelor of Arts in Law and Economics. He was admitted as a Barrister-at-Law in the United Kingdom in 1995 and was admitted as an advocate and solicitor of the Supreme Court of Singapore in 1995.

(b) Present and past directorships of the Proposed Directors

Save as disclosed below and excluding the directorship and/or proposed directorship in the Company, none of the Proposed Directors currently holds or has held any directorships in the last five (5) years preceding the date of this Circular.

Name	Present directorships	Past directorships
Daniel Ee	**Enlarged Group Companies**	**Enlarged Group Companies**
	–	–
	Other companies	**Other companies**
	Keppel Infrastructure Fund Management Pte Ltd Singapore Institute of Directors[1] Singapore Mediation Centre	Citibank Singapore Limited CitySpring Infrastructure Management Pte. Ltd. National Environment Agency Surface Mount Technology (Holdings) Limited
Daniel Long	**Enlarged Group Companies**	**Enlarged Group Companies**
	Changjiang Fertilizer Holdings Limited Tree Top Realty Sdn. Bhd.	–
	Other companies	**Other companies**
	Ayin Estates Pte. Ltd. Canaan Estates Pte. Ltd. CT Facilities Management Pte. Ltd. Healthcare Ventures II Pte. Ltd. PGP 1 Limited Providence Asset Management Pte. Ltd. Providence AgriVentures Limited Providence Capital Management Pte. Ltd. Providence Capital Partners Limited Providence Estates (Green Lodge) Pte. Ltd. Providence HGF3 Limited Providence SOGF Limited	Equinox Investment Group Ltd Glam Estates Pte. Ltd. (struck off) Providence SOGF 2 Limited

[1] Daniel Ee will be stepping down as Vice Chairman and will cease to be a director of the Singapore Institute of Directors from 20 November 2017.

Name	Present directorships	Past directorships
Alan Cheong	**Enlarged Group Companies**	**Enlarged Group Companies**
	Changjiang Fertilizer Holdings Limited	–
	Other companies	**Other companies**
	Savills Valuation and Professional Services (S) Pte. Ltd.	Pathfinder Consulting Associates Pte Ltd (struck off)
Aloysius Wee	**Enlarged Group Companies**	**Enlarged Group Companies**
	Changjiang Fertilizer Holdings Limited	–
	Other companies	**Other companies**
	Acama Investments Pte. Ltd. Ace Corpsec Pte. Ltd. ALA Advisors Pte. Ltd. Alight Solutions Pte. Limited Aquinas Holding Pte. Ltd. Aurelieus Circle Pte. Ltd. Aurelieus Travel Pte. Ltd. Aux Holdings Pte. Ltd. Callisonrtkl Singapore Pte. Ltd. China Alliance Consultants Pte. Ltd. China Wanda International (Singapore) Pte. Ltd. Cirque Du Soleil Asia-Pacific Private Limited Corgan Pte. Ltd. Duane Park Investment Pte. Limited Ekatra Ventures Singapore Pte. Ltd. Enstrapp It Solutions Pte. Ltd. (gazetted to be struck off) Farmgeo Pte. Ltd. Hontop Energy (Singapore) Pte. Ltd.	Bizworld Investment Holdings Pte. Ltd. (struck off) Cabana Holdings Pte. Ltd. (struck off) Capital Link Asia Investment Pte. Ltd. (struck off) CCM Group Limited Cerebra E-Waste Recovery Pte. Ltd. (struck off) Core Capital Investment Pte. Ltd. (struck off) Energy Tech Group Pte. Ltd. (struck off) Ezetap Mobile Solutions Pte. Ltd. First Equity Pte. Ltd. (liquidated via creditors' involuntary winding up) Golden Willow Investment Holding Pte. Ltd. (struck off)

Name	Present directorships	Past directorships
	JES International Holdings Limited JLA Holdings Pte. Ltd. Jodo Investments Pte. Ltd. Laad Pte. Ltd. Leejun Holding (Singapore) Pte. Ltd. Lepro System Pte. Ltd. PCI Consulting Asia Pacific Pte. Ltd. Medpoint Asia Pte. Ltd. MGI Luxury Singapore Pte. Ltd. Nangia & Co (Singapore) Pte. Ltd. Ng-Technology Holdings Pte. Ltd. Oriental Group Limited Rama Technologies Pte. Ltd. Samitra Global Pte. Ltd. Saepio Pte. Ltd. Schneider Prototyping Singapore Pte. Ltd. Shangrila Investment Management Pte. Ltd. Sunhy Pte. Ltd. Tay Leck Teck Foundation Terix Computer Service Singapore Pte. Ltd. Terix International Pte. Ltd. Vantone Capital Pte. Ltd. Verbum Dei Limited Vocable Pte. Ltd. Webcor Pte. Ltd. Wegain (Singapore) Pte. Ltd. Yang Guang (Education) Pte. Ltd.	Green Housing Investment Pte. Ltd. JK Global Infratrade Pte. Ltd. (struck off) Kibing Group (Singapore) Pte. Ltd. Kibing Investment Holding (Singapore) Pte. Ltd. Longhai Construction (Singapore) Pte. Ltd. (struck off) Mittal Global Resources Pte. Ltd. (struck off) Nereus Marine Pte. Ltd. (struck off) Oberon Media Asia Pacific Pte. Ltd. (struck off) Raci Pte. Ltd. (struck off) Renful Premier Investment Holding Pte. Ltd. (struck off) Richlife Capital Pte. Ltd. (struck off) Royal Property Management Pte. Ltd. (struck off) Shanghai Turbo Enterprises Ltd Shangrila City Development Pte. Ltd. (struck off) SHA Technologies Pte. Ltd. (struck off) Singapore eDevelopment Limited Singapore Huashun Holdings Pte. Ltd. Sino Marine Energy (Singapore) Pte. Ltd. Smartowner Pte. Ltd. Symphony Communication Services Singapore Pte. Ltd. Talent Development Company Pte. Ltd. (struck off) Union Realty Investment Pte. Ltd. (struck off) Vantone Investment Pte. Ltd. W Food Concepts Private Limited (struck off) Xitu Yongci Trading (Singapore) Pte. Ltd. Yongjing (Singapore) Pte. Ltd. (struck off)

(c) Experience and training of the Proposed Directors

Pursuant to Rule 406(3) of the Catalist Rules, Daniel Ee, Daniel Long, Alan Cheong and Aloysius Wee, who are serving on the Current Board, have prior experience as directors of public listed companies in Singapore, and are familiar with the roles and responsibilities of a director of a public listed company in Singapore.

(d) Arrangement or understanding of the Proposed Directors

As at the Latest Practicable Date, none of the Proposed Directors has any arrangement or understanding with any of the Substantial Shareholders, customers or suppliers of the Enlarged Group or other person pursuant to which the Proposed Directors is or will be appointed.

(e) Commitment of CEO

Daniel Long, the current Acting CEO and Executive Director of the Company, was appointed to the Board as a Non-Executive and Non-Independent Director of the Company in April 2015 as a representative of EIGL, which is a special purpose investment vehicle established by PCM for a consortium of investors. Daniel Long is also currently holding the position of managing partner and executive director of PCM.

Following the Completion, Daniel Long will become the CEO and Executive Director of the Company while remaining as the managing partner and executive director of PCM. Daniel Long has indicated to the New Board that PCM has an independent and standalone investment committee and a separate set of professionals and fund managers overseeing its umbrella of funds and special purpose investment vehicles, and therefore following Completion, he will prioritise his time on growing the Company while his interests and involvement in PCM take a backseat. After making all reasonable enquiries, and to the best of their knowledge and belief, the Nominating Committee is of the opinion that following Completion, Daniel Long will have sufficient time to be able to be commit to fulfil his role as the CEO and Executive Director of the Company.

27.3 Proposed Executive Officers

After Completion, the following Proposed Executive Officers will be responsible for the different functions of the Enlarged Group. The particulars of the Proposed Executive Officers are as follows:

Name	Age	Address	Proposed position in the Enlarged Group
Wee Liang Hiam	54	c/o 114 Lavender Street, #06-01 CT Hub 2, Singapore 338729	CFO
Wong Lien Feng	36	c/o 114 Lavender Street, #06-01 CT Hub 2, Singapore 338729	COO

Name	Age	Address	Proposed position in the Enlarged Group
Nancy Ng	63	c/o 114 Lavender Street, #06-01 CT Hub 2, Singapore 338729	Project Manager
Amanda Lim	34	c/o 114 Lavender Street, #06-01 CT Hub 2, Singapore 338729	Project Manager

(a) Qualifications and working experience of the Proposed Executive Officers

Information on the business and working experience, education and professional qualifications, if any, and areas of responsibilities of the Proposed Executive Officers are set out below:

Wee Liang Hiam will be appointed as the CFO of the Enlarged Group after Completion. Mr. Wee is presently the CFO of the CJFH Group. Mr. Wee has been a lead independent director of TMC Education Corporation Limited since 2016.

Mr. Wee has more than 25 years of accounting and finance experience, having been involved at both operational and strategic levels. In 2015, he was the part-time chief financial officer of iBosses Group. Prior to that, Mr. Wee served as the chief financial officer of Starland Holdings Limited from 2011 to 2012, Friven & Co Ltd from 2009 to 2011, AGVA Corporation Limited from 2008 to 2009, Jishan Holdings Limited from 2007 to 2008, Alantac Technology Ltd from 2006 to 2007 and Asia Cable Holdings Pte Ltd from 2004 to 2005.

Mr. Wee also has served on the boards of other Singapore-listed companies as an independent director. Mr. Wee holds a Bachelor of Business Administration (Honours) and a Diploma in Education from National University of Singapore, a Master of Business Administration (Accountancy) from Nanyang Technological University and a Post Graduate Diploma in Personnel Management from Singapore Institute of Management. He is a fellow of the Institute of Singapore Chartered Accountants, a member of Singapore Institute of Management and also a member of the Singapore Institute of Directors. Mr. Wee is also an independent director of companies listed in the SGX-ST.

Wong Lien Feng is proposed to be appointed as the COO of the Company and will relinquish his current position in CTE upon Completion. He is currently the senior development manager of CTE, a position that he has held since July 2008, where he is responsible for project acquisition and feasibility studies, development, management and coordination of leasing for investment properties. Mr. Wong graduated from Pace University in the United States in 2005 and from the Columbia Graduate School of Architecture, Planning and Preservation in the United States in 2008.

Nancy Ng is proposed to be appointed as a project manager in the Company and will relinquish her current position in CTE upon Completion. She currently heads CTE's property development division. Ms. Ng has served as project and quality control manager at CTE and has helped to manage most of CTE's previous real estate development projects. She has close to 40 years of experience in the real estate

industry. Through her career, she has been a quantity surveyor, main-contractor and project manager. Ms. Ng has overseen the development of projects such as the Singapore General Hospital, Elizabeth Heights, Boon Teck Towers, Thomson Mansion, Standard Chartered Bank @ 6 Battery Road, GB Building, Sheraton Towers, Allsworth Park, Emerald Park, The Countryside, Tanglin View, Casablanca, conservation property at Jalan Sultan, Creek@Bukit and a number of other residential developments. Prior to joining CTE, she worked for amongst others, Indeco Pte Ltd, JFC Corporation and Far East Organisation.

Amanda Lim currently heads CTE's property management divisions and has been with CTE for almost 10 years. She has been involved in the sale and marketing of CTE's various developments and has been instrumental in directing teams of real estate agents for the purposes of marketing development property and leasing investment property. She will take on the role of Project Manager of the Company upon Completion.

(b) Present and past directorships of the Proposed Executive Officers

Save as disclosed below, the Proposed Executive Officers currently does not hold and has not held any directorships in the last five (5) years preceding the date of this Circular.

Name	Present directorship	Past directorship
Wee Liang Hiam	TMC Education Corporation Ltd.	China Farm Equipment Limited China Farm Equipment Pte. Ltd. Fine Year (Singapore) Pte. Ltd. (struck-off) Hu An Cable Holdings Ltd. Hu An Electric (Singapore) Pte. Ltd. iBosses Pte.Ltd. KCL Logistics Pte. Ltd. PSL Holdings Limited PSL Maritime Strategic Pte. Ltd. PSL Metal Pte. Ltd. Shenhuan Cable (Singapore) Pte. Ltd. Sincap Australia Pte. Ltd. Sincap Group Limited
Wong Lien Feng	3TG One Pte. Ltd. Branksome Realty 1 Pte. Ltd. Outram Reality Pte. Ltd. W H G Pte. Ltd.	LC & LF Pte. Ltd. 4JA Two Pte. Ltd.
Nancy Ng	–	–
Amanda Lim	–	–

(c) Arrangement or understanding of the Proposed Executive Officers

As at the Latest Practicable Date, the Proposed Executive Officers do not have any arrangement or understanding with any of the persons who would be Substantial Shareholders of the Company following Completion, customers or suppliers of the Enlarged Group or other person pursuant to which the Proposed Executive Officers is or will be appointed.

27.4 Related Employees

Save for Wong Lien Feng, who is the nephew of our Controlling Shareholder, Ng Chee Beng, none of the employees are related to the Proposed Directors and/or the Controlling Shareholders of the Company after Completion by blood or marriage.

Any new employment of related employees and the proposed terms of their employment will be subject to the review and approval of the Nominating Committee. The remuneration of the related employees is determined on the same basis as those of unrelated employees. The remuneration of employees who are related to the Proposed Directors, the Proposed Executive Officers and/or the Controlling Shareholders (if any) will be reviewed annually by the Remuneration Committee to ensure that their remuneration packages are in line with the Company's staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Any bonuses, pay increases and/or promotions for these related employees will also be subject to the review and approval of the Remuneration Committee. In the event that a member of the Remuneration Committee or Nominating Committee is related to the employee under review, he will abstain from the review.

27.5 Service Agreement

The Company entered into a service agreement with Daniel Long, the proposed CEO and Executive Director of the Company which will become effective after following Completion.

The service agreement for an initial period of two years (the "**Initial Term**") commencing from the date of Completion, and shall be automatically renewed on a yearly basis thereafter unless otherwise agreed in writing between the Company and Daniel Long or terminated in accordance with the service agreement. During the Initial Term, the parties may terminate the service agreement by either party giving not less than three months' notice in writing to the other. The parties may, by mutual agreement, waive or vary the notice requirement. The Company may also terminate the service agreement upon the occurrence of certain events such as serious misconduct, bankruptcy or criminal conviction. Upon termination, Daniel Long shall immediately resign from all positions and offices held and shall deliver to the Company, in proper order and condition, all books, documents, papers, materials and any other property or assets relating to the business or affairs of the Company which may then be in his possession or control.

Pursuant to the terms of the service agreement, Daniel Long will receive a monthly salary of S$15,000. His remuneration is subject to review by the Board and may be reviewed from time to time and increased thereafter by such amount as may be determined by the Board in its absolute discretion (with Daniel Long abstaining from voting on any such resolution).

Subject to the receipt of the approvals of the Shareholders, the SGX-ST and any other regulatory authorities, where necessary, and subject to the eligibility criteria set out in the relevant employee scheme or plan, Daniel Long shall be eligible to participate in any employee share option scheme(s), performance share plan or such other equity incentive plan implemented by the Company (if any) on such terms as may be determined by the Board at its sole and absolute discretion.

The Enlarged Group will also extend to Daniel Long, among others, all other remuneration and benefits generally available to the employees of the Company, or as the Board shall from time to time determine. All entertainment expenses, travelling, accommodation and other out-of-pocket expenses incurred by him in connection with the Company's business will also be reimbursed by the Company.

Under the terms of the service agreements, Daniel Long is subject to certain restrictive covenants, including that he shall not, save for his concurrent position as a managing partner and executive director of PCM which the Board permits, at any time during the period of his employment and for a period of one year after the expiry or termination of his employment for whatever reason, do or permit the doing of, among others, the following without the prior written consent of the Board:

(a) directly or indirectly carry on or be engaged or interested in any capacity in any other business, trade or occupation whatsoever, except in a business, trade or occupation which does not compete with any business carried on or proposed to be carried on by the Enlarged Group or except as disclosed or declared in writing to the Company and the relevant company in the Enlarged Group prior to the date hereof. Prior written consent from the Audit Committee will also be required prior to the commencement or entering into of such activities; or

(b) either solely or jointly with or on behalf of any person, firm or corporation directly or indirectly carry on or be engaged or interested in any business competing with any business carried on or proposed to be carried on by the Enlarged Group; or

(c) be directly or indirectly engaged or concerned in the conduct of any business competing directly with the business carried on or proposed to be carried on by the Enlarged Group at any time during the period of his employment; or

(d) be directly or indirectly engaged, concerned or interested in any capacity in any trade, business or occupation whatsoever which is a supplier to, customer, licensee or partner of any Enlarged Group Company; or

(e) carry on for his own account either alone or in partnership (or be concerned as a director in any company engaged in) any business competing directly with the business carried on or proposed to be carried on by the Enlarged Group; or

(f) assist any person, firm or company with technical advice in relation to any business competing directly with the business carried on or proposed to be carried on by the Enlarged Group; or

(g) otherwise be interested, directly or indirectly, in any business competing directly with the business carried on or proposed to be carried on by the Enlarged Group; or

(h) either on his own account or for any person, firm, company or organisation solicit or entice or endeavour to solicit or entice away from the Company or any company in the Enlarged Group, or directly or indirectly employ, any person who has at any time during the preceding two (2) years of Daniel Long's employment been a director, manager, servant or consultant whether or not such person would commit any breach of his contract of employment by reason of leaving the service of the relevant company in the Enlarged Group; or

(i) either on his own account or for any person, firm, company or organisation solicit business from any person, firm, company or organisation which at any time during the preceding two (2) years of Daniel Long's employment, has been a customer, client, agent or correspondent of the Company or any company in the Enlarged Group or in the habit of dealing with the Enlarged Group.

Daniel Long is also prohibited, during the term of the service agreement and after the termination thereof, to use for his own or another's advantage, or reveal to any person, firm or company, any of the trade secrets, business methods or information which he knew or ought reasonably to have known to be confidential concerning the business or affairs of the Company, so far as the information had come to their knowledge during their appointment with the Company.

Had the Service Agreement been in place with effect from 1 January 2016, the aggregate remuneration paid to Daniel Long for 2016 would have been approximately S$190,200 instead of approximately S$169,192 and the loss before income tax for 2016 would have increased by S$21,008.

Save as disclosed above, there are no other existing or proposed service agreements between the Company or the Target Companies and any of the Proposed Directors. There are no existing or proposed service agreements entered into or to be entered into by the Proposed Directors with the Company or any of the Target Companies which provide for benefits upon termination of employment without cause.

The Company has also entered into letters of employment with Wee Liang Hiam, the proposed CFO of the Company, and Wong Lien Feng, the proposed COO of the Company. Such letters typically provide for the remuneration payable to these executives, their working hours, annual leave entitlements and grounds of termination.

27.6 Remuneration

The compensation[1] paid or payable to the Proposed Directors and the Proposed Executive Officers for services rendered to the Enlarged Group in all capacities for FY2015 and FY2016 (being the two most recent completed financial years) and the estimated compensation[1] to be paid to the Proposed Directors and Proposed Executive Officers for services rendered to the Enlarged Group for FY2017, on an aggregate basis and in remuneration bands[2] are as follows:

Name	FY2015	FY2016	FY2017 (estimated)
Proposed Directors			
Daniel Long	A	A	A
Daniel Ee	–[3]	–[3]	A
Alan Cheong	A	A	A
Aloysius Wee	A	A	A
Proposed Executive Officers			
Wee Liang Hiam	–[3]	A	A
Wong Lien Feng	A	A	A
Nancy Ng	A	A	A
Amanda Lim	A	A	A

Notes:

(1) Such compensation includes any benefits in kind and deferred compensation accrued for the financial year in question and payable at a later date, but excludes any estimated amount of compensation that is to be paid pursuant to any bonus or profit-sharing plan or other profit-linked agreement or arrangement, but which has not been paid.

(2) "Band A" refers to remuneration of up to S$250,000 per annum.

(3) Not appointed or employed by the Company or any of the Target Companies during the relevant periods.

As at the Latest Practicable Date, no portion of the compensation disclosed above was paid or is to be paid:

(a) pursuant to any bonus or profit-sharing plan or any other profit-linked agreement or arrangement; and

(b) in the form of stock options,

save for the Proposed Repayment to Daniel Long of up to S$500,000, including the sum of S$188,425 of unpaid Directors' fees in respect of FY2015 to the Latest Practicable Date, by allotting and issuing up to 100,000,000 Repayment Shares to him on Completion. For further details on the Proposed Repayment, please refer to Section 5 titled "The Proposed Issue of Repayment Shares" of this Circular.

Save for amounts set aside or accrued in respect of mandatory employee funds, no amounts have been set aside or accrued by the Target Companies to provide pension, retirement or similar benefits.

27.7 Material background information

Aloysius Wee was a nominee director of First Equity Pte. Ltd. when it was the subject of a creditors' winding-up petition in 2014. As part of the corporate secretarial services provided by the law firm Aloysius Wee was working with, he was appointed as a nominee director of First Equity Pte. Ltd. to satisfy the local director requirements under the Companies Act. Aloysius Wee held this position from 17 March 2008 to 26 September 2014. During this time, he was not involved in the business of First Equity Pte. Ltd., other than in his role as a nominee director.

A creditor of First Equity Pte. Ltd. filed a petition for the winding up of First Equity Pte. Ltd. on 1 September 2014, and on the hearing of the application on 26 September 2014, a winding-up order was made.

Save as disclosed above, none of the Proposed Directors, the Proposed Executive Officers or the Controlling Shareholder of the Company immediately after the Completion:

(a) has at any time during the last 10 years, had an application or a petition under any bankruptcy laws of any jurisdiction filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within two years from the date he ceased to be a partner;

(b) has at any time during the last 10 years, had an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within two years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency;

(c) has any unsatisfied judgement against him;

(d) has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose;

(e) has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach;

(f) has at any time during the last 10 years, had judgement entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty been made on his part, or has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part;

(g) has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;

(h) has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust;

(i) has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body permanently or temporarily enjoining him from engaging in any type of business practice or activity;

(j) has, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:

(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;

(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;

(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,

in connection with any matter occurring or arising during the period when he was so concerned with the entity or business trust; and/or

(k) has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Authority or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere.

28. INTERESTED PERSONS TRANSACTIONS AND POTENTIAL CONFLICTS OF INTEREST

In general, upon Completion, transactions between the Enlarged Group and any of its interested persons (namely, the Directors, CEO or Controlling Shareholders or the Associates of such Directors, CEO or Controlling Shareholders) would constitute Interested Person Transactions under Chapter 9 of the Catalist Rules.

The following persons or companies are considered "Interested Persons" for the purposes of this section and have entered into transactions with the Enlarged Group in the past.

Interested Person	Nature of relationship with the Enlarged Group
CTE	Controlling Shareholder
CTE Resources	A company in which CTE, the Controlling Shareholder, holds a 40.0% interest
Chiu Teng @ Kallang Pte. Ltd.	Wholly-owned subsidiary of CTE, the Controlling Shareholder
Daniel Long	CEO and Executive Director
Ng Chee Beng	Controlling Shareholder
Bailey Wang	WBH Director
Ng Chee Hwa	CT8 Director and Brother of Ng Chee Beng, the Controlling Shareholder
PCM	A company in which Daniel Long, the CEO and Executive Director, holds a concurrent position as joint managing partner and executive director

Details of the present and ongoing transactions as well as past transactions between the Enlarged Group and its interested persons which are material in the context of the Proposed Transactions are set out below. Save as disclosed in this section, none of the Directors, Proposed Directors, Controlling Shareholders or their respective Associates were and are interested in any material transactions undertaken by the Enlarged Group during the Relevant Period.

28.1 Past interested persons transactions

Engagement of CTE as main contractor

On 7 June 2013, SCDA Architects Pte. Ltd, on behalf of CT8, accepted the tender by CTE for the construction and completion of Tagore 8 and the maintenance of drains, roads and sewers on the Tagore Property. The Main Construction Agreement was entered into between CTE and CT8 on 1 September 2014.

The aggregate value of the Main Construction Agreement was S$53.4 million. As at the Latest Practicable Date, approximately S$53.4 million has been paid to CTE.

As a tender was called for the construction and completion of Tagore 8 and the maintenance of drains, roads and sewers on the Tagore Property and the fees paid by CT8 under the Main Construction Agreement was comparable to the fees that would have been charged by other contractors that had responded to the tender, the Proposed Directors are of the view that this transaction was conducted on an arm's length basis and based on normal commercial terms, and is not prejudicial to the interests of the Enlarged Group and its minority Shareholders.

In the event that the Company decides to enter into similar transactions with CTE in the future, such transactions will be conducted in accordance with the review procedures for interested persons transactions as set out in Section 28.4 titled "Review procedures for future interested persons transactions" of this Circular and Chapter 9 of the Catalist Rules.

Loans from CTE Resources to CT8

During the Relevant Period, CTE Resources extended an unsecured shareholder's loan to CT8 amounting to approximately S$18.0 million for the purpose of financing CT8's acquisition of the Tagore Property. The loan bore an interest of 6.0% per annum from 24 August 2011 until the loans were fully repaid. No repayment date was fixed. The shareholder's loan was fully repaid on 2 March 2016.

The Proposed Directors are of the view that the loans are on an arm's length basis and on normal commercial terms, and are not prejudicial to the Enlarged Group and its minority Shareholders. The Company does not intend to enter into similar transaction with CTE Resources.

Loans from Chiu Teng @ Kallang Pte. Ltd. to CT8

During the Relevant Period, Chiu Teng @ Kallang Pte. Ltd. extended an unsecured loan to CT8 amounting to S$3.0 million for the purpose of working capital requirements. The loans were provided on an interest-free basis. No repayment date was fixed.

CT8 had on 24 August 2016, 1 November 2016 and 14 November 2016, fully repaid the loan amounting to S$3.0 million to Chiu Teng @ Kallang Pte. Ltd. and as at the Latest Practicable Date, there is no outstanding loan payable by CT8 to Chiu Teng @ Kallang Pte. Ltd.

The loan was not on an arm's length basis and not on normal commercial terms as it was unsecured, interest-free and had no fixed term of repayment. The loan therefore was beneficial and not prejudicial to the Enlarged Group and its minority Shareholders. The Company does not intend to enter into similar transaction with Chiu Teng @ Kallang Pte. Ltd..

28.2 Present and ongoing interested persons transactions

Amounts Owing to Daniel Long

As at the Latest Practical Date, the Company owes Daniel Long an aggregate amount of S$0.5 million comprising (i) S$311,575 advanced by Daniel Long on an interest-free basis to the Company from 1 April 2015 to the Latest Practicable Date for the purposes of assisting the Company to pay its operating and other expenses that have to be incurred prior to Completion Date and (ii) S$188,425 being the sum of unpaid directors' fees owed to him in respect of FY2015 to the Latest Practicable Date by the Company. The amount outstanding to Daniel Long is not on an arm's length basis and not on normal commercial terms as it is unsecured, interest-free and has no fixed terms of payment. The amount outstanding to Daniel Long is therefore beneficial and not prejudicial to the Enlarged Group and its minority Shareholders.

The details of the amount owing from the Company to Daniel Long for the Relevant Period are as follows:

(S$)	As of 31 December 2014	As of 31 December 2015	As of 31 December 2016	As of 30 June 2017	As of the Latest Practicable Date
Amount due to Daniel Long	–	91,294	368,633	395,451	500,000

The Company intends to repay S$0.5 million of the outstanding amount due to Daniel Long by allotting and issuing up to 100,000,000 Repayment Shares. Please refer to the Section 5 titled "Proposed Issue of Repayment Shares" of this Circular for more details on the Proposed Repayment.

Upon repayment of the amounts owing to Daniel Long, the Company does not intend to enter into any transactions of the above nature with Daniel Long. In the event that the Company decides to do so, such transactions will be conducted in accordance with the review procedures for interested persons transactions as set out in Section 28.4 titled "Review procedures for future interested persons transactions" of this Circular and Chapter 9 of the Catalist Rules.

Loan Extended by Ng Chee Beng

Ng Chee Beng has extended a loan amounting to S$1.5 million to the Company for the purposes of meeting the Company's working capital requirements during the Relevant Period. The loan is not on an arm's length basis and not on normal commercial terms as it is unsecured, interest-free and has no fixed term of repayment. The loan therefore is beneficial and not prejudicial to the Enlarged Group and its minority Shareholders.

The details of the amount owing from the Company to Ng Chee Beng for the Relevant Period are as follows:

(S$)	As of 31 December 2014	As of 31 December 2015	As of 31 December 2016	As of 30 June 2017	As of the Latest Practicable Date
Amount due to Ng Chee Beng	–	–	–	161,015	1,500,000

As at the Latest Practicable Date, the outstanding amount owing to Ng Chee Beng is S$1.5 million. The Company intends to repay the outstanding amount by allotting and issuing up to 300,000,000 Repayment Shares. Please refer to the Section 5 titled "Proposed Issue of Repayment Shares" of this Circular for more details on the Proposed Repayment.

Upon repayment of the loan, the Company does not intend to enter into any transactions of the above nature with Ng Chee Beng. In the event that the Company decides to do so, such transactions will be conducted in accordance with the review procedures for interested persons transactions as set out in Section 28.4 titled "Review procedures for future interested persons transactions" of this Circular and Chapter 9 of the Catalist Rules.

Personal guarantees provided by the WBH Directors

Ng Chee Beng, Bailey Wang and Ng Chee Hwa have provided personal guarantees in relation to commercial property loans granted to WBH by UOB. Please refer to Section 24 titled "Capitalisation and Indebtedness" of this Circular for further details.

The aggregate amount of the commercial property loans secured by these personal guarantees, as of 31 December 2014, 2015 and 2016, the Latest Practicable Date, as well as the largest amount outstanding during the Relevant Period, based on month-end balances, were as follows:

S$'000	As of 31 December 2014	As of 31 December 2015	As of 31 December 2016	As of 30 June 2017	As of the Latest Practicable Date	Largest amount outstanding during the Relevant Period
Aggregate amount of commercial property loans	5,425	4,991	4,551	4,264	4,184	5,841

As no consideration was paid to Ng Chee Beng, Bailey Wang and Ng Chee Hwa for the provision of the personal guarantees, the Proposed Directors are of the view that the guarantees were not provided on an arm's length basis and not based on normal commercial terms, but they are not prejudicial to the interests of the Enlarged Group and its minority Shareholders.

Upon Completion, WBH intends to obtain a release and discharge of the above guarantees from UOB by substituting the same with other securities to be provided by the Enlarged Group which may be acceptable to UOB (subject to their consent). Following the replacement of the guarantees, WBH does not expect any material changes to the other terms and conditions of the commercial property loan facility.

Lease Agreement in respect of CT Hub 2 with PCM

The Company has on 14 November 2017 entered into a sub-lease agreement, as lessee, with PCM, as lessor, for an office space located in CT Hub 2. The lease is free and for a period of 12 months with no option of renewal.

As the lease is free, the Proposed Directors are of the view that the lease was not provided on an arm's length basis and not based on normal commercial terms, but that it is not prejudicial to the interests of the Enlarged Group and its minority Shareholders.

28.3 Other interested persons transactions

Provision of rental income guarantee by Ng Chee Beng to the Company

On 14 November 2017, Ng Chee Beng entered into the Transaction Deed to undertake to the Company that the gross rental income for the OCW Units shall be at least S$6.00 psf/month for a period of three (3) years following completion of the Proposed Acquisitions, amounting to an aggregate of S$1,200,960 per annum based on the aggregate net leasable area of the OCW Units of 16,680 sqft. Based on the assumption that the OCW Units are fully tenanted and based on a net leasable area of 16,680 sqft, the maximum aggregate shortfall payable by Ng Chee Beng for FY2018 is expected to be approximately S$38,152.

Please refer to Section 2.3.3 titled "Minimum Gross Rental Income for OCW Units" of this Circular for more details on the Transaction Deed.

As no consideration was paid to Ng Chee Beng for his undertaking under the Transaction Deed, the Proposed Directors are of the view that it was not provided on an arm's length basis and not based on normal commercial terms, but that the Transaction Deed is not prejudicial to the interests of the Enlarged Group and its minority Shareholders.

Loan from CTE to WBH

On 10 April 2017, CTE extended shareholder loans to WBH for the purposes of working capital. These loans were not on an arm's length basis and not on normal commercial terms as they were unsecured, interest-free and had no fixed terms of repayment. These loans were however beneficial and not prejudicial to the Enlarged Group and its minority Shareholders.

The details of the amount owing from WBH to CTE for the Relevant Period are as follows:

(S$'000)	As of 31 December 2014	As of 31 December 2015	As of 31 December 2016	As of 30 June 2017	As of the Latest Practicable Date
Amount due to CTE	1,800	1,700	1,700	1,700	1,700

On 14 November 2017, the Company and the WBH Vendors entered a deed of novation, under which, among others, CTE agreed to assign to the Company all outstanding shareholder loan(s) owed by WBH to CTE amounting to S$1.7 million.

28.4 Review procedures for future interested persons transactions

Upon Completion, any transactions between the Enlarged Group and its interested persons will be subject to the guidelines set below, to ensure that any interested person transactions will be carried out on an arm's length basis and on normal commercial terms which will not be prejudicial to the interests of the Company and its minority Shareholders.

Guidelines for Interested Persons Transactions

(a) Register of interested persons and interested persons transactions

The Enlarged Group will maintain a register of interested persons and interested persons transactions.

The register of interested persons will be updated regularly and disclosed to the relevant personnel to enable identification of interested persons. The register of interested persons will be reviewed by the Audit Committee of the Enlarged Group at least on a quarterly basis.

The register of interested persons transactions would record the basis on which interested persons transactions are entered into, including the quotations and other evidence obtained to support such basis, and the approval or review by the Audit Committee of the Enlarged Group, CFO or any duly appointed director as the case may be. This register of interested persons transactions shall be reviewed by the Audit Committee of the Enlarged Group at least on a quarterly basis, if any, to ensure that they are carried out on an arm's length basis and in accordance with the procedures outlined above. It will take into account all relevant non-quantitative factors.

(b) Approval matrix

The Enlarged Group will monitor all interested person transactions it enters into and categorise these transactions as follows:

(i) a Category 1 interested person transaction is one where the value thereof is in excess of 3.0% of the NTA of the Enlarged Group; and

(ii) a Category 2 interested person transaction is one where the value thereof is below or equal to 3.0% of the NTA of the Enlarged Group;

All Category 1 interested person transactions must be approved by the Audit Committee of the Enlarged Group prior to entry whereas Category 2 interested person transactions need not be approved by the Audit Committee of the Enlarged Group prior to entry but shall be reviewed on a quarterly basis by the Audit Committee of the Enlarged Group.

In addition, before any agreement or arrangement that is not in the ordinary course of business of the Enlarged Group is transacted, prior approval must be obtained from the Audit Committee of the Enlarged Group. In the event a member of the Audit Committee of the Enlarged Group is interested in any of the interested person transactions, he will abstain from reviewing that particular transaction. Any decision to proceed with such an agreement or arrangement would be recorded for review by the Audit Committee.

(c) Review by Audit Committee

The Enlarged Group will prepare all the relevant information (such as pricing guidelines, pricing for similar existing customers and quotations obtained from third-party suppliers) to assist the Audit Committee of the Enlarged Group in its review of all interested persons transactions.

During its periodic review or such other review deemed necessary by it, the Audit Committee of the Enlarged Group will carry out a review of records of all interested person transactions to ensure that they are carried out in accordance with the following internal control procedures:

(i) when purchasing any products or engaging any services from an interested person, two (2) other quotations from non-interested persons will be obtained for comparison to ensure that the interests of the Enlarged Group or its minority Shareholders are not disadvantaged. The purchase price or fee for the products or services shall not be higher than the most competitive price or fee of the two (2) other quotations from non-interested persons. In determining the most competitive price or fee, all pertinent factors, including but not limited to quality, requirements, specifications, delivery time and track record will be taken into consideration;

(ii) when selling any products or supplying any services to an interested person, the price or fee and terms of two (2) other successful transactions of a similar nature with non-interested persons will be used as comparison to ensure that the interests of the Enlarged Group or its minority Shareholders are not disadvantaged. The price or fee for the supply of products or services shall not be lower than the lowest price or fee of the two (2) other successful transactions with non-interested persons;

(iii) when renting properties from or to an interested person, appropriate steps will be taken to ensure that such rent is matched with prevailing market rates, including adopting measures such as making relevant enquiries with landlords of similar properties and obtaining suitable reports or reviews published by property agents (where necessary). The rent payable shall be based on the most competitive market rental rates of similar properties in terms of size and location, based on the results of the relevant enquiries; and

(iv) where it is not possible to compare against the terms of other transactions with unrelated third parties and given that the products and/or services may be purchased only from an interested person, the interested person transaction will be approved by the directors of the Company who have no interest in the transaction, in accordance with the Enlarged Group's usual business practices and policies. In determining the transaction price payable to the interested person for such products and/or service, factors such as, but not limited to, quantity, requirements and specifications will be taken into account.

In respect of carrying out the above internal control procedures, the Audit Committee of the Enlarged Group will take into account all relevant non-quantitative factors. Such review includes the examination of the transaction and its supporting documents or such other data deemed necessary by the Audit Committee of the Enlarged Group. The Audit Committee of the Enlarged Group shall, when it deems fit,

have the right to require the appointment of independent sources, advisers or valuers to provide additional information pertaining to the transaction under review. In the event that a member of the Audit Committee of the Enlarged Group is interested in any such transaction, he will abstain from participating in the review and approval process in relation to that particular transaction.

Internal auditors will be appointed and their internal audit plan will incorporate a review of all the interested person transactions at least on an annual basis. The internal audit report will be reviewed by the Audit Committee of the Enlarged Group to ascertain whether the guidelines and procedures established to monitor interested person transactions have been complied with.

The Audit Committee of the Enlarged Group shall also review from time to time such guidelines and procedures to determine if they are adequate and/or commercially practicable in ensuring that interested person transactions are conducted on normal commercial terms, on an arm's length basis and do not prejudice the interests of the Enlarged Group and its Shareholders. Further, if during these periodic reviews by the Audit Committee of the Enlarged Group, the Audit Committee of the Enlarged Group is of the opinion that the guidelines and procedures as stated above are not sufficient to ensure that interested person transactions will be on normal commercial terms, on an arm's length basis and not prejudicial to the interests of the Enlarged Group and its Shareholders, the Audit Committee of the Enlarged Group will adopt such new guidelines and review procedures for future interested person transactions as may be appropriate.

(d) Chapter 9 of the Catalist Rules

In addition to the above review procedures, when selling any units of property projects to an interested person or a relative of a director or CEO of the Company, or Controlling Shareholder of the Company, the Enlarged Group must comply with Rules 910 to 914 of the Catalist Rules as follows:

(i) announce the sale or proposed sale within two (2) weeks for local property projects or immediately for non-local property projects, stating in such announcement the name of the project, the name of each purchaser, the unit number, the sale price and the percentage discount given;

(ii) the selling prices shall be within the range of discounts provided to the New Board, employees and/or their associates in accordance with the Enlarged Group's usual business practices and policies;

(iii) the Board must be satisfied that the terms of the sale(s) are not prejudicial to the interests of the Enlarged Group and its minority Shareholders, and the Audit Committee of the Enlarged Group must review and approve the sale(s) and satisfy itself that the number and terms of the sale(s) are fair and reasonable and not prejudicial to the interest of the Enlarged Group and its minority Shareholders; and

(iv) where Shareholders' approval is required, it shall be obtained within six (6) weeks of the date of the sale or proposed sale and the relevant interested persons and their nominees shall abstain from voting on all resolutions to approve the sales or proposed sales.

The Enlarged Group will also comply with the provisions in Chapter 9 of the Catalist Rules in respect of all future interested person transactions, and if required under the Catalist Rules, the Enlarged Group will seek its Shareholders' approval (where necessary) for such transactions. In accordance with Rule 919 of the Catalist Rules, interested persons and their associates shall abstain from voting on resolutions approving interested persons transactions involving themselves and the Enlarged Group. In addition, such interested persons shall not act as proxies in relation to such resolutions unless specific instructions as to voting have been given by the Shareholder(s). The New Board will ensure that all interested persons transactions will be subject to the disclosure requirements of the Catalist Rules, and will obtain Shareholders' approval if deemed necessary under the Catalist Rules. Disclosure will be made in the Company's annual report of the aggregate value of interested person transactions during the relevant financial year under review and in the subsequent annual reports for the subsequent financial years of the Company.

All the Proposed Independent Directors, who are members of the Audit Committee of the Enlarged Group, are of the view that the review procedures and systematic monitoring mechanism of all interested person transactions as mentioned above, are adequate in ensuring that such transactions will be on normal commercial terms and will not be prejudicial to the interests of Shareholders in any way.

28.5 Potential conflicts of interests

(a) Interests of the Proposed Directors or Controlling Shareholders after the Completion or their respective associates

In general, a conflict of interests arises when any of the Proposed Directors or Controlling Shareholders of the Company after Completion or their respective associates is carrying on or has any interest in any other corporation carrying on the same business or dealing in similar products as the Enlarged Group.

The following persons have an interest in the following corporations carrying on the same business or dealing in similar products as the Enlarged Group through his directorships and/or shareholdings in the corporations:

- Ng Chee Beng, through his interest in CTE and CTE Resources; and
- Daniel Long, as the joint managing partner and executive director of PCM.

The potential conflicts of interests have been mitigated as follows:

Ng Chee Beng

Ng Chee Beng, in his own right, is an accomplished businessman and has been involved in the property development industry since 1990. He comes from a family which has been and still is closely connected to real estate development and investment. Apart from his investments in WBH and CT8, he has been involved in various real estate development projects in Singapore, principally through CTE and other special purpose development vehicles such as CTE Resources.

None of the Company's Directors have been nominated by Ng Chee Beng for appointment on the Board. Save for Wong Lien Feng who is his nephew, none of Ng Chee Beng's family members shall be involved in the management of the Company. Wong Lien Feng has made his own decision in joining the Company as its COO, and will be reporting to the Board of the Company upon the completion of the Proposed Transactions. He has many years of experience in this sector, and is able to exercise his own judgments and decisions without any influence from Ng Chee Beng.

In addition, Ng Chee Beng will not be a part of the management team of the Company nor have control of the Board of the Company. CTE and the Company will be managed by two separate and independent management teams while the majority on the Board will be Independent Directors comprising of established and reputable people with good knowledge of the property sector. Ng Chee Beng does not have any nominees on the Board of the Company.

Ng Chee Beng has, pursuant to a right of participation undertaking dated 14 November 2017 given in favour of the Company (the "**NCB ROPU**"), undertaken to the Company that, so long as Ng Chee Beng is the Controlling Shareholder, he shall, and shall procure that his associates shall, notify the Board in writing of any real estate development opportunity which he or his associates is inclined to participate in ("**Development Opportunity**"), and shall set out such information, which is in his possession, reasonably required to assist the Company in assessing the viability and suitability of the Development Opportunity and give the Company no more than seven Business Days from the receipt of such notice in order to decide whether it wishes to undertake the Development Opportunity. If the Company decides to undertake the Development Opportunity, the Company shall be entitled to participate based on the same terms enjoyed by Ng Chee Beng and/or his associates. Ng Chee Beng has also undertaken to submit quarterly reports on the land bank status and projects to be undertaken by himself and/or his associates.

Under the terms of the NCB ROPU, Ng Chee Beng has also undertaken that he will not be a Controlling Shareholder, executive director or senior executive of any other listed real estate development and investment company for so long as he is a Controlling Shareholder of the Company. This is to ensure that Ng Chee Beng will not be unduly prevented from investing in, or being involved in the business of, such special purpose vehicles which may be established from time to time for the purposes of undertaking such Development Opportunity which the Company has decided not to undertake.

The NCB ROPU will not apply to real estate investment opportunities where Ng Chee Beng proposes to purchase for his own and/or direct family members' personal use, passive income or where he is not the originator of the project but has been invited to participate in it as a passive investor in support of other network partners.

Please refer to Section 26.3(a) titled "Acquisition of new development sites for land bank in current and new markets" of this Circular for the potential property development projects which will be immediately offered to the Company in accordance with the terms of the NCB ROPU.

In order to monitor compliance with the NCB ROPU, a managing committee comprising Daniel Long, Wong Lien Feng and Wee Liang Hiam ("**Management Committee**") shall evaluate the Development Opportunity and present to the Board for consideration and decision. The Company will have the full discretion to set terms (within reasonable limits and bearing in mind the resources and limitations of the Company from time to time) for Ng Chee Beng and/or his associate and Ng Chee Beng and/or his associate shall be bound to accept the terms which have been set for it by the Company.

In the event that Ng Chee Beng and/or his associate determine that the terms set by the Company are unacceptable, the Company will have the right to pursue the Development Opportunity with such other parties as it deems fit.

In the event that the Company declines to participate in the Development Opportunity, Ng Chee Beng or his associates, as the case may be, will be permitted to proceed with the project without further reference to the Company on the same terms as that which was initially set by the Company. In this instance, the following procedures will be adopted:

- The Management Committee will monitor and ensure that the aforementioned has been complied with such that the project to be undertaken by Ng Chee Beng his associates is on the same terms as that which was initially set by the Company;

- Ng Chee Beng will provide the Management Committee with such information as may be requested by the Management Committee (including, to the extent legally permissible under Ng Chee Beng's confidentiality obligations (if any), definitive legal agreements) to ensure that the terms offered to the Company have been offered in good faith and accurately reflect the principal terms and commercial intent of the parties in relation to the Development Opportunity in question;

- The Management Committee shall have the liberty to make all necessary enquiries to ensure that the Development Opportunity has been properly assessed by the Company.

In addition, the Management Committee will monitor any new developments undertaken by Ng Chee Beng and his associates by reviewing public and market sources and the report provided by Ng Chee Beng to the Board on a quarterly basis. The Management Committee will thereafter report its findings to the Board on a quarterly basis. Should there be a project undertaken by Ng Chee Beng and/or his associate that has not been first offered to the Company, under the terms of the NCB ROPU, the Company shall have a right to purchase an interest in that particular development at Ng Chee Beng's and/or his associate's cost of investment, as applicable. The Board and specifically, the Independent Directors, will ensure effective oversight and good corporate governance in relation to the NCB ROPU.

Daniel Long

Daniel Long is the joint managing partner and executive director of PCM. PCM manages and advises an umbrella of discretionary funds and special purpose vehicles, including EIGL. Funds and special purpose vehicles established by PCM have, in the past, participated in real estate investment and development opportunities. Funds advised and managed by PCM have a broad mandate and invest across multiple asset classes such as public markets, private equity, fixed income, mezzanine structures and real estate. It is possible that PCM might, in the future, be presented with real estate development opportunities to the funds it manages and advises ("**Business Opportunity**").

PCM has, pursuant to a right of participation undertaking dated 14 November 2017 given in favour of the Company (the "**PCM ROPU**"), undertaken to the Company that, so long as Daniel Long is the CEO or under the employment of PCM, PCM shall notify Board in writing of any Business Opportunity which it is presented with, and shall set out such information, which is in its possession, reasonably required to assist the Company in assessing the viability and suitability of the Development Opportunity and give the Company no more than seven (7) Business Days from the receipt of such notice in order to decide whether it wishes to undertake the Business Opportunity. If the Company decides to undertake the Business Opportunity, the Company shall be entitled to determine the terms of its and PCM's participation in the Business Opportunity (within reasonable limits and bearing in mind the resources and limitations of the Company from time to time). PCM shall be bound to accept such terms for its participation in the Business Opportunity. In the event that the Company declines to participate in the Business Opportunity, PCM shall be permitted to undertake the Business Opportunity without further reference to the Company. PCM has also undertaken to submit quarterly reports on the land bank status and projects to be undertaken by it.

In order to monitor compliance with the PCM ROPU, Wong Lien Feng and Wee Liang Hiam will monitor any new developments undertaken by PCM by reviewing public and market sources and the report provided by PCM to the Board on a quarterly basis. They will thereafter report their findings to the Board on a quarterly basis. Should there be a Business Opportunity undertaken by PCM that has not been first offered to the Company, under the terms of the PCM ROPU, the Company shall have a right to purchase an interest in that particular Business Opportunity at PCM's cost of investment. The Board and specifically, the Independent Directors, will ensure effective oversight and good corporate governance in relation to the PCM ROPU.

As Ng Chee Beng's father and siblings do not have any interest in the Enlarged Group, in the reasonable opinion of the Existing Directors and Proposed Directors, there are no conflicts of interests with the Company.

Save as disclosed in Section 28 titled "Interested Persons Transactions and Potential Conflicts of Interest" of this Circular, none of the Proposed Directors, Controlling Shareholders of the Company after Completion, or their respective associates has any other material interest, direct or indirect, in:

(i) any company carrying out the same business and/or dealing in similar products as the Enlarged Group or any of its subsidiaries;

(ii) any enterprise or company that is a customer or supplier of goods and services of the Enlarged Group; and

(iii) any transaction to which the Enlarged Group is or was a party.

(b) Interests of Experts

In the reasonable opinion of the Existing Directors and Proposed Directors, the Independent Valuer (Kempas Land), Independent Valuer (PRC Subsidiaries), Independent Valuer (Target Companies) and Property Valuer do not have a material relationship with the Company, save in their respective capacities as independent valuers of the Proposed Acquisitions and the Proposed Disposal.

(c) Interests of the Financial Adviser

In the reasonable opinion of the Existing Directors and Proposed Directors, the Financial Adviser does not have a material relationship with the Target Companies save for the following:

(i) RHT Capital is the Financial Adviser in respect of the Proposed Acquisitions;

(ii) RHT Capital will be the continuing sponsor of the Company for a period of three (3) years from Completion Date;

(iii) RHT Capital will be allotted and issued up to 80,000,000 new Pre-Consolidation Shares, or 2,000,000 Consolidated Shares, at the Pre-Consolidation Issue Price, representing 2.9% of the Enlarged Share Capital. Please refer to Section 4 titled "The Proposed Issue of Professional Advisers' Shares" of this Circular for more details on the proposed issue of shares to RHT Capital; and

(iv) RHT Capital has provided an undertaking in respect of the Professional Advisers' Shares that will be allotted and issued to them, that they will not (a) directly or indirectly, effect a Disposal; or (b) enter into any agreement or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a Disposal of any part of their direct and effective interest in the Professional Advisers' Shares, for the period being three (3) months from the Listing Date.

29. CORPORATE GOVERNANCE

The Company has adopted corporate governance practices which are based on the best practice outlined in the Best Practices Guide issued by SGX-ST and the principles in the Corporate Governance Code.

29.1 Overview

In order to perform its functions effectively, the New Board will, after Completion, comprise of directors with a wide range of skills, experience and qualities in the fields of operations management, financial, legal and accounting. Such diversity of skills ensures that the New Board is equipped to deal with a range of issues. Upon Completion, the New Board will have four members, comprising one executive director and three independent directors.

Each member of the New Board will hold office pursuant to the provisions of the Constitution of the Company and thereafter, shall be eligible for re-election unless lawfully disqualified from holding office.

The New Board will have overall responsibility for the corporate governance of the Company so as to protect and enhance long-term shareholder value. It will set the overall strategy for the Company and supervise executive management and monitor their performance. Apart from its statutory responsibilities, the New Board will be responsible for:

(a) reviewing the financial performance and condition of the Enlarged Group;

(b) approving the Enlarged Group's strategic plans, key operational initiatives, major investment and funding decisions; and

(c) identifying principal risks of the Enlarged Group's business and ensuring the implementation of appropriate systems to manage the risks.

The New Board will hold quarterly meetings every year, with additional meetings for particular matters convened when necessary. The New Board shall also periodically review the internal control and risk management systems of the Company to ensure that there are sufficient guidelines and procedures in place to monitor its operations.

As the proposed Executive Director and CEO, Daniel Long will bear responsibilities for the working of the New Board and ensuring the integrity and effectiveness of the governance process of the New Board. He is responsible for representing the New Board to Shareholders. Also, his responsibilities include the charting and reviewing of corporate directions and strategies, which cover areas of marketing and strategic alliances and providing the Company with strong leadership and vision.

29.2 Board committees

Upon Completion, the New Board will be assisted by three (3) committees, namely the Audit Committee, the Nominating Committee and the Remuneration Committee. Information on these board committees is set out below.

Nominating Committee

The new Nominating Committee will comprise Aloysius Wee, Alan Cheong and Daniel Ee. The chairman of the new Nominating Committee will be Aloysius Wee.

Remuneration Committee

The new Remuneration Committee will comprise Alan Cheong, Aloysius Wee and Daniel Ee. The chairman of the new Remuneration Committee will be Alan Cheong.

Audit Committee

The new Audit Committee will comprise Daniel Ee, Aloysius Wee and Alan Cheong. The chairman of the new Audit Committee will be Daniel Ee.

The new Audit Committee having (i) conducted interviews with Wee Liang Hiam; (ii) considered the qualifications and past working experience of Wee Liang Hiam; (iii) observed his abilities, familiarity and diligence in relation to the financial matters and information of the Target Companies; (iv) noted the absence of any negative feedback; and (v) the absence of internal control weaknesses attributable to Wee Liang Hiam identified during the internal control review conducted, is of the opinion that Wee Liang Hiam is suitable for the position of CFO of the Enlarged Group. After making all reasonable enquiries, and to the best of their knowledge and belief, nothing has come to the attention of the new Audit Committee to cause them to believe that Wee Liang Hiam does not have the competence, character and integrity expected of a CFO of a listed company.

(a) Nominating Committee

The Nominating Committee will meet at least once a year or when necessary. Its focus will be guided by the terms and reference adopted from the Corporate Governance Code. The duties and functions will include:

(i) making recommendations to the Board on all board appointments and re-nomination having regard to contribution and performance of the directors of the Company;

(ii) ensuring that all the directors of the Company submit themselves for re-nomination and re-election at regular intervals and at least once in every three (3) years;

(iii) determining annually whether a director of the Company is independent, guided by guidelines in the Corporate Governance Code;

(iv) deciding if a director of the Company is able and has adequately carried out his duties as a director where he has multiple board representations; and

(v) deciding how the performance of the Board may be evaluated and propose objective performance criteria.

(b) Remuneration Committee

The role of the Remuneration Committee will be to review and approve the remuneration package and terms of employment of the board of directors and key executives who are connected and deemed to be Substantial Shareholders of the Company. The Remuneration Committee will meet at least once a year with all members of the committee in attendance. In its review and approval of the recommendations on remuneration policies and packages for the New Board, the committee will cover all aspects of remuneration including but not limited to directors' fees, salaries, allowances, bonuses, share options and benefits-in-kind.

The Remuneration Committee's recommendations will be made in consultation with the CEO and submitted for endorsement by the entire New Board. Payments of directors' fees are subject to Shareholders' approval at the annual general meeting.

Remuneration of senior management staff will be reviewed by the Company's executive director and approved by the Remuneration Committee in consultation with the CEO and the senior management. The review will take into account the value-add and the extent of contribution of the staff towards the financial health and business needs of the Company.

Members of the Remuneration Committee will abstain from deliberations in respect of their own remuneration and the Remuneration Committee shall also be empowered to review human resource management policies of the Enlarged Group. It is also proposed that the remuneration policy of the Enlarged Group seeks, amongst others, to align the interests of employees with the Enlarged Group, to reward and encourage performance based on its core values and to ensure that remuneration is commercially competitive to attract and retain talent. Fees of the Board will be submitted as a lump sum for Shareholders' approval in general meeting.

(c) Audit Committee

After Completion, the Audit Committee will perform the following functions:

(i) review with the external auditors the audit plan, their evaluation of the system of internal accounting controls, their audit report, their management letter and the management's response;

(ii) review the quarterly, half-yearly and annual financial statements and balance sheets and income statements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas (including the need for product liability insurance), significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;

(iii) review the internal control and procedures and ensure co-ordination between the external auditors and the management, review the assistance given by management to the auditors and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of management where necessary);

(iv) review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and the management's response;

(v) consider the appointment or re-appointment of the external auditors, the audit fee, and matters relating to the resignation or dismissal of the auditors;

(vi) review transactions falling within the scope of interested person transactions and the Catalist Rules, and in particular matters pertaining to acquisitions and realisations;

(vii) review and assess the Company's foreign exchange and hedging policies including whether the Company has in place adequate and appropriate hedging policies and used appropriate instruments for hedging, if applicable;

(viii) monitor on a quarterly basis the compliance of the Transaction Deed, the NCB ROPU and the PCM ROPU;

(ix) review the adequacy and structure of the finance function on an on-going basis and take appropriate remedial actions as may be necessary;

(x) conduct annual internal control audits to review the adequacy and effectiveness of the Enlarged Group's internal controls and procedures. Prior to the decommissioning of such annual internal control audits, the Board is required to report to the Audit Committee on the basis for the decision to decommission the internal control audit. Such audits may be re-initiated by the Audit Committee;

(xi) undertake such other reviews and projects as may be requested by the Board and report to the board its findings from time to time on matters arising and requiring the attention of the Audit Committee;

(xii) generally undertake such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time;

(xiii) the review of potential conflicts of interest (if any) that may arise from time to time and adopt a suitable framework to resolve any conflicts or potential conflicts of interests; and

(xiv) oversee the rectification of internal control weaknesses of the Enlarged Group.

Apart from the above functions, the Audit Committee will also 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 operating results or financial position of the Company. Each member of the Audit Committee will abstain from voting in respect of matters in which he is interested.

The New Board, with the concurrence of the new Audit Committee, is of the opinion that the internal controls of the Enlarged Group are adequate to address the financial, operational and compliance risks of the Enlarged Group.

29.3 Management Committee

Upon Completion, a Management Committee comprising Daniel Long, Wong Lien Feng and Wee Liang Hiam will be constituted to assist the Board in monitoring the compliance of Ng Chee Beng and his associates with the terms of the NCB ROPU. Compliance of PCM with the terms of the PCM ROPU will be monitored by the Management Committee, which will report its findings to the Audit Committee, without any influence or participation by Daniel Long.

The Management Committee will meet at least on a quarterly basis and whenever it receives a notice of a Development Opportunity submitted by Ng Chee Beng and/or his associate and PCM for the Board's consideration. Its duty and function is to:

(a) evaluate any Development Opportunity submitted to it under the terms of the NCB ROPU and present to the Board for consideration and decision;

(b) without any influence or participation by Daniel Long, evaluate any Business Opportunity submitted to it under the terms of the PCM ROPU, and present to the Board for consideration and decision;

(c) on a quarterly basis, monitor and report to the Board on any new developments undertaken by Ng Chee Beng and his associates; and

(d) on a quarterly basis, monitor and report to the Board on any new developments undertaken by PCM.

Notwithstanding that Wong Lien Feng is the nephew of Ng Chee Beng, the new Nominating Committee, after making all reasonable enquiries, and to the best of their knowledge and belief, is of the opinion that Wong Lien Feng is suitable to be a member of the Management Committee. The new Nominating Committee is of the opinion that Wong Lien Feng possesses the requisite industry experience and technical skillset to make an active and constructive contribution to the Management Committee's deliberations. Nothing has come to the attention of the new Nominating Committee to cause them to believe that Wong Lien Feng does not have the independence and competence to perform the function expected of the Management Committee.

29.4 Information disclosure

Following Completion, the Enlarged Group will implement a policy of providing full disclosure of material corporate information as commercially appropriate through press announcements, press releases and shareholders' circulars as well as through the interim and annual financial results announcements.

30. MATERIAL CONTRACTS

The Target Companies have not entered into any contracts which are outside the ordinary course of business and are or may be material within the two (2) years before the date of this Circular.

31. MATERIAL LITIGATION

The Target Companies are not, as at the Latest Practicable Date, engaged in any legal or arbitration proceedings (either as plaintiff or defendant), including those which are pending or known to be contemplated, which may have or have had in the 12 months before the date of this Circular, a material effect on its financial position or profitability, and the WBH Directors and CT8 Directors have no knowledge of any proceedings pending or threatened against the Enlarged Group or any facts likely to give rise to any litigation, claims or proceedings which might materially affect the financial position or profitability of the Enlarged Group.

32. EXCHANGE CONTROLS

32.1 Singapore

Currently, there are no exchange control restrictions on the repatriation of capital and the remittance of profits into or out of Singapore.

32.2 Malaysia

Exchange control in Malaysia is governed under the Financial Services Act 2013 (the "**FSA**") and the Islamic Financial Services Act 2013 (collectively known as the "**Exchange Control Regulations**"). The Bank Negara Malaysia ("**BNM**") in exercising its powers under the Exchange Control Regulations, has issued seven (7) notices, setting out transactions that are allowed by the BNM which are otherwise prohibited under the Exchange Control Regulations ("**Notices**").

Generally, there is free mobility for inflow and outflow of capital for investments in Malaysia. Foreign investors are generally free to remit divestment proceeds, profits, dividends or any income arising from investments in Malaysia. Repatriation, however, must be made in foreign currency. Subject to industry-specific restrictions, foreign investors are also free to invest in any form of RM assets either as direct or portfolio investments.

Payments or repatriation of monies from subsidiaries in Malaysia to the Company are considered payments from "residents" to a "non-resident" for exchange control purposes. Pursuant to subsection 214(2) of the FSA, a person must obtain written approval from the BNM for the following:

(a) the making of any payment by a person to another person including a payment:

  (i) to or for the credit of a non-resident;

  (ii) by a resident or a non-resident;

  (iii) as a consideration for or in association with the receipt of a payment or the acquisition of a property, outside Malaysia, by any person; or the creation in favour of, or the transfer to, any person, of a right to receive a payment or to acquire a property, outside Malaysia;

  (iv) under a judgement or order of any court or an award of any arbitrator or under any written law in favour of a non-resident, or a resident outside Malaysia; or

  (v) for settlement of property in favour of a non-resident, or a resident outside Malaysia;

  other than (A) payment in ringgit between residents in Malaysia and (B) payment in foreign currency between non-residents outside Malaysia; and

(b) the receiving of any payment in paragraph (a) above.

Notice 4 (Payments), one of the Notices issued by the BNM, allows (amongst others):

(a) a resident to make or receive payment in RM in Malaysia, to or from a non-resident, among others, for:

  (i) the settlement of an RM asset including any income and profit due from the RM asset;

  (ii) the settlement of trade in goods or services in any manner;

  (iii) income earned or expense incurred in Malaysia; or

  (iv) for any purpose between immediate family members; and

(b) a resident to make or receive payment in foreign currency, to or from a non-resident for any purpose, other than for:

  (i) a derivative denominated in foreign currency offered by the resident unless it has been approved by the BNM or allowed under Part B of Notice 5 issued by the BNM;

  (ii) a derivative denominated in foreign currency offered by the non-resident; or

  (iii) a derivative denominated in or referenced to RM unless it has been approved by the BNM or allowed under Part B of Notice 5 issued by the BNM.

Notwithstanding subparagraph (b)(ii), payment in foreign currency is allowed for (a) a derivative denominated in foreign currency purchased by a licensed onshore bank for its own account (other than exchange rate derivative with reference to RM), (b) an interest rate swap denominated in foreign currency between a resident and Labuan banks to manage interest rate exposure arising from borrowing in foreign currency as set out in Part A of Notice 2 issued by the BNM or (c) a derivative denominated in foreign currency offered on a specified exchange stipulated under the Capital Markets and Services Act 2007 undertaken through a resident futures broker by a resident with firm commitment (other than exchange rate derivatives).

If the payment between a resident and a non-resident is for purposes otherwise than allowed above and in the Notices, a person is required to obtain express written consent of the BNM before proceeding with such payment.

33. TAXATION

The following is a discussion of certain material matters relating to Singapore income tax, capital gains tax, stamp duty, estate duty and goods and services tax consequences in relation to the purchase, ownership and disposal of the Shares based on the current tax laws in Singapore.

(a) Income tax

Individual income tax

An individual is regarded as a tax resident in Singapore in a year of assessment if, in the preceding calendar year, he was physically present in Singapore or exercised an employment in Singapore for 183 days or more, or if he ordinarily resides in Singapore.

Individual taxpayers who are Singapore tax residents are subject to Singapore income tax on income accrued in or derived from Singapore. All foreign-source income received (except for such income received through a partnership in Singapore) in Singapore by Singapore tax resident individuals is exempt from Singapore income tax if the IRAS is satisfied that the tax exemption would be beneficial to the individual.

Singapore tax-resident individuals are subject to tax based on progressive rates, currently ranging from 0% to 22.0%.

For Singapore tax purposes, non-resident individuals, subject to certain exceptions, are subject to Singapore income tax on income accrued in or derived from Singapore. They are generally subject to tax at 22.0% except for Singapore employment income which is subjected to tax at a flat rate of 15.0% or at the resident rate, whichever is higher.

Corporate income tax

A company is regarded as a tax resident in Singapore if the control and management of its business is exercised in Singapore. Normally, the control and management of a company is vested in its board of directors and hence a company is usually regarded as a tax resident of Singapore if its board of directors holds the majority of its board meetings in Singapore.

Corporate taxpayers are subject to Singapore income tax on income accrued in or derived from Singapore and foreign-source income received or deemed to be received in Singapore from outside Singapore (unless otherwise exempted). Foreign-source income in the form of dividends, branch profits and services income received or deemed to be received in Singapore by Singapore tax resident companies are exempt from tax if certain prescribed conditions are met.

The first S$300,000 of normal chargeable income is exempt from tax as follows:

(i) 75.0% of up to the first S$10,000; and

(ii) 50.0% of up to the next S$290,000.

The remaining chargeable income (after deducting the applicable tax exemption of the first S$300,000 of chargeable income) will be taxed at the prevailing corporate tax rate, currently at 17.0%.

For the years of assessment ("**YA**") 2013 to 2015, companies will be granted a 30.0% corporate tax rebate capped at S$30,000 for each YA. For YAs 2016 and 2017, companies will be granted a 50.0% corporate tax rebate is reduced to 20.0% of tax payable, capped at S$10,000.

(b) Dividend distributions

One-tier corporate taxation system

Singapore currently adopts the one-tier corporate taxation system ("**one-tier system**"). Under the one-tier system, the tax collected from corporate profits is a final tax and the after-tax profits of the company resident in Singapore can be distributed to its shareholders as tax exempt (one-tier) dividends. One-tier dividends are tax exempt in the hands of all shareholders, regardless of the tax residence status or the legal form of the shareholders.

Withholding taxes

Singapore does not currently impose withholding tax on dividends paid to resident or non-resident shareholders.

Foreign shareholders are advised to consult their own tax advisers to take into account the tax laws of their respective home countries/countries of residence and the applicability of any double taxation agreement which their country of residence may have with Singapore.

(c) Capital gains tax

There is currently no tax on capital gains in Singapore.

Gains derived from the disposal of the Shares that are acquired for long-term investment purposes are generally considered to be capital in nature and not subject to Singapore tax.

On the other hand, where the taxpayer is deemed by the IRAS to be carrying on a trade or business in Singapore of dealing in shares, the gains from the disposal of shares are likely to be regarded as revenue in nature and subject to Singapore income tax. Shareholders should consult their own professional advisers on the Singapore tax consequences that may apply to their individual circumstances.

Subject to certain conditions being met, with effect from 1 June 2012 to 31 May 2022 (both dates inclusive), gains derived from the disposal of ordinary shares by companies are automatically treated as non-taxable capital gains, if the divesting company holds a minimum shareholding of 20.0% of the ordinary shares in the company whose shares are being disposed for a continuous period of at least 24 months immediately prior to the date of the share disposal.

In addition, shareholders who adopt the tax treatment to be aligned with the International Financial Reporting Standard 39 Financial Instruments – Recognition and Measurement ("**IFRS 39**") may be taxed on fair value gains or losses (not being gains or losses in the nature of capital) even though no sale or disposal of the Shares

is made. Shareholders who may be subject to such tax treatment should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Shares.

Foreign sellers are advised to consult their own tax advisers to take into account the applicable tax laws of their respective home countries or countries of residence as well as the provisions of any applicable double taxation agreement.

(d) Bonus shares

Any bonus shares received by the Shareholders are not taxable.

(e) Stamp duty

No stamp duty is payable on the subscription and issuance of the Shares.

Where existing Shares evidenced in certificated form are acquired in Singapore, stamp duty is payable on the instrument of transfer of the Shares at the rate of 0.2% of the consideration for, or market value of the Shares, whichever is higher. The purchaser is liable for stamp duty, unless otherwise agreed.

No stamp duty is payable if no instrument of transfer is executed (such as in the case of scripless shares, the transfer of which does not require instruments of transfer to be executed) or if the instrument of transfer is relating to transfer of shares in a company incorporated outside Singapore (foreign company) and where the transfer document is lodged for registration in a share register kept outside Singapore. However, stamp duty may be payable if the instrument of transfer which is executed outside Singapore is subsequently received in Singapore.

Stamp duty is not applicable to electronic transfers of the Shares through the CDP system.

(f) Estate duty

Singapore estate duty has been abolished since 15 February 2008.

(g) Goods and services tax

The sale of the Shares by a GST-registered investor belonging in Singapore through a SGX-ST member or to another person belonging in Singapore is an exempt supply not subject to GST.

Any GST (for example, GST on brokerage) incurred by the GST-registered investor in connection with the making of this exempt supply will generally become an additional cost to the investor unless the investor satisfies certain conditions prescribed under the GST legislation or certain GST concessions.

Where the Shares are sold by a GST-registered investor to a person belonging outside Singapore (and who is outside Singapore at the time of supply), the sale is a zero-rated supply (i.e. subject to GST at 0%). Consequently, any GST (for example,

GST on brokerage) incurred by him in the making of this zero-rated supply for the purpose of his business will, subject to the provisions of the GST legislation, be recoverable as an input tax credit in his GST returns.

Investors should seek their own tax advice on the recoverability of GST incurred on expenses in connection with the purchase and sale of the Shares.

Services such as brokerage and handling services rendered by a GST-registered person to an investor belonging in Singapore in connection with the investor's purchase or sale of the Shares will be subject to GST at the prevailing rate (currently of 7.0%). Similar services rendered contractually to an investor belonging outside Singapore should qualify for zero-rating (i.e. subject to GST at 0%) provided that the investor is not physically present in Singapore at the time the services are performed and the services do not directly benefit a person who belongs in Singapore.

Shareholders, whether or not domiciled in Singapore, should consult their own tax advisers regarding the Singapore tax consequences of their acquisition, ownership and/or disposal of the Shares.

34. GOVERNMENT REGULATIONS

Save as disclosed below, as at the Latest Practicable Date, the Enlarged Group's business operations in Singapore and Malaysia are not subject to any special legislation or regulatory controls other than those generally applicable to companies and businesses incorporated and/or operating in Singapore and Malaysia, as the case may be.

The following is a summary of the main laws and regulations of Singapore and Malaysia that are relevant to the Enlarged Group's business as of the Latest Practicable Date.

Singapore

Administration of land in Singapore

The SLA is responsible for the management of State lands and buildings including the sale and leasing of State Land. Under the Government Land Sales programme, it may appoint various land sales agents for the sale and leasing of State Land to meet demand arising from economic growth. These agents include existing statutory boards such as the JTC, the URA and the Housing & Development Board.

Property Development and Management

The Enlarged Group is subject to the relevant laws and regulations of Singapore relating to property development and management of property projects. The URA is at statutory board and is Singapore's land use planning and conservation authority. It monitors and controls the use of land in Singapore. Under the Planning Act, all development projects require a written permission ("**WP**") from the URA and the WP will outline the specific requirements or conditions for each individual development, in accordance with Master Plan 2014. Master Plan 2014 is a statutory plan that charts Singapore's developments for the next 10-15 years (as of 2014), showing the allowable land uses and densities for developments in Singapore.

In addition to obtaining the WP from the URA, the Enlarged Group will also need to apply for clearance from the various technical departments such as the Fire Safety & Shelter Department of the Singapore Civil Defence Force, the Central Building Plan Unit (Pollution Control Department) of the National Environment Agency and relevant departments in the Land Transport Authority. It will subsequently have to obtain the Building Plan Approval from the BCA. The development project shall then be built according to the WP and approved building plan and an approval will have to be sought if there are any deviations from the WP and approved building plans. A material change in the use of any building or land in Singapore will also require written permission from the URA.

Designated conservation areas may be subject to guidelines for conservation of buildings or land

Under the Planning Act, the URA may identify buildings and areas for conservation based on their historical, architectural and cultural value. These areas include Clarke Quay, Emerald Hill and Chinatown, amongst others. If an area is designated as a conservation area, the URA may, from time to time, issue guidelines for the conservation of buildings or land within the conservation area, and for the protection of their settings.

Singapore Land System

Land in Singapore is divided into:

(i) land registered under the Registration of Deeds Act (Common Law System) which is also called "unregistered land"; and

(ii) land registered under the Land Titles Act (Land Titles registration System or Torrens System) which is also called "registered land".

Both these systems of land registration are under the purview of the SLA, the statutory board which maintains the Register of Deeds under the Registration of Deeds Act and Land Titles Register under the Land Titles Act. Transfer of land under the Common Law System is governed by legal and equitable rules developed by the common law to deal with questions of priorities of interests. Common law provides that legal title to land passes when a deed is signed, sealed and delivered by the owner of the land. Registration under the Common Law System is not required for the valid transfer of title. However, most deeds are registered as registration:

(i) confers priority according to the date of registration as between instruments which are registered or registrable; and

(ii) allows the deeds to be admissible in a court of law as evidence of title to land.

The Land Titles Registration System in Singapore is modelled after the Torrens system of Australia. Unlike the Common Law System, registration of dealings in land is compulsory under the Land Titles Act, as title to land is passed by registration. The SLA will issue a certificate of title to the owner of registered land, which will show, amongst others, the name of the owner (as the registered proprietor) and any encumbrances affecting the land. In the last 20 years or so, the SLA has systematically been converting unregistered land into registered land. The majority of land in Singapore is today registered land.

It is customary for a purchaser or other parties interested in a property to conduct title searches with the SLA to trace the chain of ownership and to check whether the property is encumbered.

For unregistered land, the Conveyancing and Law of Property Act, provides that for tracing of a good root of title, title must be deduced for at least 15 years prior to the date of tracing or the contract at hand.

For registered land, a search on the Land Titles Register can be relied upon because of the following main characteristics of the effects of registration under the Land Titles Act:

(i) Registration of a dealing in an interest in land is necessary for validity of the dealing.

(ii) Once the title is registered, it is indefeasible except by other interests as provided in the Land Titles Act itself. The State guarantees the title. This guarantee goes not only to the title of the land but also to the actual physical area under that title.

(iii) Where dealings cannot be registered, caveats may be filed to notify third parties of interests in the land. All that an intending purchaser need do under the Land Titles Registration System is to check the land register. He will be bound by the interests.

Land Tenure in Singapore

All land in Singapore is ultimately derived from the State. The State has the right to alienate land vested in it. There are different estates by which land may be held:

(i) Estate in fee simple (commonly called freehold estate);

(ii) Leasehold estate; and

(iii) Estate in perpetuity.

It is common for the State to issue State Leases. The President of the Republic of Singapore will grant to the lessee a leasehold estate for a fixed period of time, usually for a tenure of 30, 60 or 99 years. The State Lease contains various conditions and covenants, which the lessee is obliged to comply with. Common conditions and covenants include the payment of a land rent, the prohibition against subletting and assigning without consent of the President and various restrictions on the use of land. The lessor is entitled to exercise the right of re-entry if the lessee breaches or fails to perform any of the terms of the State Lease.

Strata Subdivision

Where a property comprises a building developed on registered land, the units in the building can be subdivided and separate "strata title" may be allocated to the units under the Land Titles (Strata) Act. Pursuant to the Land Titles (Strata) Act, a person can be the owner of a unit in the building. This is achieved by way of delineating areas of airspace in the building called "strata lots" pursuant to "strata title plans" approved by the Survey Department of the Ministry of Law.

Separate subsidiary strata certificates of title in respect of the units in the building can be applied for and obtained from the SLA. The subsidiary strata certificates of title are then held by the owners or subsidiary proprietors of the units. Apart from the units in the building, the strata title plans will also show various parts of the building and the land on which the building is constructed which do not form part of the strata lots (*e.g.* the common corridors, the lifts and the car parks) but which are used generally by all the owners of the units. These areas are called the "common property." Statutes such as the Land Titles (Strata) Act and the Building Maintenance and Strata Management Act provide for duties of maintenance of the common property by a body corporate called a "management corporation." This is a body constituted under the provisions of the Land Titles (Strata) Act and is collectively made up of all the registered subsidiary proprietors/owners of the units in a building. The Building Maintenance and Strata Management Act sets out rules that govern the management of the properties and building maintenance. Under the Building Maintenance and Strata Management Act, the owner or subsidiary proprietor has to pay maintenance charges on a periodic basis towards maintenance of common property in the building.

State's Rights over Land

In Singapore, pursuant to various statutes including the Land Acquisition Act, the State may compulsorily acquire land whenever any particular land is needed for any public purpose, by any person, corporation or statutory board, for any work or an undertaking which, in the opinion of the Minister of Law, is of public benefit, public utility, or in the public interest; or for any residential, commercial or industrial purpose. However, compensation is payable upon the acquisition of such land. The compensation awarded pursuant to compulsory acquisition would be based on, amongst other considerations:

(i) the market value of the acquired land as at the date of the publication in the Government Gazette of the notification of the likely acquisition of the land (provided that within six months from the date of publication, a declaration of intention to acquire the said land is made by publication in the Government Gazette); and

(ii) the market value of the acquired land as at the date of the publication in the Government Gazette of the declaration of intention to acquire the land.

Tenancies

The relationship between landlord and tenant is governed by common law. The tenant must be given exclusive possession for a definite period and the parties must intend to create a tenancy. For there to be a concluded agreement for a lease, parties must agree on (i) the premises to be leased, (ii) the identity of the landlord and the tenant, (iii) the commencement and duration of the term and (iv) the rent and other consideration (if any).

In respect of unregistered land, a lease for a period of over seven years must be made by deed in the English language. For a lease of seven years and below of unregistered land, a legal tenancy will be created by an intention to create a lease, accompanied by entry into possession. For registered land, a lease of over seven years should be in the prescribed form and registered, while leases of seven years and under will bind the title of the registered proprietor without registration or notification.

Subject to express provisions of the tenancy, the landlord is generally obliged to afford the tenant quiet enjoyment of the premises during the term of the tenancy while the tenant is obliged to pay rent and use the leased premises in a tenant-like manner and to yield up the premises at the end of the term to the landlord in a tenantable state and condition.

Commercial and Industrial Properties are subject to various taxes

Commercial and industrial properties are subject to GST upon buying, selling, and leasing of such properties. Commercial and industrial properties in Singapore are also subject to stamp duties and property taxes. Industrial and commercial property-owners have to pay an annual property tax of 10.0% of their annual value. A property's annual value is the estimated gross annual rent of the property if it were to be rented out, excluding furniture, furnishings and maintenance fees. It is determined based on estimated market rentals of similar or comparable properties.

The rate of stamp duty payable on the purchase of a property ranges from 1.0% to 3.0% based on the purchase price or market value of the property (whichever is higher). In 2013, the Singapore government introduced a stamp duty on the purchase of industrial property which is levied on the seller of the property. The rate of stamp duty payable by the seller of the industrial property depends on the holding period of the property, which refers to the duration of time between the purchase of the property and the subsequent sale of the property. The stamp duty payable is calculated based on the actual price or market value (whichever is higher) of the property and is at the rates set out below:

(i) holding period of 1 year: 15.0% of price or market value, whichever is higher;

(ii) holding period of 2 years: 10.0% of price or market value, whichever is higher; and

(iii) holding period of 3 years: 5.0% of price or market value, whichever is higher.

Industrial Properties are subject to maximum allowable subletting requirements

JTC is a statutory board and the lead agency in Singapore for industrial property leasing and tenancy agreements. Industrial properties in Singapore are subject to its regulations. In 2013, JTC decreased the maximum allowable GFA for subletting after a 5-year period from 50.0% to 30.0%.

Malaysia

The property development sector in Malaysia is governed on three (3) levels – the federal government, the state government and the local government. The federal government issues legislation governing property development activities such as environmental protection and issuance of developer's licences, whereas the state governments have sole jurisdiction over land issues, covering issuance of land titles, conversions of land usage and subdivision of land in their respective states. The local government approves building plans and oversees matters pertaining to administrations and maintenance, namely building inspection, and provision of maintenance services for infrastructure such as roads, pedestrian walkways, street lighting and refuse disposal. The property development activities in Malaysia are governed by, amongst others, the following legislation:

- Land Acquisition Act 1960

- Land Conservation Act 1960
- Malay Reservation Enactments
- National Land Code 1965
- Strata Titles Act 1985
- Street, Draining and Building Act 1974
- Town and Country Planning Act 1976
- Uniform Building by-laws 1984

The following is a non-exhaustive illustration of the laws and regulations governing and affecting the property development sector in Malaysia:

Uniform By-Laws of the Street, Drainage and Building Act 1974

The Uniform By-Laws of the Street, Drainage and Building Act 1974 makes it mandatory for a Certificate of Completion and Compliance ("**CCC**") to be obtained upon successful completion of a project. The CCC certifies that the building is fit for occupation and is issued by a professional who is registered with the respective professional body in Malaysia, which may be the engineer, architect or draftsman involved in the project. The CCC replaced the Certificate of Fitness for Occupation scheme in 2007 where previously the issuing body was the local government and not the private sector.

Real property gains tax

RPGT is charged on gains arising from the disposal of real property in Malaysia. The charge is also applicable to interest, options or other rights over such properties, as well as disposal of shares in real estate companies. Gains from the chargeable activities are taxed up to 30.0%, depending on the holding period of the properties.

Stamp duty

In addition, property purchases are liable to a stamp duty of up to 3.0%. Valuation of the stamp duty is charged on the instrument of transfer, where the rates of the stamp duty are as follows:

(a) 1.0% for the first RM100,000;

(b) 2.0% for the next amount in excess of RM100,000 but not more than RM500,000;

(c) 3.0% for the next amount in excess of RM500,000

In the recent Malaysian Budget 2017 announcement, it is proposed by the Malaysian government that the rate of stamp duty for property purchases on the amount in excess of RM1,000,000 is to be increased to 4.0%.

Restriction on foreign ownership

The Malaysia government has imposed a minimum price for properties that can be purchased by foreigners. In the Malaysia's Budget 2014, which was unveiled in October 2013, such minimum price was increased from RM0.5 million to RM1.0 million.

In relation to the state of Johor, the Johor Land and Mineral Office issued a circular dated 18 February 2014 which became effective on 1 May 2014, stating the minimum price for properties that can be purchased by foreigners is RM1.0 million.

Property vendors may, on a case by case basis, apply for a waiver from the Johor Land and Mineral Office to lower the minimum price for properties that can be purchased by foreigners.

Town and Country Planning Act 1976

Under the Town and Country Planning Act 1976, no person, other than a local authority, shall commence, undertake, or carry out any building, engineering, mining, industrial, or other similar operation in, on, over or under land, the making of any material change in the use of any land or building or any part thereof, or the sub-division or amalgamation of land unless planning permission has been granted.

National Land Code 1965

The conversion and sub-division of land in West Malaysia is subject to approval of the state authority under the National Land Code. Further, there is a restriction on any disposal of or acquisition by, a non-Malaysian entity of land in West Malaysia unless the prior approval of the relevant state authority in which the land is situated has been obtained.

In general, the following persons are regarded as non-Malaysian entities under the National Land Code:

(a) a natural person who is not a citizen of Malaysia ("**Non-Malaysian**");

(b) a company, society, association or other body corporate incorporated outside Malaysia or an unincorporated society, association or other body which under the law of its place of origin may be sued or be sued, or hold property in the name of the secretary or other officer of the body or association duly appointed for that purpose, and which does not have its head office or principal place of business in Malaysia (each a "**Foreign Company**");

(c) a Malaysian incorporated company with 50.0% or more of its voting shares being held by a Non-Malaysian or by a Foreign Company, or both (known as "**Foreign Controlled Local Company**") at the time of the proposed acquisition of any land or any interest in land or at the time of the execution of the instrument or deed in respect of any alienated land or any interest therein, as the case may be;

(d) a Malaysian incorporated company with 50.0% or more of its voting shares being held by a Foreign Controlled Local Company, or by a Foreign Controlled Local Company together with a Non-Malaysian or a Foreign Company, at the time of the

proposed acquisition of any land or any interest in land or at the time of the execution of the instrument or deed in respect of any alienated land or any interest therein, as the case may be.

Under the Guideline on the Acquisition of Properties issued by the Economic Planning Unit of the Prime Minister's Department, foreign interest means any interest, associated group of interests or parties acting in concert which comprises:

(a) an individual who is not a Malaysian citizen; and/or

(b) an individual who is a permanent resident; and/or

(c) a foreign company or institution; and/or

(d) a local company or local institution whereby the parties as stated in item (a) and/or (b) and/or (c) hold more than 50.0% of the voting rights in that local company or local institution.

Property acquisition (except for residential units) which falls under the following thresholds requires the approval of the Economic Planning Unit of the Prime Minister's Department:

(a) a direct acquisition of property valued at RM20.0 million and above, resulting in the dilution in the ownership of property held by Bumiputera interest and/or government agency; and

(b) an indirect acquisition of property by other than Bumiputera interest through acquisition of shares, resulting in a change of control of the company owned by Bumiputera interest and/or government agency, having property more than 50.0% of its total assets, and the said property is valued at more than RM20.0 million.

Conditions for the acquisition of property as described in (a) and (b) above are subject to equity and paid-up conditions and incorporation condition as follows:

(a) Equity condition

Applicant companies are to have at least 30.0% Bumiputera interest shareholdings;

(b) Paid-up capital

(i) A local company owned by local interest is to have at least RM100,000 paid-up capital;

(ii) A local company owned by foreign interest is to have at least RM250,000 paid-up capital; and

(c) The property must be registered under a locally incorporated company.

Foreign interest is not allowed to acquire:

(a) Properties valued less than RM1.0 million per unit;

(b) Residential units under the category of low and low-medium cost as determined by the State Authority;

(c) Properties built on Malay reserved land; and

(d) Properties allocated to Bumiputera interest in any property development project as determined by the State Authority.

Environmental Quality Act 1974

A licence from the Director General of Environmental Quality is required for any activity which involves the discharge of environmentally hazardous substances, pollutants or wastes which is hazardous or potentially hazardous to public health, or to animals, birds, wildlife, fish or aquatic life, or to plants. Real estate developments may have to undergo an environmental impact assessment prior to approval and implementation of the development.

Activities subject to the environmental impact assessment are agriculture, airport, drainage and irrigation, land reclamation, fisheries, forestry, housing, industry, infrastructure, ports, mining, petroleum, power generation and transmission, quarries, railways, transportation, resort and recreational development, waste treatment and disposal and water supply.

35. NO MATERIAL EFFECT ON FINANCIAL POSITION

Save as disclosed in Section 18 titled "Risk Factors", Section 23 titled "Management's Discussion And Analysis Of Results Of Operations And Financial Position Of The Enlarged Group", and Section 34 titled "Government Regulations" of this Circular, the Existing Directors and the Proposed Directors are not aware of any event which has occurred since 1 January 2017 and up to the Latest Practicable Date, which may have a material effect on the financial position and results of the Enlarged Group.

36. ADVICE OF THE INDEPENDENT FINANCIAL ADVISER

Pursuant to the conditions imposed by the SIC, the Existing Directors have appointed ZICO Capital Pte. Ltd. as the IFA to advise (i) the Existing Directors who are considered independent of the Proposed Whitewash Resolution, on the Proposed Whitewash Resolution; and (ii) the Existing Directors who are considered independent of the Proposed DL Repayment, on the Proposed DL Repayment.

The letter from the IFA for the Proposed Whitewash Resolution and the Proposed DL Repayment containing its advice in full, is set out in Appendix A to this Circular, and Shareholders' attention is drawn to it.

Based on the considerations set out in the IFA Letter, the IFA is of the opinion as at the date of its letter that:

(i) on balance, the terms of the CT8 Acquisition and WBH Acquisition, and the proposed issuance of up to 300,000,000 Repayment Shares to Ng Chee Beng, being the subjects of the Proposed Whitewash Resolution are fair and reasonable and the Proposed Whitewash Resolution is not prejudicial to the

interests of the Independent Shareholders. Accordingly, the IFA advises the Existing Directors to recommend to Independent Shareholders to vote in favour of the Proposed Whitewash Resolution; and

(ii) the Proposed DL Repayment is on normal commercial terms and not prejudicial to the interests of the Company and Independent Shareholders.

37. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

37.1 Interest of Directors and Substantial Shareholders in the Shares

As at the Latest Practicable Date, the interests of the Existing Directors and Substantial Shareholders of the Company in the issued and paid-up share capital of the Company as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders maintained pursuant to Sections 164 and 88, respectively, of the Companies Act are as follows:

	Direct Interest		Deemed interest	
	Number of Shares	%	Number of Shares	%
Directors				
Cai Jianhua[(1)]	90,900,590	25.3	–	–
Daniel Long[(2)]	–	–	–	–
Zhu Xuecheng[(3)]	–	–	16,666,666	4.6
Teo Moh Gin	–	–	–	–
Alan Cheong	–	–	–	–
Aloysius Wee	–	–	–	–
Substantial Shareholders				
EIGL[(2)]	88,880,000	24.7	–	–
GKG Investment Holdings Pte Ltd[(4)]	–	–	88,880,000	24.7
Goh Geok Khim[(4)]	–	–	88,880,000	24.7
Goh Yew Lin[(4)]	–	–	88,880,000	24.7
Jinchen Investment Holdings Pte. Ltd.[(5)]	70,880,000	19.7	–	–
Cheng De You[(5)]	–	–	70,880,000	19.7

Notes:

(1) 23,540,589 Shares are held under nominee's account with Maybank Kim Eng Securities Pte Ltd.

(2) 50,000,000 Shares are held under nominee's account with Phillip Securities Pte Ltd.

Providence SOGF Limited has a direct interest in approximately 17.9% of the issued and paid-up capital of EIGL (which comprises ordinary and preference shares) but it is not deemed interested in the Shares held by EIGL by virtue of Section 7 of the Companies Act and Section 4 of the SFA.

Daniel Long is a director of Providence SOGF Limited and he owns approximately 8.2% of the issued ordinary shares and 7.7% of the issued preference shares in the issued and paid-up capital of Providence SOGF Limited.

Makmal Capital Sdn. Bhd owns approximately 4.1% of the issued ordinary shares and 4.1% of the issued preference shares in the issued and paid-up capital of Providence SOGF Limited.

Ng Chee Beng owns approximately 2.9% of the issued ordinary shares and 3.0% of the issued preference shares in the issued and paid-up capital of Providence SOGF Limited.

As Providence SOGF Limited is not deemed interested in the Shares held by EIGL by virtue of Section 7 of the Companies Act and Section 4 of the SFA, none of Daniel Long, Makmal Capital Sdn. Bhd or Ng Chee Beng are deemed to be interested in the Shares held by EIGL through their shareholdings in Providence SOGF Limited.

(3) Zhu Xuechang has a direct interest in 55.0% of the issued share capital of China Hui Xin Investment Management Ltd. Accordingly, he is deemed interested in all the Shares held by China Hui Xin Investment Management Ltd. by virtue of Section 7 of the Companies Act and Section 4 of the SFA. The remaining shareholders of China Hui Xin Investment Management Ltd. are Xu Zhen, Cao Hui and Bin Xiao Min, who are the existing executive officers of the Company and each hold 15.0% of the issued share capital of China Hui Xin Investment Management Ltd.

(4) GKG Investment Holdings Pte Ltd, Goh Geok Khim and Goh Yew Lin are deemed to be interested in all the Shares held by EIGL by virtue of Section 7 of the Companies Act and Section 4 of the SFA.

(5) Cheng De You is deemed to be interested in all the Shares held by Jinchen Investment Holdings Pte. Ltd. by virtue of Section 7 of the Companies Act and Section 4 of the SFA.

37.2 Interests of Directors and Substantial Shareholders of the Company in the Proposed Transactions

Save as disclosed above, none of the Existing Directors, and as far as the Existing Directors are aware, save as disclosed in Section 28 titled "Interested Persons Transactions and Potential Conflicts of Interest" of this Circular, none of the Proposed Directors, Substantial Shareholders of the Company and Substantial Shareholders of the Company following Completion, has any interest, whether direct or indirect, in the Proposed Transactions.

38. INTERESTS OF EXPERTS AND FINANCIAL ADVISER

No experts and Financial Adviser named in this Circular is employed on a contingent basis by the Target Companies, or save for the Financial Advisers' Shares to be allotted and issued to the Financial Adviser, has a material interest, whether direct or indirect, in the shares of the Target Companies, or has a material economic interest, whether direct or indirect, in the Target Companies, including an interest in the Proposed Transactions.

39. DIRECTORS' RECOMMENDATIONS

Having considered and reviewed, amongst other things, the terms of the WBH SPA and CT8 SPA, the rationale for the Proposed Transactions, the risk factors and other investment considerations, and all other relevant facts set out in this Circular, the Existing Directors, save for Daniel Long who has abstained from making any recommendation in respect of the Proposed Repayment (including the allotment and issue of Repayment Shares to the Financing Parties), are of the opinion that the Proposed Transactions are not prejudicial to the Shareholders and in the best interest of the Company, and accordingly, they recommend that Shareholders vote in favour of all of the resolutions in relation to the Proposed Transactions as set out in the Notice of EGM dated 15 November 2017 contained in this Circular.

Daniel Long will also abstain, and has undertaken to ensure that his Associates, including PCM, will abstain, from voting on the Proposed Repayment (including the allotment and issue of Repayment Shares), and will not accept appointments as proxy in relation to the resolution unless specific voting instructions have been given by the Shareholders.

40. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-6 of this Circular, will be held at 114 Lavender Street #18-01, Singapore 338729 on 15 December 2017 at 10.30 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the ordinary and special resolutions set out in the notice of EGM.

41. ACTION TO BE TAKEN BY SHAREHOLDERS

A Shareholder who is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf should complete, sign and return the Proxy Form enclosed with this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to reach 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 EGM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM in place of his proxy should he subsequently wish to do so.

Depositors with Shares credited to their Securities Accounts who wish to attend and vote at the EGM or appoint a proxy, must complete, sign and return the relevant Proxy Form in accordance with the instructions printed thereon as soon as possible and in any event, so as to reach 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 set for the EGM. A depositor with Shares credited to his Securities Account shall not be titled to attend the EGM and to speak and vote thereat or appoint a proxy unless his name appears on the Depository Register maintained by CDP at least 48 hours before the time set for the EGM.

42. RESPONSIBILITY STATEMENTS

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

Ng Chee Beng accepts full responsibility for the accuracy of the information given in respect of the Target Companies and the Proposed Acquisitions in this Circular, and confirms that after making all reasonable enquiries, to the best of his knowledge and

belief, this Circular constitutes full and true disclosure of all material facts about the Target Companies and the Proposed Acquisitions and he is not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, his sole responsibility has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

43. FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT

To the best of the Financial Adviser's knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transactions, the Company and the Target Companies, and the Financial Adviser is not aware of any facts the omission of which would make any statement in this Circular misleading.

44. CONSENTS

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all references thereto and Appendix A in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

The Independent Valuer (Kempas Land) has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all references thereto and Appendix B in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

The Independent Valuer (Target Companies) has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all references thereto and Appendix C in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

The Property Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all references thereto and Appendix D in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

The Independent Valuer (PRC Subsidiaries) has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all references thereto and Appendix E in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

The Independent Auditor to the Company and Reporting Accountant to the Enlarged Group have given and have not withdrawn their written consent to the issue of this Circular with the inclusion herein of its name and all references thereto and Appendix I, Appendix J, Appendix K, Appendix L and Appendix M in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

The Financial Adviser has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all references thereto in the forms and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

The Legal Adviser to the Company as to Singapore law, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

Tay & Partners, the Legal Adviser to the Company as to Malaysian law, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

Save for the statement attributed to Tay & Partners in Section 18.1 titled "Risk Factors – Risks relating to the Enlarged Group, its business and industry – The Enlarged Group's results of operations may be adversely affected by failure or delay in obtaining or renewing governmental approvals for its projects", Tay & Partners does not make, or purport to make, any statement in this Circular or any statement upon which a statement in this Circular is based and make no representation express or implied regarding, and to the maximum extent permitted by law expressly disclaim and take no responsibility for, any statements, information or opinion in or any omission from this Circular.

Each of the Legal Adviser to the Company as to Singapore law, the Principal Banker to the Target Companies and the Share Registrar does not make, or purport to make, any statement in this Circular or any statement upon which a statement in this Circular is based and make no representation express or implied regarding, and to the maximum extent permitted by law expressly disclaim and take no responsibility for, any statements, information or opinion in or any omission from this Circular.

45. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company, at 10 Collyer Quay, #27-00 Ocean Financial Centre, Singapore 049315, during normal business hours for a period of six (6) months from the date of this Circular:

(a) the Constitution of the Company;

(b) the Constitution of WBH;

(c) the Constitution of CT8;

(d) the WBH SPA, as amended and supplemented by supplemental agreement dated 13 June 2016 and the supplemental amendment letters dated 22 September 2016, 25 April 2017, 24 July 2017 and 1 October 2017;

(e) the CT8 SPAs, as amended and supplemented by supplemental amendment letters dated 22 September 2016, 25 April 2017 and 24 July 2017;

(f) the Kempas Agreement;

(g) the service agreement entered into between the Company and Daniel Long;

(h) the IFA Letter as set out in Appendix A of this Circular;

(i) the Kempas Land Valuation Letter set out in Appendix B of this Circular;

(j) the Target Companies Independent Valuation Letter set out in Appendix C of this Circular;

(k) the Property Valuation Letter set out in Appendix D of this Circular and the full property valuation letter on the OCW Units dated 28 September 2017;

(l) the Property Valuation Letter set out in Appendix D of this Circular and the full property valuation letter on the unsold units in Tagore 8 dated 28 September 2017;

(m) the Independent Valuation Letter in respect of the PRC Subsidiaries set out in Appendix E of this Circular;

(n) the "Independent Auditor's Report on the Audited Financial Statements of WBH Investments Pte. Ltd. for the Financial Years ended 31 December 2014, 2015 and 2016" set out in Appendix I of this Circular;

(o) the "Independent Auditor's Report on the Audited Financial Statements of Chiu Teng 8 Pte. Ltd. for the Financial Years ended 31 December 2014, 2015 and 2016" set out in Appendix J of this Circular;

(p) the "Independent Auditor's Review Report on the Interim Financial Statements of WBH Investments Pte. Ltd. for the Six-month Period ended 30 June 2017" set out in Appendix K of this Circular;

(q) the "Independent Auditor's Review Report on the Interim Financial Statements of Chiu Teng 8 Pte. Ltd. for the Six-month Period ended 30 June 2017" set out in Appendix L of this Circular;

(r) the "Report on Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group for the Financial Years Ended 31 December 2014, 2015 and 2016 and the Six-month Period ended 30 June 2017" set out in Appendix M of this Circular,

(s) the material contracts set out in Section 30 titled "Material Contracts" of this Circular; and

(t) the consents set out in Section 44 titled "Consents" of this Circular.

46. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this Circular.

Yours faithfully
and on behalf of the Board of Directors of
Changjiang Fertilizer Holdings Limited

Daniel Long
Director

15 November 2017

CHANGJIANG FERTILIZER HOLDINGS LIMITED
10 Collyer Quay
#27-00 Ocean Financial Centre
Singapore 049315

Attention: The WR Independent Directors and IPT Independent Directors (as defined herein)

(I) THE PROPOSED WHITEWASH RESOLUTION FOR THE WAIVER BY INDEPENDENT SHAREHOLDERS OF THEIR RIGHT TO RECEIVE A MANDATORY GENERAL OFFER FROM THE OBLIGED PARTIES FOR ALL THE SHARES IN ISSUE WHICH ARE NOT ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY THE OBLIGED PARTIES ON COMPLETION; AND

(II) THE PROPOSED REPAYMENT OF AMOUNTS OWING TO DANIEL LONG, AS AN INTERESTED PERSON TRANSACTION.

*Unless otherwise defined or the context otherwise requires, all terms used in this letter ("**IFA Letter**") shall have the same meanings as defined in the circular to shareholders of the Company ("**Shareholders**") dated 15 November 2017 (the "**Circular**").*

1. INTRODUCTION

1.1 On 14 April 2015, the Company announced that with effect from 14 April 2015, it had been classified as a cash company pursuant to Rule 1018 of the Listing Manual. Consequently, the trading of the Company's securities on the SGX-ST was suspended with effect from 17 April 2015 until it has a business which is able to satisfy the SGX-ST's requirements for a new listing.

1.2 The Company has entered into a sale and purchase agreement with Wu Meng (吴檬), the successful bidder ("**Bidder**") at the public auction which closed on 9 October 2017, to sell its entire interest in the PRC Subsidiaries (as defined in the Circular) which are currently dormant, for RMB1.00 ("**Proposed Disposal**"). The Bidder is not related to any of the Company's directors or controlling shareholders or new directors or new controlling shareholders after completion of the Proposed Transactions.

1.3 The Company has entered into the following agreements in connection with the Proposed Acquisitions:

(a) the conditional sale and purchase agreement dated 11 April 2016 (as amended and supplemented) ("**WBH SPA**"), with Chiu Teng Enterprises Pte. Ltd. ("**CTE**") and Wang & Lee Investments Pte. Ltd. ("**WLI**") (collectively, the "**WBH Vendors**"), pursuant to which the Company has agreed to purchase 100,000 ordinary shares in the share capital of WBH Investments Pte. Ltd. ("**WBH**"), representing the entire issued and paid-up share capital of WBH ("**WBH Sale Shares**"), for a sum of S$7,047,806.03 ("**WBH Consideration**");

(b) the conditional sale and purchase agreements dated 13 June 2016 and 24 July 2017 ("**CT8 SPAs**"), with CTE and CTE Resources Pte. Ltd. ("**CTE Resources**") (collectively, the "**CT8 Vendors**"), pursuant to which the Company has agreed to

purchase 1,000,000 ordinary shares in the share capital of Chiu Teng 8 Pte. Ltd. ("**CT8**"), representing the entire issued and paid-up share capital of CT8 ("**CT8 Sale Shares**"), for a sum of S$17,420,791 ("**CT8 Consideration**"); and

(c) through its wholly-owned subsidiary, Tree Top Realty Sdn. Bhd. ("**Tree Top Realty**"), the agreement dated 1 October 2017 ("**Kempas Agreement**") with Regal Sapphire Sdn Bhd ("**Kempas Vendor**") and Ruben Emir Gnanalingam Bin Abdullah and Shaline Gnanalingam, pursuant to which Tree Top Realty has agreed to purchase the Kempas Land for a total consideration of RM12,000,000 from the Kempas Vendor (the "**Kempas Acquisition**").

WBH and CT8 are collectively known as the "**Target Companies**". The acquisitions of the WBH Sale Shares and CT8 Sale Shares shall hereinafter be collectively known as the "**Proposed Acquisitions of Target Companies**".

1.4 The Company has obtained a third extension from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 12 May 2017, to complete the Proposed Transactions (which include the Proposed Acquisitions of Target Companies) by 31 December 2017 in order to comply with Rule 1018(2) of the Listing Manual (the "**Listing Manual**").

1.5 As at the Latest Practicable Date, the Company owes an aggregate amount of S$1,500,000 which was advanced by Ng Chee Beng on an interest-free basis for the purposes of payment of operating and other expenses that have to be incurred prior to the Completion Date. Ng Chee Beng is a director of the Target Companies.

The Company proposes to repay the outstanding amount owing to Ng Chee Beng by the allotment and issuance of up to 300,000,000 new shares on a pre-consolidated basis ("**Pre-Consolidation Shares**") ("**NCB Repayment Shares**") to him at an issue price of S$0.005 per Pre-Consolidation Share ("**NCB Repayment Issue Price**") on completion of the Proposed Acquisitions of Target Companies ("**Completion**") (the "**Proposed NCB Repayment**"). The NCB Repayment Shares represent 10.9% of the enlarged issued and paid-up share capital of the Company after the Proposed Share Issue, the Proposed Share Consolidation, and assuming that all of the NCB Repayment Shares and the DL Repayment Shares (as defined herein) as well as the Professional Advisers' Shares are allotted and issued ("**Enlarged Share Capital**").

1.6 An application has been made to the Securities Industry Council ("**SIC**") and the SIC has granted CTE and Ng Chee Beng ("**Obliged Parties**") a waiver of the requirement to make a mandatory general offer for the ordinary shares in the capital of the Company ("**Shares**") in issue which are not already owned or controlled by the Obliged Parties and the parties acting in concert with them ("**Concert Parties Group**"). The waiver is subject to various conditions including, amongst others, the appointment of an independent financial advisor ("**IFA**") to advise Shareholders who are not involved in, or interested in, the Proposed Acquisitions of Target Companies and the Proposed NCB Repayment ("**WR Independent Shareholders**") for the purpose of the resolution proposed as ordinary resolution 5 in the notice of EGM which, if passed by the WR Independent Shareholders, would result in a waiver by the WR Independent Shareholders of their rights to receive a mandatory general offer from the Obliged Parties for all the Shares not already owned, controlled or agreed to be acquired by the Concert Parties Group ("**Proposed Whitewash Resolution**").

1.7 As at the Latest Practicable Date, the Company owes an aggregate amount of S$500,000, comprising (i) an amount of S$311,575 which was advanced by Daniel Long on an interest-free basis from April 2015 and up to the Latest Practicable Date for the purposes of payment of operating and other expenses that have to be incurred prior to the Completion Date; and (ii) a sum of S$188,425, being unpaid directors' fees owed to him in respect of FY2015 and up to the Latest Practicable Date. Daniel Long is the current Acting CEO and Executive Director of the Company.

The Company proposes to repay S$500,000 of the aggregate amount owing to Daniel Long by the allotment and issuance of up to 100,000,000 Pre-Consolidation Shares ("**DL Repayment Shares**") to him at an issue price of S$0.005 per Pre-Consolidation Share ("**DL Repayment Issue Price**") on Completion (the "**Proposed DL Repayment**"). The DL Repayment Shares represent 3.6% of the Enlarged Share Capital.

Pursuant to Chapter 9 of the Listing Manual, Daniel Long is deemed as an interested person ("**Interested Person**") and accordingly, the Proposed DL Repayment constitutes an interested person transaction which is subject to approval by Shareholders who are not involved in, or interested in, the Proposed DL Repayment ("**IPT Independent Shareholders**").

1.8 ZICO Capital Pte. Ltd. ("**ZICO Capital**") has been appointed by the Company as the IFA to advise the directors of the Company who are considered independent in respect of (a) the Proposed Whitewash Resolution; and (b) the Proposed DL Repayment, respectively, for the purpose of making their recommendations to the relevant Independent Shareholders.

ZICO Capital has confirmed with the Board and the management of the Company that the directors who are independent in respect of the Proposed Whitewash Resolution ("**WR Independent Directors**") are Cai Jianhua, Daniel Long, Zhu Xuecheng, Teo Moh Gin, Aloysius Wee Meng Seng and Alan Cheong Mun Cheong while the directors who are independent in respect of the Proposed DL Repayment ("**IPT Independent Directors**") are Cai Jianhua, Zhu XueCheng, Teo Moh Gin, Aloysius Wee Meng Seng and Alan Cheong Mun Cheong. The WR Independent Shareholders and the IPT Independent Shareholders would comprise all Shareholders.

This IFA letter ("**IFA Letter**") is addressed to (i) the WR Independent Directors, to provide an opinion on whether the terms of the Proposed Acquisitions of Target Companies, being the subject of the Proposed Whitewash Resolution, are fair and reasonable, and not prejudicial to the interests of the WR Independent Shareholders; and (ii) the IPT Independent Directors, to provide an opinion on whether Proposed DL Repayment is on normal commercial terms and is not prejudicial to the interests of the Company and the IPT Independent Shareholders. This IFA Letter forms part of the Circular to be despatched to Shareholders in relation to the Proposed Whitewash Resolution and Proposed DL Repayment.

2. TERMS OF REFERENCE

ZICO Capital has been appointed as the IFA to advise the WR Independent Directors and IPT Independent Directors in respect of the Proposed Whitewash Resolution and Proposed DL Repayment respectively.

Our terms of reference do not require us to evaluate or comment on the rationale for, legal and commercial risks and/or merits (if any) of, the Proposed Whitewash Resolution and/or the Proposed DL Repayment, and we have not made such evaluations or comments. Such evaluations or comments shall remain the sole responsibility of the directors ("**Directors**") and the management (the "**Management**") of the Company although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our recommendation as set out in this IFA Letter.

We were not involved in or responsible for, any aspect of the negotiations pertaining to the Proposed Whitewash Resolution and/or the Proposed DL Repayment, nor were we involved in the deliberations leading up to the decision on the part of the Directors to propose the Proposed Whitewash Resolution and/or the Proposed DL Repayment. We do not, by this IFA Letter, warrant the merits of the Proposed Whitewash Resolution and/or the Proposed DL Repayment, other than to express an opinion on (i) whether the terms of the Proposed Acquisitions of Target Companies and the Proposed NCB Repayment, being the subjects of the Proposed Whitewash Resolution, are fair and reasonable, and are not prejudicial to the interest of the WR Independent Shareholders; and (ii) whether the Proposed DL Repayment is on normal commercial terms and is not prejudicial to the interests of the Company and the IPT Independent Shareholders. We also do not, by this IFA Letter, opine on whether (i) the Proposed Acquisitions of Target Companies meet the SGX-ST's requirements for a new listing; or (ii) the potential conflicts of interest arising from the Proposed Acquisitions of Target Companies have been adequately resolved or mitigated; or (iii) the management team of the enlarged Group has the requisite expertise and experience to manage the businesses of the Company, Tree Top Realty and the Target Companies immediately following the Completion ("**Enlarged Group**") upon Completion.

In the course of our evaluation of the terms of the Proposed Whitewash Resolution and the Proposed DL Repayment, we have held discussions with the Directors and the Management. We have also examined publicly available information as well as information, both written and verbal, provided to us by the Directors and the Management, including information contained in the Circular. We have relied on, and assumed without independent verification, the accuracy and completeness of such information, whether written or verbal, and accordingly cannot and do not make any warranty or representation, express or implied, in respect of, and do not accept any responsibility for the accuracy, completeness or adequacy of, such information or representations. In particular, we wish to highlight that the Company's auditors, Nexia TS Public Accounting Corporation ("**Nexia**"), had issued a disclaimer of opinion ("**Disclaimer of Opinion**") in respect of the Group's (comprising the Company and the PRC Subsidiaries) financial statements for the financial year ended 31 December 2016. We also wish to highlight that we do not express an opinion on when or whether the Enlarged Group would achieve an unqualified opinion on its audited financial statements following Completion.

We do not express an opinion on the effect on the net liability ("**NL**") or net tangible liability ("**NTL**") positions of the Group should the Proposed Disposal materialise. The materialisation of the Proposed Disposal may or may not, in certain circumstances, result in greater liabilities than assets of the PRC Subsidiaries being removed from the Group.

Accordingly, when these are excluded from Group consolidation, they could lead to a reduction in net liability for the Group. We also do not opine on the Enlarged Group's ability in obtaining financial resources to undertake the business of property development and property investment.

We have relied upon the assurances from the Directors and the Management (including those who may have delegated detailed supervision of the Circular), who have accepted full responsibility for the accuracy and completeness of the information provided to us, that, to the best of their knowledge and belief, they have taken reasonable care to ensure that the facts stated and opinions expressed by them or the Company in the Circular are fair and accurate in all material aspects. The Directors have confirmed to us that, to the best of their knowledge and belief, there is no other information or fact, the omission of which would cause any statement in the Circular in respect of the Proposed Whitewash Resolution and/or the Proposed DL Repayment to be inaccurate, incomplete or misleading in any material respect. Whilst care has been exercised in reviewing the information upon which we have relied, we have not independently verified such information but nevertheless have made such enquiry and judgement as we have deemed necessary and have found no reason to doubt the accuracy or reliability of the information upon which we have relied.

For the purposes of assessing the terms of the Proposed Whitewash Resolution and the Proposed DL Repayment and reaching our conclusions thereon, we have not relied upon any financial projections or forecasts in respect of the Company or the Group or the Target Companies. We will not be required to express, and we do not express, any view on the growth prospects, earnings potential or future financial performance of the Company, the Group or the Target Companies in connection with our opinion in this IFA Letter.

In connection with the Proposed Acquisitions of Target Companies, the Company had commissioned (a) RSM Corporate Advisory Pte. Ltd. ("**Independent Valuer (Target Companies)**") to conduct independent professional valuation of 100% of the share capital of each of the Target Companies, which valuation letter ("**Target Companies Independent Valuation Letter**") has been set out in Appendix C of the Circular; and (b) Dennis Wee Realty Pte Ltd ("**Property Valuer**") to conduct independent professional valuation of the OCW Units (as defined herein) and the unsold units in Tagore 8, which valuation letters ("**Property Valuation Letters**") has been set out in Appendix D of the Circular. In connection with the Proposed Disposal, the Company had commissioned Roma Appraisals Limited ("**Independent Valuer (PRC Subsidiaries)**") to conduct independent professional valuation of the 100% equity interests in the PRC Subsidiaries, which valuation report ("**PRC Subsidiaries Valuation Report**") has been set out in Appendix E of the Circular. We have placed sole reliance thereon for the valuation and information contained in the Target Companies Independent Valuation Letter, the Property Valuation Letters and the PRC Subsidiaries Valuation Report. We were not involved in the preparation of, and assume no responsibility for the Target Companies Independent Valuation Letter, the Property Valuation Letters and the PRC Subsidiaries Valuation Report. We have not made any independent verification of the contents thereof. Accordingly, no representation or warranty, express or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information.

In connection with the acquisition of the WBH Sale Shares and CT8 Sale Shares, we do not opine on whether the Company has obtained, *inter alia*, all the necessary consents, approvals and waivers, nor whether all procedures and requirements of the Companies Act have been complied with, for the provision of Financial Assistance (as defined in the Circular).

Our recommendations are based upon market, economic, industry and other conditions prevailing, as well as information made available to us, as at the Latest Practicable Date. Such conditions and information may change significantly over a short period of time. We assume no responsibility to update, revise or reaffirm our recommendations in light of any subsequent developments after the Latest Practicable Date that may affect our recommendations contained therein. Shareholders should take note of any announcements relevant to their consideration of the Proposed Whitewash Resolution and Proposed DL Repayment, which may be released after the Latest Practicable Date.

In rendering our advice and providing our recommendation, we did not have regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any Shareholder. We recommend that any Shareholder who may require specific advice in relation to his investment objective(s) or portfolio(s) should consult his legal, financial, tax or other professional advisers immediately.

The Company has been advised by its own legal advisers in the preparation of the Circular (other than this IFA Letter). We have had no role or involvement, and have not provided any advice (financial or otherwise) whatsoever, in the preparation, review and verification of the Circular (other than this IFA Letter) and our responsibility is as set out above in relation to this IFA Letter. Accordingly, we take no responsibility for, and express no views, whether expressed or implied, on the contents of the Circular (except for this IFA Letter).

We have prepared this IFA Letter for the use by the WR Independent Directors and the IPT Independent Directors in connection with their consideration of the Proposed Whitewash Resolution and the Proposed DL Repayment respectively, and any recommendations made by the WR Independent Directors and the IPT Independent Directors in respect of the Proposed Whitewash Resolution and the Proposed DL Repayment respectively shall remain their sole responsibility. Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor any other persons may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any purposes (other than for the consideration by the WR Independent Directors and the IPT Independent Directors of the Proposed Whitewash Resolution and the Proposed DL Repayment respectively) at any time and in any manner without the prior written consent of ZICO Capital. Our opinion in relation to the Proposed Whitewash Resolution and the Proposed DL Repayment should be considered in the context of the entirety of this IFA Letter and the Circular.

3. THE PROPOSED ACQUISITIONS OF TARGET COMPANIES

3.1 Information on the Target Companies

WBH

WBH was incorporated on 12 April 2010 in Singapore and is engaged in the business of investment holding. It is the registered holder of the leasehold titles to 13 ground floor units in One Commonwealth ("**OCW Units**"). One Commonwealth is a 9-storey light industrial building in Singapore which was completed in 2010, and comprises a total of 250 factory/showroom units. One Commonwealth is located along Commonwealth Avenue, Singapore. The OCW Units have a leasehold tenure of 30 years, which commenced on 1 March 2008 and will expire on 1 March 2038. As at the Latest Practicable Date, the OCW Units are leased out to third parties for rental income.

CT8

CT8 was incorporated on 18 August 2011 in Singapore and is engaged in the business of real estate development and investment holding. CT8 completed the development of Tagore 8, which is a 4-storey building comprising 128 units of freehold light industrial factory with ancillary offices ("**Tagore 8**"), in September 2015. Tagore 8 is located at 421 Tagore Industrial Avenue, within the Tagore industrial estate off Upper Thomson Road, Singapore.

As at the Latest Practicable Date, 122 units of the 128 units in Tagore 8 have been sold. CT8 has entered into sales and marketing agency agreements with a number of sales and marketing agents, pursuant to which the agents will, amongst others, market the remaining 6 available units in Tagore 8 ("**Unsold Units**") and actively participate in negotiations with potential purchasers. As at the Latest Practicable Date, the option-to-purchase in respect of two out of the 6 Unsold Units has been exercised.

3.2 Information on the WBH Vendors and the CT8 Vendors (collectively, the "Vendors")

WBH Vendors

CTE, which holds a 70.0% direct interest in WBH as at the date of this IFA Letter, is a company incorporated in Singapore. It is primarily engaged in the business of property development, real estate investment as well as building and construction. Ng Chee Beng owns 90.0% of the issued and paid-up share capital of CTE and his wife, Jane Tan Bee Bee owns the remaining 10.0%.

WLI, which holds a 30% direct interest in WBH as at the Latest Practicable Date, is an investment holding company incorporated in Singapore. It is primarily engaged in the passive investment of real estate assets in Singapore. Bailey Wang and his wife, Lee Tee Eng each own 50.0% of the issued and paid-up share capital of WLI. Each of Bailey Wang and Lee Tee Eng is not related to the existing directors, executive officers and/or controlling shareholders of the Company or the proposed directors, executive officers and/or controlling shareholders of the Company.

CT8 Vendors

CTE and CTE Resources each hold a 50.0% direct interest in CT8 as at the date of this IFA Letter. CTE Resources, a company incorporated in Singapore, is primarily engaged in the business of property development and real estate investment.

As at the date of this IFA Letter, CTE Resources' shareholders are as follows:

(a) CTE, which owns 40.0% of the issued and paid-up share capital of CTE Resources;

(b) Ong & Ong Enterprise Pte. Ltd. ("**OOE**"), which holds 20.0% of the issued and paid-up share capital of CTE Resources. OOE, an investment holding company incorporated in Singapore, is wholly-owned by Ong & Ong Holdings Pte. Ltd., which in turn is principally held by Ong Tze Guan (28.4%) and Ong Tze Boon (70.4%). Ong Tze Guan is a trained architect while Ong Tze Boon, his younger brother, is the Group Executive Chairman of Ong & Ong Group, a Singapore-based integrated architecture and design practice;

(c) Serena Lee Chooi Li, who owns 20.0% of the issued and paid-up share capital of CTE Resources. She is a lawyer and one of the directors of CTLC Law Corporation; and

(d) Lee Tee Eng, who owns 20.0% of the issued and paid-up share capital of CTE Resources.

Each of OOE, Serena Lee Chooi Li and Lee Tee Eng is not related to the existing directors, executive officers and/or controlling shareholders of the Company or the proposed directors, executive officers and/or controlling shareholders of the Company.

3.3 Independent Valuation

Property valuation

The Company has commissioned the Property Valuer to provide an independent valuation of the OCW Units and the Unsold Units.

Based on the comparable sales method, the Property Valuer has attributed an open market value of S$12,166,000 and S$11,301,000 to the OCW Units and the Unsold Units respectively as at 30 June 2017. Please refer the Property Valuation Letters as set out in Appendix D of the Circular for details of the method of valuation and basis of valuation adopted by the Property Valuer in its valuation exercise.

Business valuation

The Company has further commissioned the Independent Valuer (Target Companies) to provide an independent valuation of WBH and CT8.

Based on the income approach and NAV approach, the Independent Valuer (Target Companies) has attributed a fair market value of between S$6.5 million and S$7.4 million to WBH as at 30 June 2017, taking into account the bank loan amounting to approximately S$4.3 million which will be inherited by the Company pursuant to the WBH SPA.

Based on the NAV approach, the Independent Valuer (Target Companies) has attributed a fair market value of S$21.7 million to CT8 as at 30 June 2017, which takes into account the potential proceeds which CT8 could receive from the remaining unsold units in Tagore 8 based on their indicative market value.

Please refer to the Target Companies Independent Valuation Letter as set out in Appendix C to the Circular for details of the valuation approach and assumptions adopted by the Independent Valuer (Target Companies) in its valuation exercise.

We propose that the WR Independent Directors advise the WR Independent Shareholders to read the information in the Property Valuation Letters and the Target Companies Independent Valuation Letter set out in the Circular carefully.

3.4 Consideration for the Proposed Acquisition of Target Companies

The aggregate consideration for the Proposed Acquisitions of Target Companies is S$24,468,597.03 ("**Consideration**"), and was agreed on a willing-buyer and willing-seller basis after arm's length negotiations. The Consideration comprises the WBH Consideration of S$7,047,806.03, and the CT8 Consideration of S$17,420,791.

The Consideration shall be satisfied by (i) the proposed allotment and issuance of an aggregate of 1,858,049,252 new Pre-Consolidation Shares ("**Consideration Shares**") at an issue price of S$0.005 per Pre-Consolidation Share (the "**Pre-Consolidation Issue Price**"); and (ii) an aggregate cash payment of S$15,178,350.77, by the Company to the Vendors in the proportions as set out below.

WBH Consideration

The WBH Consideration shall be satisfied by (i) the proposed allotment and issuance of 493,346,422 new Pre-Consolidation Shares ("**WBH Consideration Shares**") by the Company to the WBH Vendors at the Pre-Consolidation Issue Price of S$0.005 per WBH Consideration Share; and (ii) an aggregate cash payment of S$4,581,073.92 by the Company to the WBH Vendors.

The WBH Consideration Shares shall be allotted and issued as follows:

Name of WBH Vendors	% interest in WBH	WBH Consideration Shares to be allotted and issued to the WBH Vendors
CTE	70.0	345,342,495
WLI[(1)]	30.0	148,003,927
Total	100.0	493,346,422

Note:

(1) WLI has nominated its shareholder, Bailey Wang, to receive WLI's entire share of the WBH Consideration Shares.

The Management has advised that, pursuant to the WBH SPA and the deed of novation entered into between the Company and WBH Vendors on 14 November 2017, an existing loan of S$4.25 million owing by WBH to WBH Vendors will be assigned to the Company on or prior to Completion ("**Loan Assignment**"). The effect is equivalent to the Company providing a loan to WBH such that WBH can repay the said loan in full to WBH Vendors. Accordingly, the effective consideration to be paid by the Company to acquire the WBH Sale Shares is S$2,797,806.03 ("**Effective WBH Consideration**").

We further understand from the Management that WBH intends to re-mortgage the OCW Units upon Completion to secure bank loan(s), and will then extend a loan to the Company to facilitate the latter's payment of part of the cash portion of the WBH Consideration. The Enlarged Group has signed indicative term sheets for such loans, the terms of which are still subject to negotiation and pending the signing of definitive agreements following Completion.

CT8 Consideration

The CT8 Consideration shall be satisfied by (i) the proposed allotment and issuance of 1,364,702,830 new Pre-Consolidation Shares (the "**CT8 Consideration Shares**") by the Company to the CT8 Vendors at the Pre-Consolidation Issue Price of S$0.005 per CT8 Consideration Share; and (ii) an aggregate cash payment of S$10,597,276.85 by the Company to the CT8 Vendors.

Effective Consideration

The effective consideration of the Proposed Acquisitions of Target Companies, based on the aggregate value of the Effective WBH Consideration and the CT8 Consideration, is S$20,218,597.03 ("**Effective Consideration**").

3.5 Conditions Precedent

Subject to fulfilment or waiver of all the conditions precedent set out in the WBH SPA and the CT8 SPAs ("**Conditions Precedent**"), Completion will take place on the date falling five (5) business days after the fulfilment or waiver of all the Conditions Precedent or such other date as the Vendors and the Company may mutually agree in writing.

The WBH Acquisition and the CT8 Acquisition are intended to complete simultaneously. Under the respective terms of the WBH SPA and the CT8 SPAs, the WBH Acquisition and CT8 Acquisition are inter-conditional upon the completion of each other.

Please refer to Section 2.1.2 (iii) and Section 2.2.1 (iii) of the Circular for details of the Conditions Precedent.

4. THE PROPOSED WHITEWASH RESOLUTION

As at the Latest Practicable Date, none of the Concert Parties Group holds any Shares or instruments convertible into, and options in respect of the Shares. Upon completion of the Proposed Share Issue pursuant to the Proposed Acquisitions of Target Companies and the proposed allotment and issuance of the NCB Repayment Shares pursuant to the Proposed NCB Repayment, the Obliged Parties will hold in aggregate 42,411,777 Consolidated Shares (as defined in the Circular), representing 61.6% of the Enlarged Share Capital.

Pursuant to Rule 14 of the Code and Section 139 of the SFA, the Obliged Parties would be required to make a general offer for all the remaining Shares in issue which are not already owned, controlled or agreed to be acquired by the Concert Parties Group, and at the highest price paid or agreed to be paid by the Concert Parties Group for the Shares in the past six months preceding the date of the announcement on 12 April 2016 made by the Company in respect of the Proposed Transactions, unless such obligation is waived by the SIC.

The SIC had, on 5 October 2017, waived the requirement for the Obliged Parties to make a mandatory offer for the Company under Rule 14 of the Code following the Proposed Share Issue and the Proposed NCB Repayment, subject to, *inter alia*, the fulfilment of certain conditions as set out in Section 3.3 of the Circular, including the passing of the Proposed Whitewash Resolution by WR Independent Shareholders.

WR Independent Shareholders should note that the Proposed Acquisitions and the Proposed NCB Repayment are conditional upon the approval for the Proposed Whitewash Resolution being obtained. Hence, the Proposed Acquisitions and the Proposed NCB Repayment will not be completed in the event the Proposed Whitewash Resolution is not approved.

WR Independent Shareholders should note that by voting for the Proposed Whitewash Resolution, they are waiving their rights to receive a general offer from the Obliged Parties at the highest price (as adjusted for the Proposed Share Consolidation) paid by the Concert Parties Group for the Shares in the six months preceding the announcement on 12 April 2016 made by the Company in respect of the Proposed Transactions.

WR Independent Shareholders should note that as the allotment and issue of the Consideration Shares would result in the Concert Parties Group holding Shares carrying over 49% of the voting rights of the Company, the Concert Parties Group would as a result be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer for the Company.

WR Independent Shareholders should note that they may be foregoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilution effect of the completion of the Proposed Share Issue and the Proposed NCB Repayment.

5. EVALUATION OF THE PROPOSED WHITEWASH RESOLUTION

In our evaluation of the Proposed Whitewash Resolution, we have given due consideration to, *inter alia*, the following factors which we consider to be pertinent and to have a significant bearing on our assessment:

(a) the rationale for the Proposed Acquisitions of Target Companies;

(b) the financial performance and position of the Target Companies;

(c) the assessment of the Consideration;

(d) the assessment of the Pre-Consolidation Issue Price;

(e) the rationale for and benefits of the Proposed NCB Repayment;

(f) the assessment of the NCB Repayment Shares Issue Price; and

(g) other relevant considerations in relation to the Proposed Acquisitions of Target Companies and the Proposed NCB Repayment.

5.1 Rationale for the Proposed Acquisitions of Target Companies

We note the rationale for the Proposed Acquisitions, which comprise the Proposed Acquisitions of Target Companies as well as the Kempas Acquisition, as set out in Section 2.9 of the Circular. We have summarised the relevant portions in respect of the Proposed Acquisitions and set them out below for your easy reference.

The Directors believe that the Proposed Acquisitions of Target Companies will enhance the long-term interests of Shareholders as it would allow the Company to:

(1) venture into the property development industry with a good management team who has extensive expertise and track record in real estate development;

(2) generate cash flow from the Completion as the Unsold Units have already been developed and are ready to be sold;

(3) realise profits as the CT8 Consideration factors in a discount of approximately 20.0% to the historical average selling price of comparable units sold in Tagore 8; and

(4) enjoy potential revenue from the sale of the Unsold Units as well as a steady stream of income from the rental of the OCW Units while the Company pursues new real estate development opportunities.

For further information on the rationale for the Proposed Acquisitions, please refer to Section 2.9 of the Circular.

5.2 Financial performance and position of the Target Companies

We note that audited combined financial statements of WBH and CT8 are not available, and that the Company had prepared and presented the historical financial information of the Target Companies based on the combination of the respective audited and unaudited financial statements of WBH and CT8.

Financial performance

A summary of the unaudited combined statements of comprehensive income of the Target Companies for the financial years ended ("**FY**") 31 December 2014, 31 December 2015 and 31 December 2016, and the six-month periods ended ("**HY**") 30 June 2016 and 2017, is set out below:

				Unaudited	
(SGD'000)	**FY2014**	**FY2015**	**FY2016**	**HY2016**	**HY2017**
Revenue	1,148	170,751	16,780	4,690	8,004
Gross profit	1,148	30,894	2,773	1,180	2,360
(Loss)/Profit before income tax	(392)	25,136	776	204	1,688
Net (Loss)/profit	(386)	20,824	641	179	1,419

HY2017 vs HY2016

Revenue increased by S$3.3 million, from S$4.7 million in HY2016 to S$8.0 million in HY2017. The increase was mainly due to an additional sale of four units in Tagore 8 in HY2017 as compared to in HY2016.

Gross profit increased by S$1.2 million, from S$1.2 million in HY2016 to S$2.4 million in HY2017, generally in line with the increase in revenue in HY2017.

Selling and distribution expenses, administrative expenses and finance costs decreased by S$0.3 million, from S$1.0 million in HY2016 to S$0.7 million in HY2017. The decrease was mainly due to lower professional fees and property taxes incurred in HY2017 and a decrease in interest expenses, partially offset by higher sales commission paid for the increased sales of Tagore 8 units.

Due to the factors above, the Target Companies recorded a net profit of S$1.4 million in HY2017, as compared to S$0.2 million in HY2016.

FY2016 vs FY2015

Revenue decreased by S$154.0 million, from S$170.8 million in FY2015 to S$16.8 million in FY2016. The decrease was mainly due to lower sales of the Tagore 8 units in FY2016 as compared to FY2015, as well as lower rental revenue as a result of the expiry of tenancy of some of the OCW Units.

Gross profit decreased by S$28.1 million, from S$30.9 million in FY2015 to S$2.8 million in FY2016, generally in line with the decrease in revenue in FY2016. Gross profit margin declined from 18.1% in FY2015 to 16.5% in FY2016, primarily due to lower selling prices of the Tagore 8 units sold in FY2015.

Selling and distribution expenses, administrative expenses and finance costs decreased by S$3.8 million in FY2016, from S$5.8 million in FY2015 to S$2.0 million in FY2016. The decrease was mainly due to lower sales commission paid for the lower sales of Tagore 8 units and a decrease in interest expenses.

Due to the factors above, the Target Companies recorded a net profit of S$0.6 million in FY2016, as compared to S$20.8 million in FY2015.

FY2015 vs FY2014

Revenue increased by S$169.7 million, from S$1.1 million in FY2014 to S$170.8 million in FY2015. The increase was mainly due to the recognition of sales of 107 units in Tagore 8, when sales of the units sold are considered complete following the obtaining of the temporary occupation permit by Tagore 8. The increase in revenue was partially offset by a decline in rental revenue from the OCW Units due to the expiry of tenancy of some of the OCW Units.

Gross profit increased by S$29.8 million, from S$1.1 million in FY2014 to S$30.9 million in FY2015, in line with the increase in revenue in FY2015. A gross profit margin of 100% was recorded in FY2014 as there was no direct cost of sales associated with the property rental business of WBH, while CT8 had not recognised any sales and corresponding cost of sales in FY2014. Gross profit margin stood at 18.1% in FY2015, following the recognition of sales and cost of sales of the Tagore 8 units by CT8.

Selling and distribution expenses, administrative expenses and finance costs increased by S$4.2 million in FY2015, from S$1.5 million in FY2014 to S$5.7 million in FY2015. The increase was primarily due to the rise in sales commission paid for the increased sales of Tagore 8 units and an increase in interest expenses.

Due to the factors above, the Target Companies recorded a net profit of S$20.8 million in FY2015 as compared to a net loss of S$0.4 million in FY2014.

Financial position

A summary of the unaudited combined statements of financial position of the Target Companies as at 31 December 2016 and 30 June 2017 are set out below:

	Unaudited	
(SGD'000)	**As at 31 December 2016**	**As at 30 June 2017**
Current assets	21,047	14,704
Non-current assets	9,787	9,560
Total assets	**30,834**	**24,264**
Current liabilities	9,030	7,279
Non-current liabilities	4,004	3,766
Total liabilities	**13,034**	**11,045**
Shareholders' equity	**17,800**	**13,219**

Assets

As at 30 June 2017, current assets comprised cash and cash equivalents of S$3.7 million, trade and other receivables of S$3.0 million and development properties of S$8.0 million. Cash and bank balances increased by S$0.5 million, from S$3.2 million as at 31 December 2016 to S$3.7 million as at 30 June 2017, mainly due to cash inflows arising from the sales of Tagore 8 units. Trade and other receivables decreased by S$1.2 million, from S$4.2 million as at 31 December 2016 to S$3.0 million as at 30 June 2017, mainly due to the receipt of payment from purchasers of Tagore 8 units following the obtaining of the temporary occupation permit. Development properties decreased by S$5.7 million, from S$13.7 million as at 31 December 2016 to S$8.0 million as at 30 June 2017, due to the sale of Tagore 8 units in HY2017.

As at 30 June 2017, non-current assets comprised investment properties of S$9.6 million.

Liabilities

As at 30 June 2017, current liabilities comprised trade and other payables of S$5.2 million, bank borrowings of S$0.5 million and current income tax liabilities of S$1.6 million. Trade and other payables decreased by S$0.5 million, from S$5.7 million as at 31 December 2016 to S$5.2 million as at 30 June 2017, mainly due to payments made to suppliers. Current income tax liabilities decreased by S$1.0 million, from S$2.6 million as at 31 December 2016 to S$1.6 million as at 30 June 2017, due to income tax paid in HY2017.

As at 30 June 2017, non-current liabilities comprised term loans of S$3.8 million.

The Target Companies' working capital position as at 30 June 2017 was S$7.4 million.

We wish to highlight that the past earnings and analysis of the property development business of the Target Companies relate to specific projects that were completed and/or substantially sold. As such, the historical earnings of the Target Companies may or may not be representative of their future earnings of the Enlarged Group following Completion.

5.3 Assessment of the Consideration

5.3.1 Independent valuation of the Target Companies

The Independent Valuer (Target Companies) has estimated the fair market value of WBH to be between S$6.5 million and S$7.4 million ("**WBH FMV**") while that of CT8 is S$21.7 million ("**CT8 FMV**"), as at 30 June 2017. Please refer to paragraph 3.3 of this IFA Letter for further details of the independent valuation of WBH and CT8.

We note that the Independent Valuer (Target Companies) has made the following assumptions, amongst others:

(a) the Target Companies continue to operate as a going concern and have sufficient capital to support future expenditure and working capital and the capability to achieve the financial forecast;

(b) WBH is able to renew the existing tenants or secure new tenants and achieve the average monthly rental rate of S$6.15 per sq ft;

(c) WBH is able to achieve at least 90% occupancy rate during the forecast period;

(d) the WBH FMV has excluded reinstatement costs. If there is a requirement for reinstatement and to include the cost, the WBH FMV may be significantly different; and

(e) CT8 is able to sell the remaining units at Tagore 8 at the market value estimated by the property valuer.

The WR Independent Directors are advised to read the Target Companies Independent Valuation Letter carefully, especially the sections relating to valuation methodology, key assumptions and limitations.

We note that the WBH FMV has excluded a S$4.25 million liability, being an existing shareholder's loan of WBH which will be assigned to the Company upon Completion, pursuant to the Loan Assignment. Had the Loan Assignment been accounted for, the WBH FMV would be in the range of S$2.25 million and S$3.15 million ("**Adjusted WBH FMV**"). The Effective WBH Consideration is within the range of the Adjusted WBH FMV.

The CT8 Consideration of S$17,420,791 represents a discount of approximately 19.7% to the CT8 FMV.

The Effective Consideration of S$20,218,597.03 represents a discount of between 15.6% and 18.6% to the aggregate value of the Adjusted WBH FMV and the CT8 FMV ("**Adjusted Aggregate FMV**") of between S$24.0 million and S$24.9 million.

5.3.2 Net Asset Value and Revalued Net Asset Value of the Target Companies

We note that the revalued net asset value, where the value of a company's material assets are adjusted to their current market value, would serve as a more relevant benchmark than the net asset value as reported in historical financial statements as it would be more reflective of the fair market valuations of the investment properties and properties held for sale of the Target Companies.

Book value of WBH

Based on the unaudited financial statements of WBH as at 30 June 2017, each of the net asset value ("**NAV**") and net tangible assets ("**NTA**") of WBH amounted to approximately S$0.8 million.

We set out below the computation of the revalued net asset value ("**RNAV**") or revalued net tangible asset value ("**RNTA**") of WBH as at 30 June 2017, taking into account the valuation of the OCW Units as set out in the Property Valuation Letters:

(S$'000)	
NAV of WBH as at 30 June 2017	806
Add: Revaluation surplus in respect of the OCW Units[(1)]	2,606
RNAV or RNTA	**3,412**

Note:

(1) Revaluation surplus refers to the difference between the valuation of the OCW Units, as set out in the Property Valuation Letters, and the net book value of the OCW Units as at 30 June 2017.

The Effective WBH Consideration represents a discount of approximately 18.0% to the RNAV or RNTA of WBH as at 30 June 2017.

Book value of CT8

Based on the unaudited financial statements of CT8 as at 30 June 2017, each of the NAV and NTA of CT8 amounted to approximately S$12.4 million.

We set out below the computation of the RNAV or RNTA of CT8 as at 30 June 2017, taking into account the receipt of certain receivables from shareholders of CT8 before Completion as well as the valuation of the 6 unsold units at Tagore 8 as set out in the Property Valuation Letters:

(S$'000)	
NAV of CT8 as at 30 June 2017	12,413
Add: Amount due from shareholders[(1)]	6,000
Add: Revaluation surplus in respect of the Unsold Units[(2)]	3,269
RNAV or RNTA	**21,682**

Notes:

(1) Such receivables relate to the return of dividends payment, following further negotiations between the Company and the CT8 Vendors on the terms of the acquisition of CT8 Sale Shares. The Directors and Management have confirmed that the S$6.0 million has been repaid by the shareholders of CT8 as the Latest Practicable Date.

(2) Revaluation surplus refers to the difference between the valuation of the Unsold Units, as set out in the Property Valuation Letters, and the net book value of the Unsold Units as at 30 June 2017.

The CT8 Consideration represents a discount of approximately 19.7% to the RNAV or RNTA of CT8 as at 30 June 2017. We note that approximately 29.7% of the RNAV or RNTA of CT8 as at 30 June 2017 comprised assets, namely cash and bank balances of S$3.5 million and trade receivables of S$3.0 million, which are more liquid in nature as compared to the development properties which comprised 52.1% of the RNAV or RNTA of CT8.

The Vendors have confirmed to the Directors and Management that, as at the Latest Practicable Date, to the best of their knowledge and belief, save for the revaluation surplus in respect of the investment properties and properties held for sale for WBH and CT8 respectively:

(a) there are no assets and/or liabilities which values would be materially different from those recorded in the unaudited statement of financial position of WBH or CT8 as at 30 June 2017;

(b) there are no contingent liabilities, bad or doubtful debts or material events which are likely to have a material impact on the NAV or NTA of WBH or CT8;

(c) there are no litigation, claim or proceeding pending or threatened against WBH or CT8 or any fact likely to give rise to any proceeding which might materially and adversely impact the financial position of WBH or CT8; and

(d) there are no material disposals or acquisitions of assets by the Target Companies since 30 June 2017 and up to the Latest Practicable Date, which would have a material impact on the RNAV of WBH or CT8.

The Effective Consideration represents a discount of approximately 19.4% to the RNAV or RNTA of the Target Companies of S$25.1 million as at 30 June 2017.

5.3.3 Comparison with selected listed comparable companies

For the purpose of assessing the Consideration, we have referred to the current valuation statistics of selected listed companies on the SGX-ST, which businesses may be considered to be broadly comparable ("**Comparable Companies**") to the Target Companies. We have had discussions with the Directors and Management about the suitability of the Comparable Companies acting as a basis of comparison with the Target Companies.

We recognise that there is no listed company which can be considered to be identical to the Target Companies in terms of, *inter alia*, composition of business activities, scale of business operations, asset base, track record, geographical markets, market capitalisation, future prospects, risk profile, accounting policies, financial position and other relevant criteria. Furthermore, the Target Companies are private companies while the Comparable Companies are all publicly-listed companies. Therefore, any comparisons made are necessarily limited and are intended to serve only as an illustrative guide.

We set out in the table below the Comparable Companies, together with a brief description of their business activities:

Comparable Companies	Financial year-end	Business activities
LHN Ltd ("**LHN**")	30 September	LHN is a real estate management service provider and logistics service provider headquartered in Singapore with operations throughout Asia. Its principal activities encompass the optimisation of leasing space, management of lease properties and provision of logistics services. It also has several industrial investment properties in Singapore.
OEL Holdings Ltd ("**OEL**")	31 December	OEL is an investment holding company with businesses mainly in property management. OEL currently generates rental income from the leasing of an industrial property in Singapore.
OKH Global Ltd ("**OKH**")	30 June	OKH is an integrated property developer with a strategic focus on logistics and industrial properties. OKH aims to interlink its strategic investments with its capabilities in property development to strengthen its business presence in Asia and beyond.
Sing Holdings Ltd ("**Sing Holdings**")	31 December	Sing Holdings is a property development and investment group with investment and development experiences in a wide spectrum of properties ranging from landed houses, apartments, condominiums, office and industrial buildings, factories to warehouses.
Tuan Sing Holdings Ltd ("**Tuan Sing**")	31 December	Tuan Sing is an investment holding company with interest mainly in property development, property investment and hotel ownership. Its property segment focuses on the development of and investment in prime residential, commercial and industrial properties. Tuan Sing owns strata units in a warehouse and a light industrial building in Singapore.

Source: Respective Comparable Companies' annual reports and corporate websites.

For the purpose of our evaluation and for illustration, we have made comparisons between the Target Companies and the Comparable Companies on a historical basis using the following valuation measures:

Valuation ratio	Description
Enterprise Value-to-Earnings before Interests, Taxes, Depreciation and Amortisation ("**EV/EBITDA**")	EV refers to enterprise value which is the sum of a company's market capitalisation, preferred equity, minority interests, short and long term debts (inclusive of finance lease liabilities, and loans from shareholders) less the cash and cash equivalents. EBITDA is the earnings before interest, tax, depreciation and amortisation. The EV/EBITDA ratio illustrates the ratio of the market value of a company's business relative to its trailing 12-month pre-tax consolidated operating cashflow performance, without regard to its capital structure as well as its interest, taxation, depreciation and amortisation charges.
Price-to-Earnings ("**P/E**")	This ratio is computed by dividing the market capitalisation of a company by the trailing 12-month consolidated net profits attributable to owners of a company. The P/E is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to among others, depreciation and amortisation.
Price-to-NAV ("**P/NAV**")	This ratio illustrates the market price of a company's shares relative to the NAV per share as recorded in its financial statements. NAV is defined as total assets less total liabilities, and excludes, where applicable, minority or non-controlling interests.

Valuation ratio	Description
	The NAV figure provides an estimate of the value of a company assuming the hypothetical sale of all its assets at its book value and repayment of its liabilities and obligations, with the balance available for distribution to its shareholders. It is an asset-based valuation methodology and this approach is meaningful to the extent that it measures the value of each share that is attached to the net assets of the company. Comparisons of companies using NAV are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies.
Price-to-NTA ("**P/NTA**")	This ratio illustrates the market price of a company's shares relative to the NTA per share as recorded in its financial statements. NTA is defined as total assets less total liabilities as well as intangible assets, and excludes, where applicable, minority or non-controlling interests. The NTA figure provides an estimate of the value of a company assuming the hypothetical sale of all its tangible assets at its book value and repayment of its liabilities and obligations, with the balance available for distribution to its shareholders. It is an asset-based valuation methodology and this approach is meaningful to the extent that it measures the value of each share that is attached to the net tangible assets of the company. Comparisons of companies using NTA are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies.

The valuation measures of the Comparable Companies set out below are based on their respective market capitalisations after the close of market as at the Latest Practicable Date.

Comparable Companies	Market capitalisation as at the Latest Practicable Date[1] (S$' million)	EV/EBITDA[2] (times)	P/E[3] (times)	P/NAV[4] (times)	P/NTA[5] (times)
LHN	65.6	3.9	6.4	0.9	0.9
OEL	7.4	6.7[6]	24.5[6]	1.1	1.1
OKH	47.4	N/A[7]	N/A[7]	0.5	0.5
Sing Holdings	202.5	44.9	25.5	0.8	0.8
Tuan Sing	498.6	28.4	19.5	0.5	0.5
Mean		21.0	19.0	0.8	0.8
Median		17.5	22.0	0.8	0.8
Max		44.9	25.5	1.1	1.1
Min		3.9	6.4	0.5	0.5
Target Companies (based on RNAV or RNTA)[8]		**8.9**	**10.7**	**0.8**	**0.8**
Target Companies (based on the Adjusted Aggregate FMV)[9]				**0.8**	**0.8**

Source: Bloomberg, announcements and annual reports of the Comparable Companies

Notes:

(1) The market capitalisations of the respective Comparable Companies are compiled by Bloomberg after the close of market as at the Latest Practicable Date.

(2) The EVs of the Comparable Companies are based on their respective market capitalisations as at the Latest Practicable Date. The trailing 12 months' EBITDA figures of the Comparable Companies are based on the latest financial results as announced by the respective Comparable Companies.

(3) The P/E ratios of the Comparable Companies are based on (i) their respective market capitalisations as at the Latest Practicable Date; and (ii) the trailing 12 months' net profits attributable to shareholders based on the latest financial results as announced by the respective Comparable Companies.

(4) The P/NAV ratio of the Comparable Companies are based on (i) their respective market capitalisations as at the Latest Practicable Date; and (ii) their respective NAVs for the latest financial periods as announced by the respective Comparable Companies.

(5) The P/NTA ratio of the Comparable Companies are based on (i) their respective market capitalisations as at the Latest Practicable Date; and (ii) their respective NTAs for the latest financial periods as announced by the respective Comparable Companies.

(6) The EV/EBITDA and P/E ratios were computed based on OEL's trailing 12 months' EBITDA, and net profit from continuing operations respectively.

(7) EV/EBITDA and P/E ratios are not applicable as OKH incurred negative EBITDA and net loss during the relevant period.

(8) The P/NAV ratio of the Target Companies (based on RNAV or RNTA) is based on the Effective Consideration and the RNAV or RNTA of the Target Companies of approximately S$25.1 million as at 30 June 2017. Please refer to paragraph 5.3.2 of the IFA Letter for the respective RNAV or RNTA of WBH and CT8.

(9) The P/NAV ratio of the Target Companies (based on Adjusted Aggregate FMV) is based on the Effective Consideration and the Adjusted Aggregate FMV of the Target Companies. Please refer to paragraph 5.3.1 of the IFA Letter for the respective FMV of WBH and CT8.

Based on the above analysis, we note that:

(a) the respective EV/EBITDA and P/E ratios of the Target Companies, as implied by the Effective Consideration, are within the range of the EV/EBITDA and P/E ratios of the Comparable Companies, and below the mean and median EV/EBITDA and P/E ratios of the Comparable Companies;

(b) the P/NAV and P/NTA ratios of the Target Companies, as implied by the Effective Consideration and based on the RNAV or RNTA of the Target Companies, are within the range of the P/NAV and P/NTA ratios of the Comparable Companies, and similar to the mean and the median P/NAV and P/NTA ratios of the Comparable Companies; and

(c) the P/NAV and P/NTA ratios of the Target Companies, as implied by the Effective Consideration and based on the Adjusted Aggregate FMV of the Target Companies, are within the range of the P/NAV and P/NTA ratios of the Comparable Companies, and similar to the mean and median P/NAV and P/NTA ratios of the Comparable Companies.

We wish to highlight that the comparison of the EV/EBITDA and P/E ratios may not be entirely meaningful as the earnings of the property development business of CT8 and some of the Comparable Companies tend to be subject to great volatility, and the P/NTA and P/NAV valuation measures are considerably more relevant for such businesses.

5.3.4 Comparison with recent acquisitions of property development companies

We have also compared the price over the RNAV of the Target Companies ("**P/RNAV**") ratio as implied by the Effective Consideration against selected recent completed acquisitions of property development and investment companies by companies listed on the SGX-ST (the "**Recent Acquisitions**").

We wish to highlight that the list of Recent Acquisitions may not be directly comparable to the Proposed Acquisitions of Target Companies in terms of size, type of development, valuation methodologies, accounting treatment and policies, and other relevant consideration. The list of Recent Acquisitions is by no means exhaustive and information relating to the Recent Acquisitions was compiled from publicly available information. Therefore, any comparisons made with the Recent Acquisitions are necessarily limited and are intended to serve as an illustrative guide.

The P/RNAV ratios for the Recent Acquisitions are as follows:

Date of circular	Name of company	Description of acquisition	P/RNAV (times)
18 September 2014	St James Holdings Ltd	Acquisition of effective interests in property assets, management businesses and other assets located in located primarily in the People's Republic of China and Singapore for a purchase consideration of approximately S$1.56 billion.	0.82 to 0.86
24 September 2014	Hisaka Holdings Ltd.	Acquisition of the entire issued share capital of Regal International Holdings Pte. Ltd. ("**Regal**") for a purchase consideration of S$127,250,000. Regal is principally engaged in the property development business to the private sector in Malaysia.	0.60
18 September 2015	E2-Capital Holdings Limited	Acquisition of the economic interest of Astaka Padu Limited ("**Astaka**") for the aggregate consideration of S$428,000,000. Astaka is principally engaged in the business of property development in the Iskandar region of Johor, Malaysia.	1.08
28 June 2016	3Cnergy Limited	Proposed acquisition of all the issued shares in Liberty Bridge Sdn Bhd ("**Liberty**") for a consideration of S$64 million. Liberty owns the legal and beneficial title to several parcels of undeveloped lands in Puteri Harbour, Johor Bahru, Malaysia.	0.98
29 December 2016	VGO Corporation Limited	Proposed acquisition of the entire issued and paid-up share capital of Sky Win Management Consultancy Pte Ltd ("**Sky Win**") for an aggregate consideration of S$386.0 million. Sky Win is a leading property developer in Malaysia specialising in integrated residential, hotel and commercial developments.	0.76 to 0.84[(1)]

Date of circular	Name of company	Description of acquisition	P/RNAV (times)
30 December 2016	LH Group Limited	The proposed acquisition of the entire issued share capital of Pacific Star Development Pte. Ltd. ("**Pacific Star**") for a purchase consideration of S$140,000,000. Pacific Star's main projects are currently located in Iskandar Puteri, Malaysia, and in Bangkok, Thailand.	0.86
29 March 2017	Terratech Group Limited	Proposed acquisition of all of the issued and paid-up shares of Altimate Ventures Limited, Rise Expedition Global Limited and First Star Ventures Limited (collectively, "**Capital City Group**") for the aggregate consideration of S$300,000,000 and US$400. Capital City Group is an integrated property developer that focuses on working with landowners on a joint venture basis to enhance the value of the landowner's land asset.	0.98
Mean			0.88
Median			0.86
Max			1.08
Min			0.60
	The Company	Proposed Acquisitions of Target Companies (based on RNAV of the Target Companies[(2)])	0.81
		The Proposed Acquisitions of Target Companies (based on Adjusted Aggregate FMV of the Target Companies[(3)])	0.81 to 0.84

Source: The respective circulars relating to the respective transactions.

Notes:

(1) In computing the P/RNAV of VGO Corporation Limited of 0.84, the RNAV is based on the market value of the 100% equity interest of Sky Win Management Consultancy Pte. Ltd. and its subsidiaries as valued by the independent business valuer.

(2) Based on the Effective Consideration and the RNAV of the Target Companies as at 30 June 2017 (as set out in paragraph 5.3.2 of the IFA Letter).

(3) Based on the Effective Consideration and the Adjusted Aggregate FMV of the Target Companies (as set out in paragraph 5.3.1 of the IFA Letter).

Based on the above analysis, we note that:

(a) the P/RNAV ratio of the Target Companies, as implied by the Effective Consideration and based on the RNAV of the Target Companies, is within the range of, and below the mean and median of P/RNAV ratios of the Recent Acquisitions; and

(b) the P/RNAV ratio of the Target Companies, as implied by the Effective Consideration and based on the Adjusted Aggregate FMV of the Target Companies, is within the range of, and below the mean and median of P/RNAV ratios of the Recent Acquisitions.

5.4 Assessment of the Pre-Consolidation Issue Price

5.4.1 Historical trading performance and trading liquidity of the Shares

We note that the Shares have been suspended from trading on the SGX-ST for more than 2 years, since 17 April 2015. This followed after the Company's announcement that it has been classified as a cash company with effect from 14 April 2015, pursuant to Rule 1018 of the Listing Manual. The last transacted price of the Shares was S$0.018 on 13 April 2015 ("**Last Transacted Price**") with a trading volume of 7,000 Shares. Since then, there has been no trading in the Shares.

The Pre-Consolidation Issue Price represents a discount of S$0.013 (or 72.2%) to the Last Transacted Price.

Nevertheless, we are of the view that any comparison of the Pre-Consolidation Issue Price to the historical trading performance of the Shares is not meaningful given the length of the trading suspension and change in circumstances of the Company since the trading suspension to the Latest Practicable Date. Therefore, we have not undertaken any historical Share price performance and liquidity analyses.

5.4.2 NL and NTL per Share of the Group

Based on the unaudited consolidated financial statements of the Group as at 30 September 2017, the Group reported an unaudited consolidated NL position of S$16,400,033 (or RMB80,370,000, based on an exchange rate of S$1.00: RMB4.9006 as at 30 September 2017) as at 30 September 2017. Based on the Company's issued share capital of 359,900,000 Shares (excluding treasury shares) as at 30 September 2017, the unaudited NL per Share was S$0.0456. As the Group had no intangible assets, the NTL per Share was equal to the NL per Share.

The Pre-Consolidation Issue Price represents a premium of S$0.0506 to the Group's unaudited NL per Share as at 30 September 2017.

We wish to highlight that the Company's auditors, Nexia had issued a disclaimer of opinion in respect of the Group's financial statements for the financial year ended 31 December 2016. Please refer to paragraph 5.7.1 of this IFA Letter and the Company's Annual Report for FY2016 for details of the Disclaimer of Opinion.

Based on the Company's unaudited financial results as at 30 September 2017, and taking into account (i) the consideration for the Proposed Disposal of RMB1.00 pursuant to the sale and purchase agreement entered into with the Bidder; (ii) the valuation report by the Independent Valuer (PRC Subsidiaries) dated 31 August 2017 in respect of the Company's 100% equity interests in the PRC Subsidiaries pursuant to the Proposed Disposal as set out in Appendix J of the Circular, which ascribed no commercial value to the 100% equity interests in the PRC Subsidiaries; and (iii) the waivers of directors' fees and advances owing to certain directors, advances owing to the former controlling shareholder of the Company, and directors' fees owing to a former independent director of the Company, aggregating S$2.54 million, the Group's adjusted NL position ("**Adjusted NL**") amounted to S$2,703,887 (or RMB13,250,669) as at 30 September 2017. Based on the Company's issued share capital of 359,900,000 Shares (excluding treasury shares) as at 30 September 2017, the unaudited Adjusted NL and NTL per Share was S$0.0075.

The Pre-Consolidation Issue Price represents a premium of S$0.0125 to the Group's unaudited Adjusted NL per Share as at 30 September 2017.

5.4.3 Comparison with recent reverse takeover transactions completed by listed companies on the SGX-ST

We have not compared the valuation statistics implied by the Pre-Consolidation Issue Price against those of recent reverse takeover transactions that were completed by companies listed on the SGX-ST ("**Precedent RTOs**") as we are of the view that this would not yield any meaningful analyses in view of (i) the length of trading suspension and the change in circumstances of the Company since the suspension of its Shares on 17 April 2015 to the Latest Practicable Date; and (ii) the net liability position of the Group as at 30 September 2017.

5.5 Rationale for and benefits of the Proposed NCB Repayment

It is not within our terms of reference to comment or express an opinion on the merits of the Proposed NCB Repayment or the future prospects of the Group after the Proposed NCB Repayment.

We note that the Company is of the view that the Proposed NCB Repayment is beneficial to the Company as the Company was in a net liability position as at 30 September 2017, and it would enable the Company to direct available cash resources towards growing the Company's business in real estate development upon Completion, rather than paying down loans.

5.6 Assessment of the NCB Repayment Shares Issue Price

In assessing the NCB Repayment Shares Issue Price, we have considered:

(i) the historical trading performance and trading liquidity of the Shares; and

(ii) NL and NTL per Share of the Group.

5.6.1 Historical trading performance and trading liquidity of the Shares

We note that the Shares have been suspended from trading on the SGX-ST for more than 2 years, since 17 April 2015. Given the length of the trading suspension and circumstances of the Company since the suspension to the Latest Practicable Date, we are of the view that any comparison of the NCB Repayment Shares Issue Price against the historical market performance of the Shares is not meaningful. Please refer to paragraph 5.4.1 of this IFA Letter for further information.

5.6.2 NL and NTL per Share of the Group

The unaudited NL and NTL per Share was S$0.0456 as at 30 September 2017. The NCB Repayment Shares Issue Price represents a premium of S$0.0506 over the Group's unaudited NL and NTL per Share as at 30 September 2017. The unaudited Adjusted NL and NTL per Share was S$0.0075 as at 30 September 2017. The NCB Repayment Shares Issue Price represents a premium of S$0.0125 over the Group's unaudited Adjusted NL and NTL per Share. Please refer to paragraph 5.4.2 of this IFA Letter for further information.

5.7 Other relevant considerations

5.7.1 Poor financial position of the Group

Based on the audited financial statements for FY2016 and the unaudited financial statements for the nine months ended 30 September 2017 ("**9M2017**"), we note that the Group continued to be loss-making. It incurred total loss (including loss from discontinued operations) of RMB20.8 million in FY2016 and RMB3.5 million in 9M2017, and remained in NL positions of RMB76.4 million and RMB80.4 million as at 31 December 2016 and 30 September 2017 respectively.

We also note that the Company's auditors, Nexia had issued the Disclaimer of Opinion in respect of the Group's financial statements for FY2016.

The Independent Valuer (PRC Subsidiaries) has concluded in its valuation report dated 31 August 2017 that there is no commercial value to the PRC Subsidiaries.

Disclaimer of Opinion

We wish to highlight that the Company's auditors, Nexia had issued the Disclaimer of Opinion in respect of the Group's financial statements for FY2016 on the basis that it has also issued a disclaimer of opinion on the Group's financial statements for FY2015 on the following matters:

(a) *Appropriateness of going concern assumptions of the Group and Company*

The Group and Company incurred losses in FY2015 and FY2016, and was in net liability positions for FY2015 and FY2016. The Group has also ceased production activities since FY2013. The ability of the Group to continue in operational existence in the foreseeable future and meet its financial obligations as and when they fall due is dependent on the outcome of the Proposed Disposal and the Proposed Acquisition of Target Companies.

(b) *Limitation of scope on the audit of the PRC Subsidiaries*

The PRC Subsidiaries have ceased operations since FY2013 and do not have a full time finance team to prepare and maintain a complete and proper set of accounting records. Nexia was unable to visit and conduct its audit at the premises of the PRC Subsidiaries. There are no information and accounting records made available to Nexia to substantiate and verify the amounts recorded as assets and liabilities associated with the PRC Subsidiaries.

(c) *Assets of PRC Subsidiaries*

Nexia is unable to satisfy itself as to the appropriateness of the carrying value of the total assets of the PRC Subsidiaries as the realisation and actual amounts which may be recovered from the assets will depend on outcome of the public auction pursuant to the Proposed Disposal.

We wish to also highlight that the Board believed that the use of going concern assumption in the preparation of the financial statements for FY2016 is appropriate as (i) the Company had announced its intention to dispose of the PRC Subsidiaries and had appointed two firms to jointly sell the PRC Subsidiaries in a public auction; and (ii) the Company had entered into various sale and purchase agreements to acquire amongst others, WBH and CT8.

Please refer to the annual report of the Company for FY2016 for further details of the Disclaimer of Opinion and the then Directors' position on the going concern assumption.

5.7.2 Third extension from SGX-ST to satisfy requirements for new listing

Following the classification of the Company as a cash company on 14 April 2015, pursuant to Rule 1018 of the Listing Manual, trading of the Company' securities on the SGX-ST was suspended with effect from 17 April 2015 until it has a business which is able to satisfy the SGX-ST's requirements for a new listing. The Company was given 12 months until 13 April 2016 to meet the requirements for a new listing. The Company subsequently obtained three extensions of time from the SGX-ST, with the first being on 15 April 2016 up to 13 October 2016, the second being on 13 October 2016 up to 30 April 2017 and the third being on 12 May 2017 up to 31 December 2017.

There is no certainty that the SGX-ST would continue to grant the Company an extension or extensions of time in the future to satisfy the SGX-ST's requirements for a new listing. In the event that the Company is unable to satisfy the SGX-ST's requirements for a new listing despite the extensions granted, no further extension may be granted and the Company may be removed from the Official List.

5.7.3 Conditionality of the Proposed Acquisitions of the Target Companies, the Proposed NCB Repayment and the Proposed Whitewash Resolution

Shareholders should note that:

(i) Ordinary resolutions 1, 2, 4, 5, 9, 10 and special resolution 14 (collectively, the "**Inter-Conditional Resolutions**"), are inter-conditional as these are condition precedents to the WBH SPA and CT8 SPA. Ordinary resolutions 1, 2 and 5 relate to the WBH Acquisition, CT8 Acquisition and Proposed Whitewash Resolution respectively; and

(ii) Ordinary resolutions 3, 6, 7, 8, 11, 12, 13 and special resolutions 15 and 16 are conditional on the passing of the Inter-Conditional Resolutions. Ordinary resolution 8 relates to the Proposed NCB Repayment.

This means that if the Proposed Whitewash Resolution is not approved, the other resolutions (including the resolutions on the Proposed Acquisitions of the Target Companies and the Proposed NCB Repayment) would not be duly passed.

5.7.4 Dilutive impact of the Proposed Acquisitions of Target Companies and the Proposed NCB Repayment

Following the completion of the Proposed Transactions (which includes the the Proposed Acquisitions of Target Companies and the Proposed NCB Repayment) and the Proposed Share Consolidation, the Consideration Shares and the NCB Repayment Shares represent 67.5% and 10.9% of the Enlarged Share Capital respectively. As set out in Section 20.3 of the Circular, the aggregated shareholding interest of the existing public Shareholders will be diluted from 25.7% as at the Latest Practicable Date to 3.4% of the Enlarged Share Capital.

5.7.5 Implications of the Proposed Whitewash Resolution

By voting in favour of the Proposed Whitewash Resolution, the WR Independent Shareholders will be waiving their rights to receive the general offer for all the Shares which the Obliged Parties would otherwise be obliged to make at the highest price paid or agreed to be paid by the Concert Parties Group for the Shares in the past six (6) months preceding the acquisition of the Consideration Shares by the Obliged Parties and the NCB Repayment Shares, in accordance with Rule 14 of the Code and Section 139 of the SFA.

5.7.6 Undertaking to vote in favour

As at the Latest Practicable Date, Equinox Investment Group Limited ("**EIGL**") has an interest in 88,880,000 Shares, representing 24.7% of the issued share capital of the Company.

Pursuant to the terms of the WBH SPA and CT8 SPAs, EIGL has executed a deed in favour of the Company, the Vendors, undertaking not to, amongst others, dispose or otherwise deal with all of the Shares which it has an interest in before Completion, and to vote in favour of the Proposed Transactions.

5.7.7 Risk factors relating to the Target Companies

Upon Completion, the risk factors relating to the business of the Target Companies will be relevant to the Enlarged Group. Shareholders are advised to read the information in Section 18 entitled "Risk Factors" of the Circular carefully.

5.7.8 Undertaking by Ng Chee Beng on gross rental income

On 14 November 2017, Ng Chee Beng entered into the Transaction Deed (as defined in the Circular) to undertake to the Company that the gross rental income for the OCW Units shall be at least S$6.00 psf/month (based on the historical rental rates for the OCW Units for FY2016) for a period of three years following Completion, amounting to an aggregate of S$1,200,960 per annum based on the aggregate net leasable area of the OCW Units of 16,680 sq ft. The Existing Directors and Proposed Directors are of the view that it was reasonable for the WBH Vendors to provide the Transaction Deed, so as to safeguard the interest of the Company in the Proposed Acquisitions. We note that the undertaking for the gross rental income for the OCW Units of S$6.00 psf/month is lower than the average monthly rental rate of S$6.15 per sq ft assumed by the Independent Valuer (Target Companies) in arriving at the FMV of WBH, as set out in paragraph 5.3.1 of this IFA Letter.

5.7.9 Comparison of issue price of NCB Repayment Shares with that of the other Proposed Transactions

We note that the terms of the Proposed NCB Repayment were arrived at between the Company and Ng Chee Beng, after taking into consideration the need to ensure that the Company's debt-to-equity conversion under the Proposed NCB Repayment occurs on substantially the same terms as the Proposed Share Issue, the proposed allotment and issue of DL Repayment Shares as well as the proposed allotment and issuance of Professional Advisers' Shares as payments for services rendered by the financial and legal advisers to the Company in relation to the Proposed Transactions. Specifically, the NCB Repayment Shares Issue Price is the same as the issue price of the Consideration Shares, the DL Repayment Shares and the Professional Advisers' Shares. This was done to achieve the Company's objective of equality of treatment between the parties.

5.7.10 Moratorium of Consideration Shares

Upon Completion, (i) CTE will have a direct interest in 34,911,779 Consolidated Shares, representing approximately 50.7% of the Enlarged Share Capital; and (ii) Ng Chee Beng will have total interests in 42,411,777 Consolidated Shares, representing approximately 61.6% of the Enlarged Share Capital, comprising direct interest in 7,500,000 Consolidated Shares and an indirect interest in 34,911,777 Consolidated Shares by virtue of his interests in CTE.

Each of Ng Chee Beng and CTE has provided an undertaking to the Sponsor to observe a moratorium on the transfer of, amongst others, the Consideration Shares and, where relevant, their direct and effective interest in such Shares for a period of 6 months from the Listing Date ("**First Lock-up Period**") and 50% of their direct and effective interest in the Shares for a period of 6 months following the First Lock-up Period.

The moratorium is given in accordance with Rule 1015(3) of the Catalist Rules, assuming that Resolution 14 providing for the transfer of the listing of the Company from the Mainboard to Catalist is passed.

5.7.11 Moratorium of NCB Repayment Shares

We note that the NCB Repayment Shares will not be subject to any trading moratorium.

5.7.12 Potential dilutive corporate actions to raise capital

Given the generally capital intensive nature of the property development and investment business which is proposed for the Company to be engaged in after Completion, it is reasonable to anticipate that the Company may undertake future equity raising exercises. Shareholders should note that they may experience dilution to their shareholdings if they are not able to participate in such future equity raising exercises whether by placements of new Shares or rights issues.

5.7.13 Financial effects of the Proposed Acquisitions of Target Companies and the Proposed NCB Repayment

We note that the resolutions for the Proposed Acquisitions of Target Companies are inter-conditional on each other and other Inter-Conditional Resolutions as set out in the notice of EGM, while the Proposed NCB Repayment is conditional on the passing of the Inter-Conditional Resolutions. The illustrative financial effects have not been isolated and instead will capture the effects of the Proposed Transactions.

In summary, the pro forma financial effects of the Proposed Transactions which took into account and the waiver of amounts due to PRC directors, Zhu XueCheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao, are as follows:

(a) loss per Share increased from S$0.004 before the Proposed Transactions to S$0.082 after the Proposed Transactions;

(b) the Company registers a NTA per Share of S$0.125 after the Proposed Transactions instead of NTL per Share of S$0.013 before the Proposed Transactions; and

(c) the gearing would increase from nil to 16.9% after the Proposed Transactions.

Please refer to Section 14 of the Circular for details on the pro forma financial effects of the Proposed Transactions. We wish to highlight that the pro forma financial effects of the Proposed Transactions are for illustrative purposes only and do not necessarily reflect the actual results and financial position of the Enlarged Group following completion of the Proposed Transactions.

6. THE PROPOSED DL REPAYMENT

6.1 Details on the Proposed DL Repayment

As at the Latest Practicable Date, the Company owes Daniel Long, the current Acting CEO and Executive Director of the Company, an aggregate sum of S$500,000, comprising (i) an amount of S$311,575 which was advanced by Daniel Long on an interest-free basis from April 2015 to the Latest Practicable Date for the purposes of payment of operating and other expenses that have to be incurred prior to Completion Date; and (ii) a sum of S$188,425, being unpaid directors' fees owed to him in respect of FY2015 to the Latest Practicable Date.

The Company proposes to repay S$500,000 of the aggregate amount owing to Daniel Long by the allotment and issuance of up to 100,000,000 DL Repayment Shares to him on Completion. The DL Repayment Shares represent 3.6% of the Enlarged Share Capital.

The Company is required to obtain the prior approval from its Shareholders in a general meeting for the allotment and issuance of the DL Repayment Shares as Daniel Long falls under the category of persons set out under Rule 812(1) of the Listing Manual, for which Shareholders' approval is required to be obtained before any Shares may be placed to them. Daniel Long is also an Interested Person for the purposes of Chapter 9 of the Listing Manual.

6.2 Evaluation of the Proposed DL Repayment

In our evaluation of the Proposed DL Repayment, we have given due consideration to, *inter alia*, the following factors:

(a) rationale for and benefits of the Proposed DL Repayment;

(b) assessment of the DL Repayment Shares Issue Price; and

(c) other relevant considerations which have a bearing on our assessment of the Proposed DL Repayment.

6.2.1 Rationale for and benefits of the Proposed DL Repayment

It is not within our terms of reference to comment or express an opinion on the merits of the Proposed DL Repayment or the future prospects of the Group after the Proposed DL Repayment.

We note that the Company is of the view that the Proposed DL Repayment is beneficial to the Company as the Company was in a net liability position as at 30 September 2017, and it would enable the Company to direct available cash resources towards growing the Company's business in real estate development upon Completion, rather than paying down loans.

6.2.2 Assessment of the DL Repayment Shares Issue Price

In assessing the DL Repayment Shares Issue Price, we have considered:

(i) the historical trading performance and trading liquidity of the Shares; and

(ii) NL and NTL per Share of the Group.

6.2.2.1 Historical trading performance and trading liquidity of the Shares

We note that the Shares have been suspended from trading on the SGX-ST for more than 2 years, since 17 April 2015. Given the length of the trading suspension and circumstances of the Company since the suspension to the Latest Practicable Date, we are of the view that any comparison of the DL Repayment Shares Issue Price against the historical market performance of the Shares is not meaningful. Please refer to paragraph 5.4.1 of this IFA Letter for further information.

6.2.2.2 NL and NTL per Share of the Group

The unaudited NL and NTL per Share was S$0.0456 as at 30 September 2017. The DL Repayment Shares Issue Price represents a premium of S$0.0506 over the Group's unaudited NL and NTL per Share as at 30 September 2017. The unaudited Adjusted NL and NTL per Share was S$0.0075 as at 30 September 2017. The DL Repayment Shares Issue Price represents a premium of S$0.0125 over the Group's unaudited Adjusted NL and NTL per Share. Please refer to paragraph 5.4.2 of this IFA Letter for further information.

6.3 Other relevant considerations in relation to the Proposed DL Repayment

6.3.1 Dilution impact of the Proposed DL Repayment

Following the completion of the Proposed Transactions (which includes the Proposed DL Repayment) and the Proposed Share Consolidation, Daniel Long's shareholding interest will increase from nil to 3.6% of the Enlarged Share Capital. As set out in Section 20.3 of the Circular, the aggregated shareholding interest of the existing public Shareholders will be diluted from 25.7% as at the Latest Practicable Date to 3.4% of the Enlarged Share Capital.

6.3.2 Financial effects of the Proposed DL Repayment

Please refer to the summary of financial effects of the Proposed Transactions (which includes the Proposed DL Repayment) in paragraph 5.7.13 of this IFA Letter. Details on the financial effects of the Proposed Transactions (which includes the Proposed DL Repayment) are set out in Section 14 of the Circular. The financial effects are for illustrative purposes only and do not purport to be an indication or a projection of the results and financial position of the Enlarged Group after the completion of the Proposed Transactions.

6.3.3 Comparison with terms of the other Proposed Transactions

We note that the terms of the Proposed DL Repayment were arrived at between the Company and Daniel Long, after taking into consideration the need to ensure that the Company's debt-to-equity conversion under the Proposed DL Repayment occurs on substantially the same terms as the Proposed Share Issue, the proposed allotment and issue of NCB Repayment Shares as well as the Professional Advisers' Shares as payments for services rendered to the Company in relation to the Proposed Acquisitions. Specifically, the DL Repayment Shares Issue Price is the same as the issue price of the Consideration Shares and the NCB Repayment Shares. This was done to achieve the Company's objective of equality of treatment between the parties.

6.3.4 Moratorium of DL Repayment Shares

Upon Completion, Daniel Long will have a direct interest in the 100,000,000 DL Repayment Shares (or 2,500,000 Consolidated Shares), representing approximately 3.6% of the Enlarged Share Capital.

Daniel Long has provided an undertaking to the Sponsor to observe a moratorium on the transfer of, amongst others, the DL Repayment Shares for the First Lock-up Period and 50% of his direct and effective interest in the DL Repayment Shares for a period of 6 months following the First Lock-up Period.

7. OUR OPINION

The Proposed Whitewash Resolution

In arriving at our opinion in respect of the Proposed Whitewash Resolution, we have taken into account the following key considerations, as summarised below:

(a) the rationale for the Proposed Acquisitions of Target Companies;

(b) the financial performance and position of the Target Companies;

(c) the Effective Consideration of approximately S$20.2 million represents a discount of between 15.6% and 18.6% to the Adjusted Aggregate FMV based on the Target Companies Independent Valuation Letter;

(d) the Effective WBH Consideration of approximately S$2.8 million represents a discount of approximately 18.0% to the RNAV or RNTA of WBH as at 30 June 2017 while the CT8 Consideration of approximately S$17.4 million represents a discount of approximately 19.7% to the RNAV or RNTA of CT8 as at 30 June 2017. The Effective Consideration of approximately S$20.2 million represents a discount of approximately 19.4% to the RNAV or RNTA of the Target Companies as at 30 June 2017;

(e) the respective EV/EBITDA and P/E ratios of the Target Companies, as implied by the Effective Consideration, are within the range of the EV/EBITDA and P/E ratios of the Comparable Companies, and below the mean and median EV/EBITDA and P/E ratios of the Comparable Companies;

(f) the P/NAV and P/NTA ratios of the Target Companies, as implied by the Effective Consideration and based on the RNAV or RNTA of the Target Companies, are within the range of the P/NAV and P/NTA ratios of the Comparable Companies, and similar to the mean and the median P/NAV and P/NTA ratios of the Comparable Companies;

(g) the P/NAV and P/NTA ratios of the Target Companies, as implied by the Effective Consideration and based on the Adjusted Aggregate FMV of the Target Companies, are within the range of the P/NAV and P/NTA ratios of the Comparable Companies, and similar to the mean and median P/NAV and P/NTA ratios of the Comparable Companies;

(h) the P/RNAV ratio of the Target Companies, as implied by the Effective Consideration, and based on the RNAV of the Target Companies, is within the range of, and below the respective mean and median of P/RNAV ratios of Recent Acquisitions;

(i) the P/RNAV ratio of the Target Companies, as implied by the Effective Consideration and based on the Adjusted Aggregate FMV of the Target Companies, is within the range of, and below the mean and median of P/RNAV ratios of Recent Acquisitions;

(j) the Pre-Consolidation Issue Price represents a premium of S$0.0506 over the Group's unaudited NL and NTL per Share as at 30 September 2017, and a premium of S$0.0125 over the Group's unaudited Adjusted NL and NTL per Share as at 30 September 2017;

(k) the rationale for and benefits of the Proposed NCB Repayment;

(l) the NCB Repayment Shares Issue Price represents a premium of S$0.0506 over the Group's unaudited NL and NTL per Share as at 30 September 2017, and a premium of S$0.0125 over the Group's unaudited Adjusted NL and NTL per Share as at 30 September 2017;

(m) the NCB Repayment Shares Issue Price is the same as the Pre-Consolidation Issue Price of the Consideration Shares, the DL Repayment Shares as well as the Professional Advisers' Shares; and

(n) other considerations in relation to the Proposed Acquisitions of Target Companies and the Proposed NCB Repayment set out in paragraph 5.7 of this IFA Letter.

Accordingly, after taking into account the above factors, we are of the opinion as of the date hereof that, on balance, the terms of the Proposed Acquisitions of Target Companies and the Proposed NCB Repayment, being the subjects of the Proposed Whitewash Resolution, are fair and reasonable, and are not prejudicial to the interests of the WR Independent Shareholders. Accordingly, we advise the WR Independent Directors to recommend that WR Independent Shareholders vote in favour of the resolution for the Proposed Whitewash Resolution.

Proposed DL Repayment

In arriving at our opinion in respect of the Proposed DL Repayment, we have taken into account the consideration of the following key considerations, as summarised below:

(a) the rationale for and benefits of the Proposed DL Repayment;

(b) the DL Repayment Shares Issue Price represents a premium of S$0.0506 over the Group's unaudited NL and NTL per Share as at 30 September 2017, and a premium of S$0.0125 over the Group's unaudited Adjusted NL and NTL per Share as at 30 September 2017;

(c) the DL Repayment Shares Issue Price is the same as the Pre-Consolidation Issue Price of Consideration Shares, the NCB Repayment Shares as well as the Professional Advisers' Shares; and

(d) other considerations as set out in paragraph 6.3 of the IFA Letter.

In our opinion, having regard to the considerations set forth in the IFA Letter and the information available as at the Latest Practicable Date, the Proposed DL Repayment is on normal commercial terms and is not prejudicial to the interests of the Company and the IPT Independent Shareholders.

Our opinion set out in this IFA Letter is addressed to the WR Independent Directors and IPT Independent Directors, for the purpose of their consideration of the Proposed Whitewash Resolution and the Proposed DL Repayment respectively, and the recommendation to be made by them to the relevant Independent Shareholders shall remain their sole responsibility. Whilst a copy of this letter may be reproduced in the Circular, neither the Company, the Directors nor any other person may reproduce, disseminate or quote this letter (or any part thereof) for the purpose of any matter which does not relate to the Proposed Whitewash Resolution and the Proposed DL Repayment at any time and in any matter without our prior written consent in each specific case.

This IFA Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
ZICO Capital Pte. Ltd.

Alex Tan
Chief Executive Officer

Karen Soh
Managing Director

Knight Frank Malaysia Sdn Bhd
Suite 3A.01, Level 3A, Bangunan Pelangi
Jalan Biru, Taman Pelangi
80400 Johor Bahru, Johor Darul Takzim
Tel: (+607) 3382 888 Fax: (+607) 3326 788

Your Reference No. : -

Our Reference No. : V/JB/17/116/wan

To: Date: 14th September 2017

Changjiang Fertilizer Holdings Limited
114, Lavender Street
#06-01, CT Hub 2
Singapore 338729

Attention: The Board of Directors

Dear Sirs,

CERTIFICATE OF VALUATION

Name of Applicant:	Changjiang Fertilizer Holdings Limited
Purpose of Valuation:	Submission to the Singapore Exchange (SGX).
Date of Valuation / Inspection:	30th August 2017.
Property Type:	A parcel of development land approved for industrial use designated for twelve (12) units of cluster factory and two (2) units of semi-detached factory development.
Property Location:	Geographically, the subject property is located within the locality of Taman Perindustrian Maju Jaya in Johor Bahru, Johor. It fronts onto a laterite road and situated about 850 metres off Jalan Belati. Johor Bahru city centre is located about 19 kilometres by road due south-east of the subject property. *We were given to understand that the compulsory acquisition of the neighbouring lands, for the purpose of constructing an access road connecting Jalan Kempas Lama and the subject property, is near completion as at the date of valuation. We have taken this into our consideration in arriving at the Market Value of the subject property.* The subject property is accessible from Johor Bahru city centre via Jalan Tun Abdul Razak, Jalan Skudai, Jalan Kempas Lama, Jalan Belati and thence onto a laterite road leading to the subject property.
Land Area:	Titled Land Area: Hectares 2.3396, Acres (Approximately) 5.781 Area Acquired: Hectares 0.1130, Acres (Approximately) 0.279 Net Land Area: Hectares 2.2266, Acres (Approximately) 5.502
Registered Proprietors:	Regal Sapphire Sdn Bhd

Knight Frank

Reference No: VJB/17/116/wan

Legal Description:	Title No. GRN 80620, Lot No. 3037, Mukim of Tebrau, District of Johor Bahru, Johor Darul Takzim.
Tenure:	Interest in perpetuity.
Category of Land Use:	Nil.
Express Conditions:	Nil.
Restriction In Interest:	Nil.
Encumbrance:	Nil.
Endorsements:	*i) "Perletakhakan Oleh Mahkamah Atas Kepentingan melibatkan Gadaian No. Pers 69007/1996, 69008/1996 dari The Pacific Bank Berhad, The Pacific Bank Berhad kepada Malayan Banking Berhad, Malayan Banking Berhad mengikut Perintah Mahkamah Tinggi Malaya", vide Presentation No, 6575/2002, registered on 26th February 2002.* *ii) "Pengambilan Sebahagian Tanah - Borang K seluas lebih kurang 0.1130 Hektar" vide Presentation No. 8219/2013, registered on 5th December 2013.* *iii) "Private caveat has been lodged by Regal Sapphire Sdn Bhd", vide Presentation No. 42620/2013, registered on 13th December 2013.* *iv) "Pindahmilik Tanah oleh Capaian Sepadu Sdn Bhd kepada Regal Sapphire Sdn Bhd" vide Presentation No. 9911/2014, registered on 12th February 2014.* v) *"Permohonan serahbalik seluruh tanah" vide Presentation No. 3883/2015, registered on 30th August 2015.*
Brief Description:	The subject property is an unconverted development land, with a net land area of about 2.2266 hectares (about 5.502 acres). Vide an approval letter bearing Reference No. MBJB/U/2016/SNT/KM/34 (27) dated 13th December 2016, issued by Majlis Bandaraya Johor Bahru in reference to the Approved Layout Plan bearing Plan No. BP14/KM/06/09/2016, the subject property has been approved for industrial use designated for twelve (12) units of cluster factory and two (2) units of semi-detached factory development. As per our site inspection, the subject site is overgrown with wild vegetation and thick undergrowth. Topographically, it is generally flat to undulating in terrain, some parts are observed to be slightly hilly. It is elevated from Lebuhraya Utara-Selatan (North – South Expressway) but at level with the laterite road along its south-western and north-western boundaries. The site boundaries are not demarcated by any form of fencing. **We have not conducted any boundary checks, however we had assumed that the dimensions correspond with those shown in the relevant plans. As our inspection was done specifically for the purpose of this Valuation, we advised that any parties interested in the subject property for any other reasons whatsoever conduct their own inspection to confirm the relevant site details and engage the services of a licensed Land Surveyor to determine the boundaries if so required.**

Knight Frank

Reference No: V/JB/17/116/wan

Planning Approval:	As per approval letter bearing Reference No. MBJB/U/2016/SNT/KM/34 (27) dated 13th December 2016, issued by Majlis Bandaraya Johor Bahru in reference to the Approved Layout Plan bearing Plan No. BP14/KM/06/09/2016, the development components are tabulated below:-

KOMPONEN PEMBANGUNAN	UNIT	%	LUAS	%
INDUSTRI				
Industri Kluster (66' x 105')	8	57.14	1.36	24.73
Industri Kluster (65' x 105')	4	28.57	0.63	11.45
Industri Berkembar (65' x 120')	2	14.29	0.39	7.09
JUMLAH KECIL	**14**	**100.00**	**2.38**	**43.27**
KEMUDAHAN DAN INFRASTRUKTUR				
Kawasan Lapang	-	-	0.386	7.02
Kawasan Hijau	-	-	0.09	1.64
Pencawang Elektrik	2	-	0.12	2.18
Loji Olahan Kumbahan (OLK)	1	-	0.19	3.45
Rizab Parit (7.5M)	-	-	0.13	2.36
Rizab Utiliti (3M)	-	-	0.05	0.91
Rizab Jalan	-	-	2.154	39.16
JUMLAH KECIL	**3**	**-**	**3.12**	**56.73**
JUMLAH KESULURUHAN	**17**	**-**	**5.50**	**100.00**

Remarks:

Vide a copy of Surrender and Re-Alienation *(Serah Balik Kurnia Semula)* application letter bearing Reference No. PTG 02/08/03/0100/0058/2015/0943/2015 (10) dated 9 July 2017, issued by Pejabat Pengarah Tanah dan Galian Johor to Pentadbir Tanah, Pejabat Pentadbir Tanah Johor Bahru, the subject property has been approved for conversion to light industry cluster / semi-detached by the Jawatankuasa Hasil Bumi Johor, pending for further approval by the Pentadbir Tanah.

In light of the above, we were specifically instructed by our client to value the subject property on the following bases:-

(A) On 'As is' basis, i.e. as a parcel of development land approved for industrial use designated for twelve (12) units of cluster factory and two (2) units of semi-detached factory development;

(B) **ON THE ASSUMPTION THAT THE INDIVIDUAL TITLE OF THE SUBJECT PROPERTY IS ISSUED UNDER INDUSTRIAL USAGE, CONVEYING A FREEHOLD INTEREST OVER A PROVISIONAL LAND AREA OF 2.2266 HECTARES *(ABOUT 5.509 ACRES)* WHICH IS GOOD, REGISTRABLE AND MARKETABLE.**

Knight Frank

Reference No: V/JB/17/116/wan

	"IF ANY PARTY WISHES TO RELY ON THE VALUATION BASED ON THE ASSUMPTIONS AS STATED ABOVE, THEN APPROPRIATE PROFESSIONAL ADVICE SHOULD BE SOUGHT SINCE THE VALUE REPORTED IS BASED ON ASSUMPTIONS THAT ARE NOT YET REALISED".
Basis of Valuation:	The basis of valuation adopted is the **Market Value** which is defined as *"the estimated amount for which a property should exchange on the date of valuation between a willing seller and a willing buyer in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion"*.
Valuation Methodology:	In arriving at our opinion of the **Market Value**, we have used the **Comparison Method**. This approach involves the comparing and analysis of recent transactions of similar type of property in the locality or similar location and making the relevant adjustments to factors affecting value to arrive at the Market Value of the property. Listings and offers may also be considered. We have counter-checked the valuation by using the **Residual Method**. This approach is based on the premise that the price which a purchaser can pay for a property is the present value of the surplus amount or residual value after deducting out the full cost of development (Gross Development Cost) and profit from the sales proceeds (Gross Development Value) of the completed development, which is then discounted at an appropriate rate to reflect the inherent risk and holding cost for the period of development to arrive at the current **Market Value**.
Opinion of Values:	(A) On 'As is' basis, i.e. as a parcel of development land approved for industrial use designated for twelve (12) units of cluster factory and two (2) units of semi-detached factory development. **RM12,000,000/-** *(Ringgit Malaysia : Twelve Million Only).* (B) **ON THE ASSUMPTION THAT THE INDIVIDUAL TITLE OF THE SUBJECT PROPERTY IS ISSUED UNDER INDUSTRIAL USAGE, CONVEYING A FREEHOLD INTEREST OVER A PROVISIONAL LAND AREA OF 2.2266 HECTARES *(ABOUT 5.509 ACRES)* WHICH IS GOOD, REGISTRABLE AND MARKETABLE.** **RM12,500,000/-** *(Ringgit Malaysia : Twelve Million And Five Hundred Thousand Only).*

Knight Frank

Reference No: V/JB/17/116/wan

This Valuation Certificate is prepared in accordance with the general principles adopted and limiting conditions as enclosed at the end of this certificate.

For all intents and purposes, this Valuation Certificate should be read in conjunction with our formal valuation report which will be submitted to you in due course.

Thank you.

For and on behalf of
KNIGHT FRANK MALAYSIA SDN BHD
(Johor Branch Office)

RICKY LEE KONG-WAH
Registered Valuer, V-0319
BLE, M.Sc, MRICS, MRISM
RL/wan

Knight Frank

GENERAL PRINCIPLES ADOPTED AND LIMITING CONDITIONS IN THE PREPARATION OF VALUATION REPORTS

These are the general principles and limiting conditions upon which our Valuation Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) MALAYSIAN VALUATION STANDARDS

The Valuation Report is carried out in accordance with the Manual of Valuation Standards published by the Board of Valuers, Appraisers and Estate Agents.

Where applicable, we have also made reference to other established valuation manuals and standards such as the International Valuation Standards (IVS) and the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

2) CONFIDENTIALITY

Our Valuation Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the report to any other party. Accordingly, our Valuation Report is to be relied on by the client and no other party. No responsibility is accepted to any other party and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which it will appear. We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorised publications of our Valuation Report, whether in part or in whole.

3) USE OF REPORT

The opinion of value expressed in this Report is addressed to the client only and shall be used for the purpose stated or intended in this Report only. We are not responsible for any consequences arising from the Valuation Report being relied upon by any other party whatsoever or for any information therein being quoted out of context. You may not otherwise reproduce, distribute, transmit, post or disclose the content of the Report without our prior written consent.

4) SOURCE OF INFORMATION

Where it is stated in the Report that information has been supplied by the sources listed, this information is believed to be reliable and no responsibility is accepted should it prove not to be so nor warranty of any kind, be it express or implied, is intended. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities. This Report has been prepared on the basis that full disclosure of all information and facts which may affect the Valuation have been made known to ourselves and we cannot accept any liability or responsibility in any event, unless such full disclosure has been made to us.

5) LEGAL TITLE

Whenever possible, a private title search is conducted at the relevant Land Registry/Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/Office.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the Structure Plan, Local Plan and Development Plans published by the relevant Authority. Whilst we may make verbal enquiries, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers or other professional advisors.

Our Valuation is prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations (including fire safety and building regulations). It is assumed that they have been, or will be issued with a Certificate of Fitness for Occupation / Certificate of Completion and Compliance by the competent authority.

7) LEASES AND TENANCIES

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

Knight Frank

8) DEVELOPMENT AGREEMENTS

Unless otherwise stated, no allowances are made in our valuation for any joint venture agreement, development right agreement or other similar contracts.

9) MEASUREMENTS AND AGE OF BUILDING

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Royal Institution of Surveyors, Malaysia. Where the age of the building is estimated, this is for guidance only.

10) SITE SURVEYS

We have not conducted any boundary checks; however, we assume that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

11) STRUCTURAL SURVEYS

We have not carried out a building survey or any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advice upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance in respect of any rot, termite or pest infestation or other hidden defects.

12) SITE CONDITIONS

We do not carry out investigations on the property or neighbouring land (including the past and present uses) in order to determine the suitability of the ground conditions (including contamination or potential for contamination) and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our Valuation is on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

13) DELETERIOUS OR HAZARDOUS MATERIALS

No investigation has been carried out to determine whether or not any deleterious or hazardous materials have been used in the construction of the property, or has since been incorporated and we are therefore unable to account or report for such in the Report.

14) DISEASES AND INFESTATIONS

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any test to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Report.

15) OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

16) TAXATION, ENCUMBRANCES, STATUTORY NOTICES AND OUTGOINGS

Unless otherwise stated, no allowances are made in our valuation for any expense of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoings (including all outstanding maintenance fee and/or service charges + sinking funds applicable for stratified properties).

17) ATTENDANCE

The instruction and the valuation assignment does not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory bodies in connection with the Valuation unless agreed when the instruction is given.

18) VALIDITY PERIOD OF VALUATION REPORT

This Valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

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APPENDIX C – INDEPENDENT VALUATION LETTER IN RESPECT OF THE TARGET COMPANIES

INDEPENDENT VALUATION SUMMARY LETTER FROM RSMCA

30 September 2017

The Board of Directors
Changjiang Fertilizer Holdings Limited
10 Collyer Quay, #27-00
Ocean Financial Centre
Singapore 049315

Dear Sirs,

1. INTRODUCTION

RSM Corporate Advisory Pte Ltd ("RSMCA") has been engaged by the Board of Directors (the "Directors") of Changjiang Fertilizer Holdings Limited ("Changjiang Fertilizer" or the "Company") to conduct an independent valuation and provide a Fair Market Value range of 100% of the share capital of WBH Investments Pte. Ltd. ("WBH") and Chiu Teng 8 Pte. Ltd. ("CT8") (collectively, the "Target Companies") as at 30 June 2017 (the "Valuation Date").

This letter has been prepared for the purpose of incorporation in the circular ("Circular") to be issued in relation to the proposed transaction by Changjiang Fertilizer to acquire the Target Companies ("Proposed Acquisition").

This letter indicates our conclusion in relation to the Fair Market Value range of the Target Companies as at 30 June 2017 that is contained in our report dated 30 September 2017 (the "Valuation Report"). Accordingly, this letter should be read in conjunction with the full text of the Valuation Report.

Unless otherwise stated, words and expressions defined in the Circular for the purpose of obtaining shareholder's approval for the Proposed Acquisition have the same meaning in this letter.

2. TERMS OF REFERENCE

Scope of Work

RSMCA has been appointed by Changjiang Fertilizer to conduct an independent valuation and provide a Fair Market Value range of 100% of the share capital of the Target Companies as at 30 June 2017.

Fair Market Value is defined as "the price at which the shares would be exchanged by a willing buyer and willing seller, neither being under any compulsion to buy or sell and both having a reasonable knowledge of relevant facts". The Fair Market Value range of WBH includes loans from shareholders (i.e. added to the Enterprise Value) as these loans will be assigned to Changjiang Fertilizer as part of the acquisition.

The Fair Market Value range for WBH has been estimated as the sum of the future free operating cash flows expected to be generated by WBH discounted to present value as at 30 June 2017 using the Weighted Average Cost of Capital ("WACC"), on a stand-alone going concern basis. The expected future free cash flows are defined as the cash generated from operations taking into account requirements for capital expenditure and incremental working capital. We have also considered the Net Asset Value ("NAV") approach as a cross-check. As for the Fair Market Value range of CT8, it is estimated based on the adjusted NAV value of CT8 as at 30 June 2017.

For avoidance of doubt, our scope of work does not include the valuation of the investment properties and properties held for sale and we have relied on the property valuation report determined by the property valuer.

RSMCA's compensation is not contingent upon the reporting of a value or direction in value that favours anyone, the amount of the value estimate the attainment of a stipulated result, or the occurrence of a subsequent event.

Limitations of our Valuation Report and this letter

This letter and the Valuation Report are addressed strictly to the Directors of Changjiang Fertilizer and for the intended purpose as set out above and accordingly neither the Valuation Report nor this letter may not be used or relied upon in any other connection by, and is not intended to confer any benefit on, any person (including without limitation the respective shareholders of Changjiang Fertilizer).

Our terms of reference do not require us to evaluate or comment on the rationale, or the strategic or long term perspective of the Proposed Acquisition or future financial performance of the Target Companies. We are not required to express any view on the growth prospects or potential of the Target Companies

The Valuation Report, which is not intended to be and is not included in the Circular, does not purport to contain all the information that may be necessary or desirable to fully evaluate the Proposed Acquisition.

We are not required to conduct a comprehensive review of the business, technical, operational, strategic or other commercial risks and merits of the Target Companies and such remain the sole responsibility of the Directors and the management of Changjiang Fertilizer ("Management"). We will not be expressing any opinion on the commercial merits and structure of the Proposed Acquisition, nor are we providing any opinion, expressed or implied, as to the price of the shares or the financial condition or performance of Changjiang Fertilizer upon the completion of the Proposed Acquisition.

Our estimate of the Fair Market Value range of the Target Companies is based upon prevailing market, economic, industry, monetary and other conditions and on the information made available to us as of the date of the Valuation Report. Such conditions may change significantly over a relative short period of time and we assume no responsibility and are not required to update, revise or reaffirm our conclusion set out in this letter to reflect events or developments subsequent to the date of this letter and the Valuation Report.

We understand that the independent financial advisor ("IFA") will refer to our Valuation Report as part of their assessment of the Proposed Acquisition. Our work and Valuation Report are not meant to substitute their own procedures to substantiate the opinion they are required to render.

Reliance on information

In conducting our work, we have held discussions with Management and we have relied on the information (including representations, opinions, facts and statements) provided to us by the Directors, Management and employees of the Company as well as other publicly available information, upon which analysis is based. We have also relied on the property valuation reports from Dennis Wee Realty Pte Ltd. Management and the Directors have confirmed to us, that all material information available to them with respect to the Target Companies that is relevant for the purpose of our terms of reference, has been disclosed to us and that such information is fair and accurate in all material respects and that there is no other information or fact, the omission of which would cause any information disclosed to us to be inaccurate or misleading in any material respect on the Target Companies.

We have assumed and relied upon, and have not independently verified the accuracy, completeness and adequacy of the information provided or otherwise made available to us or relied upon by us as described above, whether written or verbal, and no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of all such information.

The Board of Directors
Changjiang Fertilizer Holdings Limited

3. KEY ASSUMPTIONS

The Fair Market Value range of the Target Companies is based on the information provided by and representations made by the Management and Directors. The assumptions used reflect current expectations and views regarding future events and therefore, necessarily involve known and unknown risks and uncertainties affecting the Target Companies.

We have relied on the following general assumptions in arriving at the Fair Market Value range of the Target Companies as at 30 June 2017:

1) Information provided by the Management and Directors up to the date of the Valuation Report fairly reflects the Target Companies' financial and operating position;

2) The Target Companies continue to operate as a going concern and have sufficient capital to support future expenditure and working capital and the capability to achieve the financial forecast;

3) The business forecast, including but not limited to the projected capital expenditure, revenue and profitability that the WBH is expecting to achieve, is realistic from WBH's perspective;

4) WBH is able to renew the existing tenants or secure new tenants and achieve the average monthly rental rate of S$6.15;

5) WBH is able to achieve at least 90% occupancy rate during the forecast period;

6) The Fair Market Value range of WBH excludes the reinstatement cost. If there is a requirement for reinstatement and to include the cost, the FMV range of WBH may be significantly different;

7) CT8 is able to sell the remaining units held by CT8 at the market value estimated by the property valuer;

8) There are no restrictions on the distribution of cash flows to the shareholders;

9) We have applied a WACC for WBH ranging from 4.8% to 5.8%; and

10) We have applied a 0% growth rate for the rental from FY2021 onwards.

4. CONCLUSION

In accordance with the terms of reference, limitations, key assumptions and factors set out herein, RSMCA has arrived at the Fair Market Value range of WBH to be **S$6.5 million to S$7.4 million** and Fair Market Value of CT8 to be **S$21.7 million** as at 30 June 2017.

Yours sincerely,

For and on behalf of RSM Corporate Advisory Pte Ltd

Terence Ang
Executive Director

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PROPERTY VALUATION LETTER IN RESPECT OF THE OCW UNITS

DWG REAL ESTATE

Dennis Wee Realty Pte Ltd (Licence No: L3005183F)
190 Lorong 6 Toa Payoh #03-512, Toa Payoh Shopping Centre, Singapore 310190
Tel: (65) 6333 5322 Fax: (65) 6352 6788 Website: www.dwg.com.sg
Co. Reg. No: 199206613C GST Reg. No: M2-0119005-3

Our Ref: PTE/2017/1900A/SP/EC/WM

30 September 2017

VALUATION FOR

Changjiang Fertilizer Holdings Limited
10 Collyer Quay #27-00
Ocean Financial Centre
Singapore 049315

VALUATION CERTIFICATE

1.0 Purpose of Valuation : To determine the **Open Market Value** of the subject property as at 30 June 2017 for the proposed acquisition by Changjiang Fertilizer Holdings Limited of WBH Investments Pte. Ltd.

2.0 Date of Inspection : 22 May 2017

3.0 Address of Property : 1 Commonwealth Lane
#01-07/08/09/10/11/12/13/14/15/17/18/19/20
One Commonwealth
Singapore 149544

4.0 Property Details

4.1 Type : 13 strata showroom units within a factory building

4.3 Strata Floor Area :

Unit No.	Strata Area (sq m)
#01-07	122
#01-08	121
#01-09	121
#01-10	121
#01-11	121
#01-12	121
#01-13	121
#01-14	121
#01-15	111
#01-17	117
#01-18	117
#01-19	117
#01-20	119
Total	**1,550**

1 Commonwealth Lane
#01-07/08/09/10/11/12/13/14/15/17/18/19/20
One Commonwealth
Singapore 535223

www.dwg.com.sg

4.0 Property Details (Con't)

4.4	**Age**	:	Circa 2010's
4.5	**Condition**	:	Good
4.6	**Orientation**	:	

Unit No.	Orientation (main door facing)
#01-07/08/09/10/11/12/13/14/15	South west
#01-17/18/19/20	North east

5.0 Title & Tenure

5.1	**Legal Description**	:	

Unit No.	Strata Lot No. (all of Mukim 3)
#01-07	U40847X
#01-08	U40855V
#01-09	U40863N
#01-10	U40871W
#01-11	U40879L
#01-12	U40887P
#01-13	U40895X
#01-14	U40903K
#01-15	U40911M
#01-17	U40926W
#01-18	U40934K
#01-19	U40942M
#01-20	U40950A

5.2	**Tenure/Title**	:	30 years leasehold with effect from 01/03/2008

6.0 Town Planning

Master Plan (2014)	:	Business 1

7.0 Tenancy Details

The subject property was part tenanted/ part vacant as at the date of inspection.

1 Commonwealth Lane
#01-07/08/09/10/11/12/13/14/15/17/18/19/20
One Commonwealth
Singapore 535223

www.dwg.com.sg

8.0 Method and Basis Of Valuation

We have valued the subject property, in its existing continued use, by the Comparable Sales Method. In this method, a comparison is made with sales of similar properties in the vicinity and adjustments are made for differences in location, floor area, age, condition, tenure, design and layout, floor loading, ceiling height, dates of transaction and the prevailing market conditions, etc., before arriving at the value of the subject property.

The term "Open Market Value" is intended to mean the best price at which an interest in a property might reasonably be expected to be sold at the date of valuation assuming: -

a) a willing seller, willing buyer;
b) a reasonable period within which to negotiate the sale, taking into consideration the nature of the property and state of the market;
c) the property will be freely exposed to the market for a reasonable period of time; and
d) no account is to be taken of an additional bid by a special purchaser.

Our valuation has been made on the assumption that the owner sells the Property on the open market in its existing state and without the benefit of a deferred terms contract, joint venture, or any similar arrangement which would affect the value of the Property.

Where market value is assessed, it reflects the full contract value and no account is taken of any liability to taxation on sale or of the cost involved in effecting a sale. The Property is valued on the assumption that it is free and clear of all mortgages, encumbrances and other outstanding premiums and charges.

Our valuation is prepared on the basis that the premises and any works thereto comply with all relevant statutory regulations. We understand that the buildings on site have been issued with Certificate of Statutory Completion by the Building Authority.

No structural survey has been made of the buildings and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects. None of the services in the building was tested.

1 Commonwealth Lane
#01-07/08/09/10/11/12/13/14/15/17/18/19/20
One Commonwealth
Singapore 535223

www.dwg.com.sg

9.0 Source of Information

Where applicable, we have relied on information provided to us by our client pertaining to matters such as the gross floor area, usage, tenure, etc. All information provided is treated as true, accurate and we reserve the right to change our opinion of values if any information provided were to be materially change. No legal requisitions were done, we recommend that these information to be verified by the legal advisers.

10.0 Confidentiality and Disclaimers

This letter and Valuation Certificate may only be relied upon by Changjiang Fertilizer Holdings Limited in its contemplated corporate actions involving WBH Investments Pte. Ltd. ("**Proposed Transactions**"), as well as the various professional parties involved in the Proposed Transactions, including but not limited to: RHT Capital Pte. Ltd., the Sponsor and Financial Adviser to the Company; RSM Corporate Advisory Pte. Ltd , the Independent Valuer of the Target Companies; and Zico Capital Pte. Ltd., the Independent Financial Adviser to the Company.

Use by, or reliance upon this document by anyone other than the above parties is not authorised by DWG and DWG is not liable for any loss arising from such unauthorised use or reliance. This document should not be reproduced without our prior written authority.

1 Commonwealth Lane
#01-07/06/09/10/11/12/13/14/15/17/18/19/20
One Commonwealth
Singapore 535223

www.dwg.com.sg

11.0 Valuation

With due regard to the foregoing and taking into consideration the prevailing market conditions and other relevant factors, we are of the opinion that the value of the subject property as **at 30 June 2017**, with vacant possession and free from encumbrances, is as follows:

Open Market Value :

Unit No.	Open Market Value
#01-07	S$958,000
#01-08	S$950,000
#01-09	S$950,000
#01-10	S$950,000
#01-11	S$950,000
#01-12	S$950,000
#01-13	S$950,000
#01-14	S$950,000
#01-15	S$880,000
#01-17	S$918,000
#01-18	S$916,000
#01-19	S$918,000
#01-20	S$924,000
Total	**S$12,166,000 (Singapore Dollars Twelve Million One Hundred And Sixty Six Thousand Only)**

Yours faithfully,
On and Behalf of
Dennis Wee Realty Pte Ltd

David Ng
(License No: AD041-2005203B)

Enclosure: Limiting Conditions

www.dwg.com.sg

LIMITING CONDITIONS

This valuation report has been prepared subject to the following limiting conditions:-

1. This valuation report is restricted to the use of our client or person(s) to whom this valuation report is specifically addressed to and for the specific purpose stated therein and to be used within a reasonable time. We disclaim any liability should it be used by other person(s) or for any other purpose(s) or beyond a reasonable time.

2. Neither the whole or any part of this valuation report or any reference to it may be included in any document, circular or statement or be published in any way without our prior written consent to the form and context in which it may appear. We shall bear no responsibility for any unauthorized inclusion or publication.

3. The valuer accepts no liability if his opinion is quoted without regard to the full background of the reason why this Report is written.

4. In the event we are subject to any liability in connection with this engagement, regardless of legal theory advanced, such liability will be limited to the amount of fees we received for this engagement.

5. The values assessed in this report for the subject property and any allocation of values between parts of the property applies strictly on the terms of and for the purpose of this valuation. The values assessed should not be used in conjunction with any other assessment as they may prove incorrect if so used.

6. Where it is stated in the Report that information has been made known to the Valuer by another party or obtained by the Valuer from any enquiries, searches or investigations made from any government or statutory bodies, this information is believed to be reliable and he disclaims all responsibility if this should later prove not to be so.

7. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes. No requisition or road or drainage proposals has been made.

8. While due care is taken in the course of inspection to note serious building defects, no structural survey has been made and no guarantee is given that the building is free from rot, infestations or other hidden defects. We have also not made any tests on the building services and these services are presumed to be in good working order.

9. Our valuation assumes that as at the date of valuation, the property is free and clear of all mortgages, encumbrances and other outstanding premiums, charges and liabilities.

10. The title to the property is presumed to be good and marketable and, unless mentioned in this report, be free from any encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title, searches and requisitions and other such legal matters.

11. Our valuation presumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations.

12. Any sketch, plan or map in this report is for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.

13. Where information is given without reference to another party in this Report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge.

14. The report was prepared on the basis that we are not required to give testimony or appear in court or any other tribunal or to any government agency by reason of this valuation report or with reference to the property in question unless prior arrangements have been made and we be properly reimbursed.

PROPERTY VALUATION LETTER IN RESPECT OF THE TAGORE 8 UNITS

DWG REAL ESTATE

Dennis Wee Realty Pte Ltd (License No: L3009183F)
190 Lorong 6 Toa Payoh #03-512, Toa Payoh Shopping Centre, Singapore 310190
Tel: (65) 6333 5322 Fax: (65) 6352 6788 Website: www.dwg.com.sg
Co. Reg. No: 199206613C GST Reg. No: M2-0119005-3

Our Ref: PTE/2017/1900B/SP/EC/WM

30 September 2017

VALUATION FOR

Changjiang Fertilizer Holdings Limited
10 Collyer Quay #27-00
Ocean Financial Centre
Singapore 049315

VALUATION CERTIFICATE

1.0 Purpose of Valuation : To determine the **Open Market Value** of the subject property as at 30 June 2017 for the proposed acquisition by Changjiang Fertilizer Holdings Limited of Chiu Teng 8 Pte. Ltd.

2.0 Date of Inspection : 22 May 2017

3.0 Address of Property : 421 Tagore Industrial Avenue
#01-02/04/05/07/08/09/10/12 and #04-05/10
Tagore 8
Singapore 787805

4.0 Property Details

4.1 Type : 10 strata ramp-up factory units each with a mezzanine level

4.3 Strata Floor Area :

Unit No.	Strata Area (sq m)
#01-02	369
#01-04	270
#01-05	357
#01-07	222
#01-08	446
#01-09	258
#01-10	278
#01-12	258
#04-05	289
#04-10	276
Total	**3,023**

4.4 Age : Circa 2010's

4.5 Condition : New

4.0 Property Details (Con't)

4.6 Orientation :

Unit No.	Orientation (main door facing)
#01-02/04/05/07/08	South west & north east
#01-09/10/12	North east
#04-05/10	South west

5.0 Title & Tenure

5.1 Legal Description :

Unit No.	Strata Lot No. (all of Mukim 20)
#01-02	U17269A
#01-04	U17271T
#01-05	U17272A
#01-07	U17274N
#01-08	U17275X
#01-09	U17276L
#01-10	U17277C
#01-12	U17279W
#04-05	U17367M
#04-10	U17372V

5.2 Tenure/Title : Estate in perpetuity

6.0 Town Planning

Master Plan (2014) : Business 1

7.0 Tenancy Details

The subject property was vacant as at the date of inspection.

421 Tagore Industrial Avenue
#01-02/04/05/07/08/09/10/12 and #04-05/10
Tagore 8
Singapore 535223

www.dwg.com.sg

8.0 Method and Basis Of Valuation

We have valued the subject property, in its existing continued use, by the Comparable Sales Method. In this method, a comparison is made with sales of similar properties in the vicinity and adjustments are made for differences in location, floor area, age, condition, tenure, design and layout, floor loading, ceiling height, dates of transaction and the prevailing market conditions, etc., before arriving at the value of the subject property.

The term "Open Market Value" is intended to mean the best price at which an interest in a property might reasonably be expected to be sold at the date of valuation assuming: -

a) a willing seller, willing buyer;
b) a reasonable period within which to negotiate the sale, taking into consideration the nature of the property and state of the market;
c) the property will be freely exposed to the market for a reasonable period of time; and
d) no account is to be taken of an additional bid by a special purchaser.

Our valuation has been made on the assumption that the owner sells the Property on the open market in its existing state and without the benefit of a deferred terms contract, joint venture, or any similar arrangement which would affect the value of the Property.

Where market value is assessed, it reflects the full contract value and no account is taken of any liability to taxation on sale or of the cost involved in effecting a sale. The Property is valued on the assumption that it is free and clear of all mortgages, encumbrances and other outstanding premiums and charges.

Our valuation is prepared on the basis that the premises and any works thereto comply with all relevant statutory regulations. We understand that the buildings on site have been issued with Certificate of Statutory Completion by the Building Authority.

No structural survey has been made of the buildings and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects. None of the services in the building was tested

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9.0 Source of Information

Where applicable, we have relied on information provided to us by our client pertaining to matters such as the gross floor area, usage, tenure, etc.. All information provided is treated as true, accurate and we reserve the right to change our opinion of values if any information provided were to be materially change. No legal requisitions were done, we recommend that these information to be verified by the legal advisers.

10.0 Confidentiality and Disclaimers

This letter and Valuation Certificate may only be relied upon by Changjiang Fertilizer Holdings Limited in its contemplated corporate actions involving Chiu Teng 8 Pte. Ltd. ("**Proposed Transactions**"), as well as the various professional parties involved in the Proposed Transactions, including but not limited to: RHT Capital Pte. Ltd., the Sponsor and Financial Adviser to the Company; RSM Corporate Advisory Pte. Ltd., the Independent Valuer of the Target Companies; and Zico Capital Pte. Ltd., the Independent Financial Adviser to the Company.

Use by, or reliance upon this document by anyone other than the above parties is not authorised by DWG and DWG is not liable for any loss arising from such unauthorised use or reliance. This document should not be reproduced without our prior written authority.

421 Tagore Industrial Avenue
#01-02/04/05/07/08/09/10/12 and #04-05/10
Tagore 8
Singapore 535223

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11.0 Valuation

With due regard to the foregoing and taking into consideration the prevailing market conditions and other relevant factors, we are of the opinion that the value of the subject property as **at 30 June 2017**, with vacant possession and free from encumbrances, is as follows:

Open Market Value :

Unit No.	Open Market Value
#01-02	S$2,522,000
#01-04	S$1,820,000
#01-05	S$2,214,000
#01-07	S$1,601,000
#01-08	S$2,762,000
#01-09	S$1,541,000
#01-10	S$1,663,000
#01-12	S$1,541,000
#04-05	S$1,524,000
#04-10	S$1,514,000
Total	**S$18,702,000 (Singapore Dollars Eighteen Million Seven Hundred And Two Thousand Only)**

Yours faithfully,
On and Behalf of
Dennis Wee Realty Pte Ltd

David Ng
(License No: AD041-2005203B)

Enclosure: Limiting Conditions

LIMITING CONDITIONS

This valuation report has been prepared subject to the following limiting conditions:-

1. This valuation report is restricted to the use of our client or person(s) to whom this valuation report is specifically addressed to and for the specific purpose stated therein and to be used within a reasonable time. We disclaim any liability should it be used by other person(s) or for any other purpose(s) or beyond a reasonable time.

2. Neither the whole or any part of this valuation report or any reference to it may be included in any document, circular or statement or be published in any way without our prior written consent to the form and context in which it may appear. We shall bear no responsibility for any unauthorized inclusion or publication.

3. The valuer accepts no liability f his opinion is quoted without regard to the full background of the reason why this Report is written.

4. .n the event we are subject to any liability in connection with this engagement, regardless of legal theory advanced, such liability will be limited to the amount of fees we received for this engagement.

5. The values assessed in this report for the subject property and any allocation of values between parts of the property applies strictly on the terms of and for the purpose of this valuation. The values assessed should not be used in conjunction with any other assessment as they may prove incorrect if so used.

6. Where it is stated in the Report that information has been made known to the Valuer by another party or obtained by the Valuer from any enquiries, searches or investigations made from any government or statutory bodies, this information is believed to be reliable and he disclaims all responsibility if this should later prove not to be so.

7. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes. No requisition on road or drainage proposals has been made.

8. While due care is taken in the course of inspection to note serious building defects, no structural survey has been made and no guarantee is given that the building is free from rot, infestations or other hidden defects. We have also not made any tests on the building services and these services are presumed to be in good working order.

9. Our valuation assumes that as at the date of valuation, the property is free and clear of all mortgages, encumbrances and other outstanding premiums, charges and liabilities.

10. The title to the property is presumed to be good and marketable and, unless mentioned in this report, be free from any encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title, searches and requisitions and other such legal matters.

11. Our valuation presumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations.

12. Any sketch, plan or map in this report is for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.

13. Where information is given without reference to another party in this Report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge.

14. The report was prepared on the basis that we are not required to give testimony or appear in court or any other tribunal or to any government agency by reason of this valuation report or with reference to the property in question unless prior arrangements have been made and we be properly reimbursed.

ROMA

BUSINESS VALUATION

FOR

CHANGJIANG FERTILIZER HOLDINGS LIMITED

PREPARED BY

ROMA APPRAISALS LIMITED

DATE : 31 AUGUST 2017

CASE REF : CA/BV3695p/SEP16

We Value Assets | We Value Our Clients

Case Ref. OA/BV3695p/SEP16

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Tel (852) 2529 6878 Fax (852) 2529 6806
Email info@romagroup.com
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31 August 2017

Changjiang Fertilizer Holdings Limited
10 Collyer Quay,
#27-00 Ocean Financial Centre,
Singapore 049315

Case Ref: OA/BV3695p/SEP16

Dear Sir/Madam,

Re: Business Valuation of 100% Equity Interests in Tangjia Electric Technology (Shenzhen) Co., Ltd. and its subsidiary and Changjiang Huafei (Hunan) Co., Ltd. and its subsidiary respectively

In accordance with the instructions from Changjiang Fertilizer Holdings Limited (hereinafter referred to as the "Company"), we have conducted a business valuation of the Company's 100% equity interests in Tangjia Electric Technology (Shenzhen) Co. Ltd and its subsidiary (hereinafter referred to as "Tangjia Electric") and Changjiang Huafei (Hunan) Co, Ltd and its subsidiary (hereinafter referred to as "Changjiang Huafei") respectively (collectively referred to as the "Group"). We are pleased to report that we have made relevant enquiries and obtained other information which we considered relevant for the purpose of providing our valuation as at 31 July 2017 (hereinafter referred to as the "Date of Valuation").

This report states the purpose of valuation, scope of work, overview of the Group, basis of valuation, investigation and analysis, valuation methodology, major assumptions, information reviewed, limiting conditions, remarks, and presents our opinion of value.

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CASE REF: GA/BV7695p/SEP16

1. PURPOSE OF VALUATION

This report is prepared solely for the use of the directors and management of the Company. The Company is a public company listed in Singapore Exchange Limited. In addition, Roma Appraisals Limited (hereinafter referred to as "Roma Appraisals") acknowledges that this report may be made available to the Company for public documentation purpose and included in a circular to be issued by the Company to its shareholders only.

Roma Appraisals assumes no responsibility whatsoever to any person other than the Company in respect of, or arising out of, the contents of this report. If others choose to rely in any way on the contents of this report they do so entirely at their own risk.

2. SCOPE OF WORK

Our valuation conclusion is based on the assumptions stated herein and information provided by the management based in the People's Republic of China ("PRC") and directors of the Company and/or their representative(s) (together referred to as the "PRC Management").

In preparing this report, we have had discussions with the PRC Management in relation to the development, operations and other relevant information of the Group. As part of our analysis, we have reviewed such financial information and other pertinent data concerning the Group provided to us by the PRC Management and have considered such information and data as attainable and reasonable.

We have no reason to believe that any material facts have been withheld from us. However, we do not warrant that our investigations have revealed all of the matters which an audit or more extensive examination might disclose.

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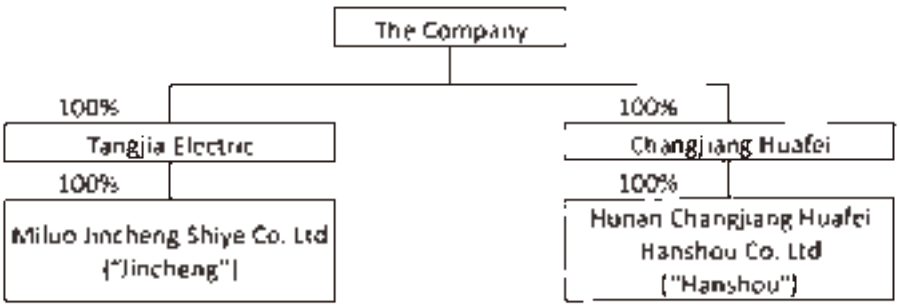
CASE REF: OM/BV/3695p/SEP16

3. OVERVIEW OF THE GROUP

The following figure shows the structure of the Group:

Figure 1 – Structure of the Group



Tangjia Electric is a subsidiary of the Company, which holds 100% equity interests in Jincheng. Tangjia Electric is an investment holding entity incorporated in the PRC, while Jincheng is incorporated in the PRC and is principally engaged in trading and manufacturing of nitrogenous fertilizer, ammonia and methanol.

Changjiang Huafei is another subsidiary of the Company and holds 100% equity interests in Hanshou. Changjiang Huafei and Hanshou are incorporated in the PRC and are principally engaged in trading and manufacturing of nitrogenous fertilizer, ammonia and methanol.

The Group has ceased the production activities in all three production plants in the PRC since the financial year ended 31 December 2013

4. BASIS OF VALUATION

Our valuation is conducted on market value basis defined as follows. According to the International Valuation Standards established by the International Valuation Standards Council in 2017, **market value** is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

5. INVESTIGATION AND ANALYSIS

Our investigation included discussions with members of the PRC Management in relation to the development, operations and other relevant information of the Group.

As part of our analysis, we have reviewed such financial information and other pertinent data concerning the Group provided to us by the PRC Management and have considered such information and data as attainable and reasonable.

The valuation of the Group requires consideration of all pertinent factors, which may or may not affect the operation of the business and its ability to generate future investment returns. The factors considered in our valuation include, but are not necessarily limited to, the following:

- The nature and prospect of the Group;
- The financial condition of the Group; and
- The business risks of the Group such as the ability in maintaining competent technical and professional personnel.

6. VALUATION METHODOLOGY

There are generally three accepted approaches to obtain the market value of the Group, namely the Market-Based Approach, Income-Based Approach and Asset Based Approach. Each of these approaches is appropriate in one or more circumstances, and sometimes, two or more approaches may be used together. Whether to adopt a particular approach will be determined by the most commonly adopted practice in valuing business entities that are similar in nature.

6.1 Market-Based Approach

The Market-Based Approach values a business entity by comparing prices at which other business entities in a similar nature changed hands in arm's length transactions. The underlying theory of this approach is that one would not pay more than one would have to for an equally desirable alternative. By adopting this approach, the valuer will first look for valuation indication of prices of other similar business entities that have been sold recently.

The right transactions employed in analyzing indications of values need to be sold at an arm's length basis, assuming that the buyers and sellers are well informed and have no special motivations or compulsions to buy or to sell.

6.2 Income-Based Approach

The Income-Based Approach focuses on the economic benefits due to the income producing capability of the business entity. The underlying theory of this approach is that the value of the business entity can be measured by the present worth of the economic benefits to be received over the useful life of the business entity. Based on this valuation principle, the Income-Based Approach estimates the future economic benefits and discounts them to their present values using a discount rate appropriate for the risks associated with realizing those benefits.

Alternatively, this present value can be calculated by capitalizing the economic benefits to be received in the next period at an appropriate capitalization rate. This is subject to the assumption that the business entity will continue to maintain stable economic benefits and growth rate.

6.3 Asset-Based Approach

The Asset-Based Approach is based on the general concept that the earning power of a business entity is derived primarily from its existing assets. The assumption of this approach is that when each of the elements of working capital, tangible and intangible assets is individually valued, their sum represents the value of a business entity and equals to the value of its invested capital ("equity and long term debt").

Under the Asset-Based Approach, the market value of equity of a business entity refers to the market values of various assets and liabilities on the statement of financial position of the business entity as at the measurement date, in which the market value of each asset and liability was determined by reasonable valuation approaches based on its nature.

6.4 Business Valuation

In the process of valuing the Group, we have taken into account the development and operations of the Group as well as the current state and trends of the PRC fertilizer industry.

The Income-Based Approach was not adopted as the Group has ceased production activities in the PRC since 31 December 2013, and has no intention to revive any production activities according to the PRC Management. The Market-Based Approach was not adopted in this case because most of the important assumptions of the comparable transactions, such as discount or premium on the transaction prices or considerations, were not available. We have therefore considered the adoption of the Asset Based Approach in arriving at the market value of the Group.

Under the Asset-Based Approach, we have discussed with the PRC Management on the nature of the assets and liabilities of the Group as disclosed in the annual report of the Company as at 31 December 2016. After discussion with the PRC Management and analyzing the nature of the cash, accruals for operating expenses, amounts due to directors and current income tax liabilities, we have adopted the book values as the market values as at the Date of Valuation. Adjustments were made on the property, plant and equipment and intangible assets - land use right (collectively referred to as the "Fixed Assets").

6.5 Fixed Assets

There are three recognized and accepted approaches to value the Fixed Assets, namely market data or comparative sales approach, cost approach (depreciated replacement cost approach), and income or earnings approach.

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CASE REF: QA/BV3655p/SEP26

6.5.1 Market Data or Comparative Sales Approach

This considers prices recently paid for similar fixed assets, with adjustments made to the indicated market prices to reflect condition and utility of the appraised fixed assets relative to the market comparative fixed assets for which there is established market comparable appraised by this approach.

6.5.2 Cost Approach (Depreciated Replacement Cost Approach)

This considers the cost to reproduce or replace in new condition the appraised fixed assets in accordance with current market prices for fixed assets, with allowance for accrued depreciation arising from condition, utility, age, wear and tear, or obsolescence present, taking into consideration past and present maintenance policy and rebuilding history. This approach generally furnishes the most reliable indication of value for the fixed assets in the absence of known market based on comparable sales

6.5.3 Income or Earnings Approach

This is a technique in which the estimated stream of future benefits may be enjoyed by reason of ownership, usually the anticipated or projected earnings, is processed to indicate the amount measured through capitalization of net income or application of multiples derived from financial analysis of similar industries

6.5.4 Conclusion

In the course of our valuation, all three approaches should be considered, as one or more approaches may be applicable in the valuation of the Fixed Assets. To conclude, we have adopted the Cost Approach on the Fixed Assets, as it is the most appropriate approach.

We have assumed the Fixed Assets are kept in reasonable condition and should be capable of being functionally-utilised for the purpose(s) for which they were designed and produced. In addition, our valuation has been prepared based upon assumptions that the Fixed Assets will continue in their existing uses and functional obsolesce discount have been applied on the condition of the Fixed Assets due to cessation of operations in the PRC since 31 December 2013.

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6.6 Marketability Discount

Compared to similar interest in public companies, ownership interest is not readily marketable for closely held companies. Therefore, the value of a share of stock in a privately held company is usually less than an otherwise comparable share in a publicly held company. However, based on the methodology above, the net asset value of the Group after the aforementioned adjustments was negative as at the Date of Valuation, the marketability discount is no longer applicable in this case.

7. MAJOR ASSUMPTIONS

We have adopted certain specific assumptions in our valuation and the major ones are as follows:

- The information in relation to the Group was extracted from annual report of the Company for the year ended 31 December 2016. As advised by the PRC Management, the Group has ceased operations since 31 December 2013, it was assumed there were no material changes to the balance sheet of the Group from 31 December 2016 to the Date of Valuation;

- The valuation of the Group was made reference to the disclosure in annual report of the Company for year 2015 and 2016, other sources of information in relation to the Group was unavailable as at the Date of Valuation as advised by the PRC Management;

- The valuation for the market value of Fixed Assets was based on unaudited list of assets of the Group (hereinafter referred to as "List of Assets") as at 31 December 2014 since a list of assets as the Date of Valuation was not available as advised by the PRC Management. The figures may differ from the audited accounts of the Company as at 31 December 2016 as disclosed in the Company's annual report;

- All relevant legal approvals and business certificates or licenses to operate the business in the localities in which the Group operates or intends to operate would be officially obtained and renewable upon expiry;

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CASE REF: OA/BV3595p/SEP16

- There will be sufficient supply of technical staff in the industry in which the Group operates, and the Group will retain a competent and relevant PRC-based management team and supporting staff to facilitate its ongoing operations and developments;

- There will be no major change in the current taxation laws in the localities in which the Group operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with;

- There will be no major change in the political, legal, economic or financial conditions in the localities in which the Group operates or intends to operate, which would adversely affect the revenues attributable to and profitability of the Group; and

- Interest rates and exchange rates in the localities for the operation of the Group will not differ materially from those presently prevailing.

8. INFORMATION REVIEWED

Our opinion requires consideration of relevant factors affecting the market value of Group. The factors considered included, but were not necessarily limited to, the following:

- Annual report of the Company for year 2015 and 2016;

- List of Assets as at 31 December 2014;

- Business nature of the Group, and

- General descriptions in relation to the Group.

We have discussed the details with the PRC Management in relation to the information of the Group and have assumed the accuracy of information provided and relied on such information to a considerable extent in arriving at our opinion of value.

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CASE REF. DA/BV3695p/SEP16

9. LIMITING CONDITIONS

The valuation reflects facts and conditions existing at the Date of Valuation. Subsequent events or circumstances have not been considered and we are not required to update our report for such events and conditions.

We would particularly point out that our valuation was based on the information such as the company background and business nature of the Group provided to us.

To the best of our knowledge, all data set forth in this report are reasonable and accurately determined. The data, opinions, or estimates identified as being furnished by others that have been used in formulating this analysis are gathered from reliable sources; yet, no guarantee is made nor liability assumed for their accuracy.

We have relied on the historical and/or prospective information provided by the PRC Management and other third parties to a considerable extent in arriving at our opinion of value. The information has not been audited or compiled by us. We are not in the position to verify the accuracy of all information provided to us. However, we have had no reason to doubt the truth and accuracy of the information provided to us and to doubt that any material facts have been omitted from the information provided. No responsibilities for the operation and financial information that have not been provided to us are accepted.

We assumed that the PRC Management is competent and perform duties under the company regulation. Also, ownership of the Group was in responsible hands, unless otherwise stated in this report. The quality of the PRC Management may have direct impact on the viability of the business as well as the market value of the Group.

We have not investigated the title to or any legal liabilities of the Group and have assumed no responsibility for the legal title and/or ownership to the Group appraised.

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CASE REF. ON/BV3695p/SEP26

Our conclusion of the market value was derived from generally accepted valuation procedures and practices that rely substantially on the use of various assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained. The conclusion and various estimates may not be separated into parts, and/or used out of the context presented herein, and/or used together with any other valuation or study.

We assume no responsibility whatsoever to any person other than the directors of the Company and the PRC Management in respect of, or arising out of, the content of this report. If others choose to rely in any way on the contents of this report, they do so entirely at their own risk.

No change to any item in any part of this report shall be made by anyone except Roma Appraisals. We have no responsibility for any such unauthorized change. Neither all nor any part of this report shall be disseminated to the public without the written consent and approval of Roma Appraisals through any means of communication or referenced in any publications, including but not limited to advertising, public relations, news or sales media.

This report may not be reproduced, in whole or in part, and utilized by any third parties for any purpose, without the written consent and approval of Roma Appraisals.

The working papers and models for this valuation are being kept in our files and would be available for further references. We would be available to support our valuation if required. The title of this report shall not pass to the Company until all professional fee has been paid in full.

10. REMARKS

Unless otherwise stated, all monetary amounts stated in this valuation report are in Renminbi (RMB).

We hereby confirm that we have neither present nor prospective interests in the Company, the Group and the associated companies, or the values reported herein.

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CASE REF: OA/BV3695a/SEP16

11. OPINION OF VALUE

Based on the investigation and analysis stated above and on the valuation method employed, we are of the opinion that the 100% equity interests of the Group has no commercial value as at the Date of Valuation.

Yours faithfully,
For and on behalf of
Roma Appraisals Limited

Roma Appraisals Limited

YU/CH

ROMA GROUP

HKEx Stock Code: 8072

Roma Group (ROMA), a listed company in Hong Kong (Stock Code: 8072), is a well-established independent firm engaged in the provision of valuation and technical advisory services.

We provide a broad range of services from business & intangible assets valuation to oil & mining valuation & technical advisory and from credit & risk evaluation to surveyors & property agency services.

Our dynamic & experienced professional team is committed to delivering credible, professional and the highest quality services to our clients. ROMA has performed numerous sizable valuation and advisory assignments worldwide. Our customized solutions comply with standards and regulations of major countries in a fair and accurate manner. Our extensive networks and connections with professional groups and financial institutions enable us to add value to your business. ROMA is your strategic partner of choice. We help you make the most reliable, informed and insightful corporate decisions.

Our Services:

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- Due Diligence
- Resource and Reserve Estimation
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- Geostatistical Studies
- Scoping and Feasibility Studies
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- Project Evaluation
- Inventory Surveys
- Biological Assets Valuation
- Business & Intangible Assets Valuation
- Credit and Risk Evaluation
- Financial Instruments Valuation
- Natural Resources Valuation
- Purchase Price Allocation
- Strategic Marketing
- Surveyors & Property Agency
- Work of Art Valuation

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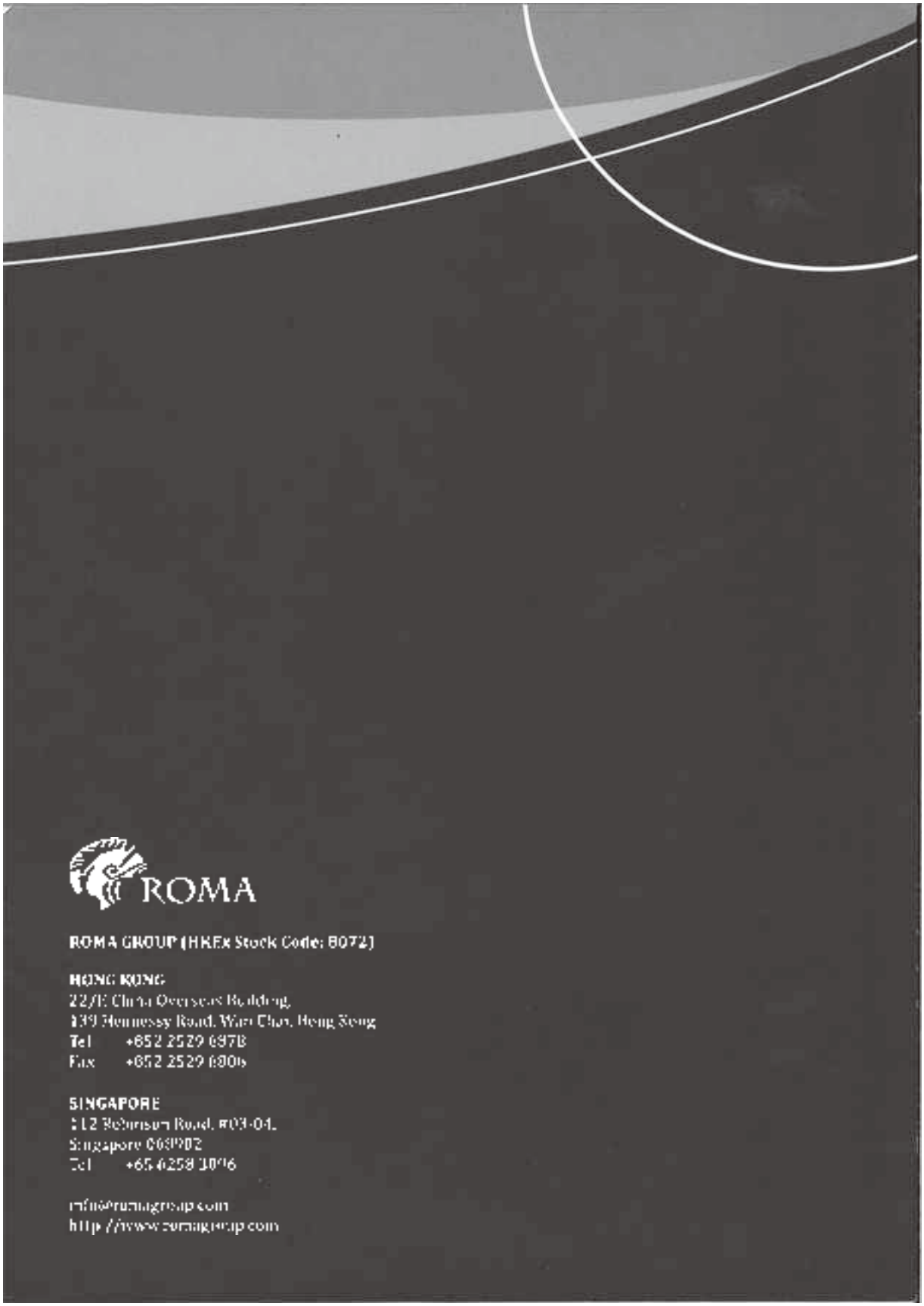
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APPENDIX F – RULES OF THE OLIVE TREE PERFORMANCE SHARE PLAN

1. NAME OF THE SHARE PLAN

This Share Plan shall be called the "Olive Tree Performance Share Plan".

2. DEFINITIONS

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

"Administration Committee"	The Administration Committee comprising of members of the nominating committee and remuneration committee of the Company to administer the Share Plan
"Adoption Date"	The date on which the Share Plan is adopted by the Company in general meeting
"Associates"	Has the meaning ascribed to it in the Rules of Catalist
"Auditors"	The auditors for the time being of the Company
"Award"	A contingent award of Shares granted under Rule 5
"Award Letter"	A letter in such form as the Administration Committee shall approve, confirming an Award granted to a Participant by the Administration Committee
"Board"	The board of directors of the Company
"Catalist"	The sponsor-supervised listing platform of the SGX-ST
"CDP"	The Central Depository (Pte) Limited
"Companies Act"	The Companies Act, Chapter 50 of Singapore as amended, modified or supplemented from time to time
"Company"	Olive Tree Estates Limited, a public company incorporated in Singapore with limited liability
"Constitution"	The constitution of the Company, as amended or modified from time to time
"control"	The capacity to dominate decision making, directly or indirectly, in relation to the financial and operating policies of a company

"Controlling Shareholder"	A person who: (a) holds directly or indirectly 15.0% or more of the number of all voting shares in a company; or (b) in fact exercises control over a company, unless otherwise determined
"Date of Grant"	In relation to an Award, the date on which the Award is granted pursuant to Rule 5
"Director"	A person holding office as a director for the time being of the Company and/or its Subsidiaries, as the case may be
"Employee"	An employee of the Group selected by the Administration Committee to participate in the Share Plan
"Executive Director"	A director for the time being of the Company and/or any of its Subsidiaries, holding office in an executive capacity in the Company and/or such Subsidiary
"Group"	The Company and its Subsidiaries
"Market Day"	A day on which the SGX-ST is open for trading in securities
"Market Value"	In relation to a Share, on any day: (a) the average price of a Share on the SGX-ST (or such other stock exchange on which the Shares may for the time being be listed or quoted) over the five (5) immediately preceding Market Days on which the Shares are transacted on the SGX-ST (or such other stock exchange on which the Shares may for the time being be listed or quoted); or (b) if the Administrative Committee is of the opinion that the Market Value as determined in accordance with (a) above is not representative of the value of a Share, such price as the Administrative Committee may determine, such determination to be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable

"Non-Executive Director"	A director (other than an Executive Director) from time to time of the Company and/or any of its Subsidiaries
"Participant"	The holder of an Award
"Performance Condition"	In relation to a Performance-related Award, the condition specified on the Date of Grant in relation to that Award
"Performance-related Award"	An Award in relation to which a Performance Condition is specified
"Performance Period"	In relation to a Performance-related Award, a period, the duration of which is to be determined by the Administration Committee on the Date of the Grant, during which the Performance Condition is to be satisfied
"Record Date"	The date as at the close of business (or such other time as may have been prescribed by the Company) on which Shareholders must be registered in order to participate in the dividends, rights, allotments or other distributions (as the case may be)
"Release"	In relation to an Award, the release at the end of the Vesting Period relating to that Award of all or some of the Shares to which that Award relates in accordance with Rule 7, and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 7, the Award in relation to those Shares shall lapse accordingly, and "Released" shall be construed accordingly
"Released Award"	An award in respect of which the Vesting Period relating to that Award has ended and which has been released in accordance with Rule 7
"Rules"	Rules of the Share Plan
"Rules of Catalist"	Section B of the SGX-ST Listing Manual dealing with the rules of Catalist, as from time to time amended, modified or supplemented
"Securities Account"	The securities account maintained by a Depositor with CDP
"SGX-ST"	Singapore Exchange Securities Trading Limited
"SGX-ST Listing Manual"	Listing Manual of the SGX-ST

"Share Plan"	The Olive Tree Performance Share Plan, as the same may be modified or altered from time to time
"Shares"	Ordinary shares in the capital of the Company
"Subsidiary"	A company (whether incorporated within or outside Singapore and wheresoever resident) being a subsidiary for the time being of the Company within the meaning of Section 5 of the Companies Act
"Trading Day"	A day on which the Shares are traded on the SGX-ST
"Vesting Period"	In relation to the Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and "Vest" and "Vested" shall be construed accordingly
"Vesting Date"	In relation to an Award, a period or periods, the duration of which is to be determined by the Administration Committee at the Date of Grant
"S$"	Singapore dollar
"%"	Per centum or percentage

2.2 The terms "Depositor", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them, respectively, in Section 130A of the Companies Act.

2.3 Words importing the singular number shall, where applicable, include the plural number and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter gender.

2.4 Any reference to a time of a day in the Share Plan is a reference to Singapore time.

2.5 Any reference in the Share Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act and used in the Share Plan shall have the meaning assigned to it under the Companies Act.

3. OBJECTIVES OF THE SHARE PLAN

3.1 The Share Plan is a performance incentive scheme which will form an integral part of the Group's incentive compensation programme.

3.2 The objectives of the Share Plan are as follows:

(a) provide an opportunity for Participants to participate in the equity of the Company, thereby inculcating a stronger sense of identification with the long-term prosperity of the Group and promoting organisational commitment, dedication and loyalty of Participants towards the Group;

(b) motivate Participants to strive towards performance excellence and to maintain a high level of contribution to the Group;

(c) give recognition to contributions made or to be made by Participants by introducing a variable component into their remuneration package; and

(d) make employee remuneration sufficiently competitive to recruit new Participants and/or to retain existing Participants whose contributions are important to the long-term growth and profitability of the Group.

4. ELIGIBILITY OF PARTICIPANTS

4.1 Any person shall be eligible to participate in the Share Plan at the absolute discretion of the Administration Committee if at the Date of Grant such person is:

(a) confirmed in his/her employment with the Group;

(b) has attained the age of 21 years; and

(c) is not an undischarged bankrupt and has not entered into a composition with his/her creditors.

4.2 Non-executive Directors (including independent Directors) who satisfy the eligibility requirements in Rule 4.1(b) and (c) shall also be eligible to participate in the Share Plan, to the extent permissible under the laws of Singapore (including the Companies Act).

4.3 To the extent permissible under the laws of Singapore, Controlling Shareholders and their associates who meet the eligibility criteria in Rule 4.1 shall be eligible to participate in the Share Plan provided that (a) the participation of, and (b) the terms of each grant and the actual number of Awards granted under the Share Plan, to a Participant who is a Controlling Shareholder or an associate of a Controlling Shareholder shall be approved by the independent Shareholders in separate resolutions for each such person, with such separate resolutions including approval for the actual number and terms of Awards to be granted to that person. The Company will at such time provide the rationale and justification for any proposal to grant the Controlling Shareholders or associates of the Controlling Shareholders any Awards (including the rationale for any discount to the market price, if so proposed).

Such Controlling Shareholder and his associate shall abstain from voting on the resolution in relation to their participation in the Share Plan and grant of Awards to them.

4.4 Participants who are also Shareholders and are eligible to participate in the Share Plan must abstain from voting on any resolution relating to the Share Plan, including the participation in the Share Plan and grant of Awards to the Participants, and should not accept nominations as proxies or otherwise for voting in respect of such resolution unless specific instructions have been given in the proxy instrument on how the votes are to be casted.

4.5 The eligibility of Participants to participate in the Share Plan, and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Share Plan and the Vesting Period shall be determined at the absolute discretion of the Administration Committee, which shall take into account:

(a) the financial performance of the Group;

(b) in respect of a Participant being an Employee, criteria such as his rank, job performance, potential for future development and his contribution to the success and development of the Group; and

(c) in respect of a Participant being a Non-executive Director, criteria such as his contribution to the success and development of the Group.

In addition, for Performance-related Awards, the extent of effort required to achieve the Performance Condition within the Performance Period shall also be considered.

4.6 For the purposes of determining eligibility to participate in the Share Plan, the secondment of a confirmed Employee to another company within the Group shall not be regarded as a break in his employment or his having ceased by reason only of such secondment to be a full-time Employee of the Group.

4.7 There will be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by any other companies within the Group.

4.8 Subject to the Companies Act and any requirement of the SGX-ST, the terms of eligibility for participation in the Share Plan may be amended from time to time at the absolute discretion of the Administration Committee, which would be exercised judiciously.

5. GRANT OF AWARDS

5.1 Subject as provided in Rule 8, the Administration Committee may grant Awards to Employees as the Administration Committee may select in its absolute discretion, at any time during the period when the Share Plan is in force.

5.2 The Administration Committee shall decide, in its absolute discretion, in relation to each Award:

(a) the Participant;

(b) the Date of Grant;

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

(d) the prescribed Vesting Period(s);

(e) the extent to which Shares which are the subject of that Award shall be Released at the end of each prescribed Vesting Period; and

(f) in the case of a Performance-related Award, the Performance Period and the Performance Condition,

PROVIDED THAT:

(i) any grant of an Award to Non-executive Directors will be subject to and shall comply with the provisions of Section 76 of the Companies Act; and

(ii) subject to Rules 5.3 and 6, the Vesting Period(s) shall not be of shorter duration than the minimum vesting periods prescribed under the SGX-ST Listing Manual in respect of employee share options.

5.3 The Administration Committee may amend or waive the Vesting Period(s) and, in the case of a Performance related Award, the Performance Period and/or the Performance Condition in respect of any Award:

(a) in the event of a general offer (whether conditional or unconditional) being made for all or any part of the Shares, or a scheme of arrangement or compromise between the Company and its Shareholders being sanctioned by the Court under the Companies Act, or a proposal to liquidate or sell all or substantially all of the assets of the Company; or

(b) in the case of a Performance-related Award, if anything happens which causes the Administration Committee to conclude that:

(i) a changed Performance Condition would be a fairer measure of performance, and would be no less difficult to satisfy; or

(ii) the Performance Condition should be waived as the Participant has achieved a level of performance that the Administration Committee considers satisfactory notwithstanding that the Performance Condition may not have been fulfilled, and shall notify the Participants of such change or waiver (but accidental omission to give notice to any Participant(s) shall not invalidate any such change or waiver).

5.4 As soon as reasonably practicable after making an Award, the Administration Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:

(a) the Date of Grant;

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

(c) the prescribed Vesting Period(s);

(d) the extent to which Shares which are the subject of that Award shall be released at the end of each prescribed Vesting Period; and

(e) in the case of a Performance-related Award, the Performance Period and the Performance Condition.

5.5 Participants are not required to pay for the grant of Awards.

5.6 An Award or Released Award shall be personal to the Participant to whom it is granted and no Award or Released Award or any rights thereunder shall not be transferred, charged, assigned, pledged, mortgaged, encumbered or otherwise disposed of, in whole or in part, and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award, that Award or Released Award shall immediately lapse.

6. EVENTS PRIOR TO THE VESTING DATE

6.1 An Award, to the extent not yet Released, shall forthwith become void and cease to have effect on the occurrence of any of the following events (and in such an event, the Participant shall have no claim whatsoever against the Company, its Directors or employees):

(a) a Participant, being an Employee, ceasing for any reason whatsoever, to be in the employment of the Company and/or the relevant Subsidiary or in the event the company by which the Employee is employed ceases to be a company in the Group;

(b) a Participant, being a Non-executive Director, ceasing to be a director of the Company and/or the relevant Subsidiary, as the case may be, for any reason whatsoever;

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

(d) ill health, injury, disability or death of a Participant;

(e) a Participant commits any breach of any of the terms of his Award;

(f) misconduct on the part of a Participant as determined by the Company in its discretion;

(g) a take-over, winding-up or reconstruction of the Company; and/or

(h) any other event approved by the Administration Committee.

For the purpose of Rule 6.1(a) above, an Employee shall be deemed to have ceased to be in the employment of the Company or the Subsidiary (as the case may be) on the date on which he gives notice of termination of employment, unless prior to the date on which termination takes effect, the Employee has (with the consent of the Company or the Subsidiary (as the case may be)) withdrawn such notice.

For the purpose of Rule 6.1(b), a Participant shall be deemed to have ceased to be an Non-executive Director as at the date the notice of resignation of or termination of directorship, as the case may be, is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

6.2 The Administration Committee may in its absolute discretion and on such terms and conditions as it deems fit, preserve all or any part of any Award notwithstanding the provisions of any other Rules including Rules 6.1 and 7.1. Further to such exercise of discretion, the Awards shall be deemed not to have become void nor cease to have effect in accordance with the relevant provisions in Rule 6.1.

6.3 Without prejudice to the provisions of Rules 5.3 and 7.1, to the extent of an Award yet to be Released, if any of the following occurs:

(a) a general offer (whether conditional or unconditional) being made for all or any part of the Shares;

(b) a scheme of an arrangement or compromise between the Company and its Shareholders being sanctioned by the Court under the Companies Act;

(c) an order for the compulsory winding-up of the Company is made; or

(d) a resolution for a voluntary winding-up (other than for amalgamation or reconstruction) of the Company being made,

the Administration Committee may consider, at its discretion, whether or not to Release such Award. If the Administration Committee decides to Release such Award, then in determining the number of Shares to be Vested in respect of such Award, the Administration Committee will have regard to the proportion of the Vesting Period(s) which has elapsed and the extent to which the Performance Condition (if any) has been satisfied. Where such Award is Released, the Administration Committee will, as soon as practicable after such Release, procure the allotment or transfer to each Participant of the number of Shares so determined, such allotment or transfer to be made in accordance with Rule 7. If the Administrative Committee so determines, the Release may be satisfied in cash as provided in Rule 7.

7. RELEASE OF AWARDS

7.1 (a) In relation to each Performance-related Award, as soon as reasonably practicable after the end of the relevant Performance Period, the Administration Committee shall review the Performance Condition specified in respect of that Award and determine whether it has been satisfied and, if so, the extent to which it has been satisfied. If the Administration Committee determines in its sole discretion that the Performance Condition has not been satisfied or if the relevant Participant (being an Employee) has not continued to be an Employee from the Date of Grant up to the end of the relevant Performance Period, that Award shall lapse and be of no value and the provisions of Rule 7 (save for this Rule 7.1(a)) shall be of no effect.

The Administration Committee shall have the discretion to determine whether the Performance Condition has been satisfied (whether fully or partially) or exceeded and, in making any such determination, the Administration Committee shall have the right to make computational adjustments to the audited results of the Company or the Group, as the case may be, to take into account such factors as the Administration Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events.

Subject to:

(i) (in relation to a Performance-related Award) the Administration Committee having determined that the Performance Condition has been satisfied;

(ii) the relevant Participant (being an Employee) having continued to be an Employee from the Date of Grant up to the end of the relevant Vesting Period;

(iii) the Administration Committee being of the opinion that the job performance of the relevant Participant has been satisfactory;

(iv) such consents (including any approvals required by the SGX-ST) as may be necessary;

(v) compliance with the terms of the Award, the Share Plan and the Constitution of the Company;

(vi) where Shares are to be allotted or transferred on the release of an Award, the Participant having a securities account with CDP and compliance with the applicable requirements of CDP; and

(vii) where Shares are to be allotted on the release of an Award, the Company being satisfied that the Shares which are the subject of the Released Award will be listed for quotation on the SGX-ST,

upon the expiry of each Vesting Period in relation to an Award, the Company shall Release to the relevant Participant the Shares to which his Award relates on the Vesting Date.

(b) Shares which are the subject of a Released Award shall be Vested to a Participant on the Vesting Date, which shall be a Market Day falling as soon as practicable after the Release of such Award in accordance with Rule 7.1(a) and, on the Vesting Date, the Administration Committee will procure the allotment or transfer to each Participant of the number.

(c) Where Shares are allotted upon the Vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST for the listing and quotation of such Shares.

7.2 Shares which are allotted or transferred on the Release of an Award to a Participant shall be registered in the name of, or transferred to, CDP to the credit of the securities account of that Participant maintained with CDP or the securities sub-account of that Participant maintained with a Depository Agent.

7.3 Shares allotted and issued, and existing Shares procured by the Company on behalf of the Participants for transfer, upon the Release of an Award shall:

(a) be subject to all the provisions of the Constitution of the Company; and

(b) rank for any dividend, right, allotment or other distribution on the Record Date of which is on or after the relevant Vesting Date and (subject as aforesaid) will rank pari passu in all respects with the Shares then existing.

The Administrative Committee may determine to make a Release, wholly or partly, in the form of cash rather than Shares which would otherwise have been allotted and issued to the Participant upon the Release of an Award on the relevant Vesting Date, in which event the

Company shall pay to the Participant as soon as practicable after such Vesting Date, in lieu of all or part of such Shares, the aggregate Market Value of such Shares on such Vesting Date.

8. LIMITATION ON THE SIZE OF THE SHARE PLAN

8.1 The aggregate number of Shares which may be issued and/or transferred pursuant to Awards granted under the Share Plan on any date, when added to the number of Shares issued and issuable and/or transferred and transferable in respect of (a) all Awards granted under the Share Plan, and (b) all options granted under any other share option, share incentive, performance share or restricted share plan implemented by the Company and for the time being in force, shall not exceed 15.0% of the number of all issued Shares (excluding treasury shares, as defined in the Companies Act) on the day preceding that date.

8.2 The aggregate number of Shares available to all Controlling Shareholders and their associates (including adjustments made in accordance with Rule 9) shall not exceed 25.0% of the Shares available under the Share Plan.

8.3 The number of Shares available to each Controlling Shareholder or their respective associates (including adjustments made in accordance with Rule 9) shall also not exceed 10.0% of the Shares available under the Share Plan.

9. ADJUSTMENT EVENTS

9.1 If a variation in the issued share capital of the Company (whether by way of a capitalisation of profits or reserves, rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:

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

(b) the class and/or number of Shares in respect of which Awards may be granted under the Share Plan,

may, at the option of the Administration Committee, be adjusted in such manner as the Administration Committee may determine to be appropriate, provided that any such adjustment shall be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive.

9.2 Unless the Administration Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.

9.3 Notwithstanding the provisions of Rule 9.1, any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

9.4 Upon any adjustment being made pursuant to this Rule 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award and the date on which such adjustment shall take effect.

9.5 Notwithstanding the provisions of Rule 9.1 or that no adjustment is required under the provisions of the Share Plan, the Administration Committee may, in any circumstances where it considers that no adjustment should be made or that it should take effect on a different date or that an adjustment should be made to any of the matters referred to in Rule 9.1 notwithstanding that no adjustment is required under the said provisions (as the case may be), request the Auditors to consider whether for any reasons whatsoever the adjustment or the absence of an adjustment is appropriate or inappropriate as the case may be, and, after such consideration, no adjustment shall take place or the adjustment shall be modified or nullified or an adjustment made (instead of no adjustment made) in such manner and on such date as shall be considered by such Auditors (acting only as experts and not as arbitrators) to be in their opinion appropriate.

10. ADMINISTRATION OF THE SHARE PLAN

10.1 The Share Plan shall be administered by the Administration Committee in its absolute discretion, with such powers and duties as are conferred on it by the Board, provided that no member of the Administration Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him or held by him.

10.2 The Administration Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Share Plan) for the implementation and administration of the Share Plan, to give effect to the provisions of the Share Plan and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as it may, in its absolute discretion, think fit.

10.3 The Company shall bear the costs of establishing and administering the Share Plan.

11. NOTICES

11.1 A Participant shall not by virtue of being granted any Award be entitled to receive copies of any notices or other documents sent by the Company to Shareholders of the Company.

11.2 Any notice or other communication between the Company and a Participant may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its registered office and, in the case of the Participant, his address as notified by him to the Company from time to time.

11.3 Any notice or other communication sent by post:

(a) by the Company shall be deemed to have been received 24 hours after the same was put in the post properly addressed and stamped; and/or

(b) by the Participant shall be deemed to have been received when the same is received by the Company at the registered office of the Company.

12. MODIFICATIONS TO THE SHARE PLAN

12.1 Any or all the provisions of the Share Plan may be modified and/or altered at any time and from time to time by resolution of the Board, except that:

(a) no modification or alteration shall be made which would adversely affect the rights attached to any Award granted prior to such modification or alteration except with the prior consent in writing of such number of Participants who, if their Awards were Released to them upon the expiry of all the Vesting Periods applicable to their Awards, would be entitled to not less than 75.0% of the aggregate number of the Shares which would fall to be vested upon the Release of all outstanding Awards upon the expiry of all the Vesting Periods applicable to all such outstanding Awards;

(b) no modification or alteration to the definitions of "Associate", "Administration Committee", "Controlling Shareholders", "Employee", "Participant", "Performance Period" and "Vesting Period" and the provisions of Rules 4, 5, 7, 8, 9, 10 and this Rule 12 shall be made to the advantage of Participants except with the prior approval of the Shareholders of the Company in general meeting; and

(c) no modification or alteration shall be made without the prior approval of the SGX-ST and such other regulatory authorities as may be necessary.

12.2 Notwithstanding anything to the contrary contained in Rule 12.1, the Board may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the Share Plan in any way to the extent necessary to cause the Share Plan to comply with any statutory provision or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

12.3 Written notice of any modification or alteration made in accordance with this Rule 12 shall be given to all Participants but accidental omission to give notice to any Participant(s) shall not invalidate any such modifications or alterations.

13. TERMS OF EMPLOYMENT UNAFFECTED

Notwithstanding the provisions of any other Rule:

(a) the Share Plan or any Award shall not form part of any contract of employment between the Company and/or any Subsidiary and/or any Employee and the rights and obligations of any individual under the terms of the office or employment with any such company shall not be affected by his participation in the Share Plan or any right which he may have to participate in it or any Award which he may be granted and the Share Plan or any Award shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever (whether lawful or not); and

(b) the Share Plan shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company and/or any Subsidiary directly or indirectly or give rise to any cause of action at law or in equity against any such company, its directors or employees.

14. DURATION OF THE SHARE PLAN

14.1 The Share Plan shall continue to be in operation at the discretion of the Administration Committee for a maximum period of 10 years commencing on the Adoption Date, provided always that the Share Plan may, subject to applicable laws and regulations, continue beyond the above stipulated period with the approval of the Shareholders of the Company by ordinary resolution in general meeting and of any relevant authorities which may then be required.

14.2 The Share Plan may be terminated at any time by the Administration Committee and by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Share Plan is so terminated, no further Awards shall be granted by the Company hereunder.

14.3 The termination of the Share Plan shall not affect Awards which have been granted, whether such Awards have been Released (whether fully or partially) or not.

15. ANNUAL REPORT DISCLOSURE

The Company shall make the following disclosures in its annual report to Shareholders for the duration of the Share Plan:

(a) the names of the members of the Administration Committee;

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

(i) Participants who are Directors;

(ii) Controlling Shareholders and their associates; and

(iii) Participants, other than those in (i) and (ii) above, who receive Awards comprising Shares representing 5.0% or more of the aggregate of:

(1) total number of Shares available under the Share Plan; and

(2) the total number of existing Shares purchased for delivery of Released Awards under the Share Plan.

Name of Participant	**Number of New Shares allotted pursuant to Release of Awards under the Share Plan during financial year under review (including terms)**	**Aggregate number of New Shares allotted and existing Shares purchased for delivery since commencement of the Share Plan to end of financial year under review**	**Aggregate number of New Shares allotted and existing Shares purchased for delivery since commencement of the Share Plan to end of financial year under review**	**Aggregate number of Shares comprise in Awards which have not been Released as at the end of financial year under review**
[●]	[●]	[●]	[●]	[●]

(c) in relation to the Share Plan, the following particulars:

(i) the aggregate number of Shares comprised in Awards granted since the commencement of the Share Plan to the end of the financial year under review;

(ii) the aggregate number of Shares comprised in Awards which have Vested during the financial year under review and in respect of such Awards, the proportion of:

(1) Shares issued; and

(2) where applicable, existing Shares purchased, including the range of prices at which such Shares have been purchased, upon the Vesting of Released Awards; and

(iii) the aggregate number of Shares comprised in Awards which have not been Released as at the end of the financial year under review.

(d) if any of the disclosures above in the foregoing of this Rule 15 is not applicable, an appropriate negative statement will be included in the annual report.

16. ABSTENTION FROM VOTING

Participants who are Shareholders are to abstain from voting on any Shareholders' resolution relating to the Share Plan, including the participation in the Share Plan and grant of Awards to the Participants. Participants may act as proxies of Shareholders of the Company in respect of the votes of such Shareholders in relation to any such resolution provided that specific instructions have been given in the proxy forms on how the votes are to be cast in respect of the resolution.

17. TAXES, COSTS AND EXPENSES OF THE SHARE PLAN

17.1 Notwithstanding anything herein, each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a CDP Depository Agent.

17.2 The Participants shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or Vesting of the relevant Award. All taxes (including income tax) arising from the grant or Vesting of any Award under the Share Plan shall be borne by that Participant. The Company shall not be responsible for any failure by the Participant to obtain any such consent or for any tax or other liability to which the Participant may become subject as a result of his participation in the Share Plan.

18. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Company, its Directors or employees or the Administration Committee shall not under any circumstances be held liable for any costs, losses, expenses liabilities or damages whatsoever and howsoever arising in respect of any matter under or in connection with the Share Plan, including but not limited to any

delay or failure to issue, or procure the transfer of, the Shares or to apply for or procure the listing of new Shares on the SGX-ST in accordance with Rule 7.1(c) (and any other stock exchange on which the Shares are quoted or listed).

19. DISPUTES

Any disputes or differences of any nature arising hereunder (other than matters to be confirmed by the Auditors in accordance with the Share Plan) shall be referred to the Administration Committee and its decision shall be final and binding in all respects (including any decisions pertaining to disputes as to interpretation of the Share Plan or any Rule, regulation, procedure thereunder or as to any rights under the Share Plan).

20. GOVERNING LAW

The Share Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by being granted Awards in accordance with the Share Plan, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

THE COMPANIES ACT (CHAPTER 50 OF SINGAPORE)

PUBLIC COMPANY LIMITED BY SHARES

PRELIMINARY

1. The name of the Company is Olive Tree Estates Limited.

2. In these Regulations (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively.

WORDS	MEANINGS
the "Act"	The Companies Act (Chapter 50 of Singapore) or any statutory modification, amendment or re-enactment thereof for the time being in force.
"Alternate Director"	Any person duly appointed by a Director as his alternate.
"Annual General Meeting"	The annual General Meeting of the Company.
"Auditor"	The auditor for the time being of the Company (if any).
"Board"	The board of Directors for the time being of the Company.
the "Company"	The abovenamed Company by whatever name from time to time called.
this "Constitution"	This constitution of the Company for the time being in force.
"current address"	Means the number and/or address at which the Company may send notices or other documents by way of electronic communication to a person in accordance with the Act, which number and/or address has been notified to the Company (including to such agent or service provider appointed by the Company for such purpose): (a) by the said person; or (b) by the Depository (or its agents or service providers).

"Director"	Has the meaning given in Section 4 of the Act, and includes any person acting as a director of the Company and any person duly appointed and acting for the time being as an Alternate Director.
"Directors"	The directors for the time being of the Company as a body or such number of them as have authority to act for the Company or as constituting a quorum necessary for the transaction of the business of the directors of the Company.
"dividend"	Includes bonus.
"electronic communication"	Has the meaning given in Section 4 of the Act.
"Exchange"	Singapore Exchange Securities Trading Limited or any other securities exchange on which shares of the Company are listed.
"Extraordinary General Meeting"	A General Meeting other than an Annual General Meeting.
"General Meeting"	A meeting of the Members of the Company or of a class of Members of the Company, as the case may be.
"Managing Director"	The managing Director for the time being of the Company (if any).
"Market Day"	A day on which the Exchange is open for trading in securities.
"Member"	Means: (a) where the Depository or its nominee (as the case may be) is named in the Register of Members as the holder of the shares, a depositor in respect of the number of shares which stand in the credit against his name in the Depository Register; and

	(b) in any other case, a person whose name appears in the Register of Members as a shareholder, save that references in these Regulations to a "Member" shall, where the Act requires, exclude the Company where it is a Member by reason of its holding of its shares as treasury shares.
"month"	Calendar month.
"Office"	The registered office for the time being of the Company.
"paid up"	Includes credited as paid up.
"Register of Members"	The register of members of the Company, kept in accordance with Section 190 of the Act.
"registered address" or "address"	Means, in relation to any Member, his physical address for the service or delivery of notices or documents, whether personally or by post, except where otherwise expressly provided in these Regulations.
"Registrar"	The Registrar of Companies appointed under the Act and includes any deputy or assistant Registrar of Companies.
"Regulations" or "these presents"	The regulations of the Company contained in this Constitution for the time being in force.
"relevant intermediary"	Has the meaning given in Section 181 of the Act.
"Seal"	The common seal of the Company or in appropriate cases the official seal or duplicate common seal.
"Secretary"	Has the meaning given in the Act and shall include any person(s) appointed by the Directors to perform any of the duties of the secretary and any person(s) entitled to perform the duties of the secretary temporarily and where two (2) or more persons are appointed to act as joint secretaries, shall include any one (1) of those persons.

"Securities and Futures Act"	The Securities and Futures Act (Chapter 289 of Singapore) or any statutory modification, amendment or re-enactment thereof for the time being in force.
"Singapore"	The Republic of Singapore.
"Special Resolution"	Has the meaning given in Section 184 of the Act.
"Statutes"	The Act and every other Act for the time being in force concerning companies and affecting the Company.
"treasury share"	Has the meaning given in Section 4 of the Act.
"writing" and "written"	Includes printing, lithography, typewriting, telefax transmission and any other mode of representing or reproducing words in visible form, including electronic communication.
"year"	Calendar year.
"S$"	Singapore dollars, the lawful currency of Singapore.
"%"	Per centum or percentage.

For the avoidance of doubt, a Special Resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these presents.

The terms "depositor", "Depository" and "Depository Register" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

The term "securities exchange" shall have the meaning ascribed to it in Section 2 of the Securities and Futures Act.

References in these presents to "holders" of shares or a class of shares shall:

(a) exclude the Depository or its nominee (as the case may be) except where otherwise expressly provided in these presents or where the term "registered holders" or "registered holder" is used in these presents;

(b) where the context so requires, be deemed to include references to depositors whose names are entered in the Depository Register in respect of those shares; and

(c) except where otherwise expressly provided in these presents, exclude the Company in relation to shares held by it as treasury shares,

and "hold", "holding" and "held" shall be construed accordingly.

All such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Where the Company is required to record any information in any company records, such information may be kept in electronic form in accordance with the Act.

Subject as aforesaid, any words or expressions defined in the Act and the Interpretation Act (Chapter 1 of Singapore) shall (if not inconsistent with the subject or context) bear the same meanings in these presents.

Words denoting the singular number shall include the plural number and *vice versa*. Words denoting the masculine gender shall include the feminine and neuter genders and *vice versa*. Words denoting persons shall include companies, corporations and other legal persons.

The headnotes and marginal notes are inserted for convenience only and shall not affect the construction of this Constitution.

Any reference in these presents to any Statute or enactment is a reference to that Statute or enactment as for the time being modified, amended or re-enacted.

3. The Office will be situated in Singapore.

4. The liability of the Members is limited.

5. Subject to the provisions of the Act and any other written law and this Constitution, the Company has:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of Regulation 5(a), full rights, powers and privileges.

ISSUE OF SHARES

6. The Company may issue shares for which no consideration is payable to the Company.

7. (a) Subject to the Statutes and the provisions of these presents, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Regulation 11, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of shares to such persons on such terms and conditions and for such consideration (if any) and at such time and subject or not to the payment of any part of the amount (if any) thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges, conditions or restrictions whether as regards dividend, return of capital, participation in surplus assets and profits, conversion, redemption or otherwise, as the Directors may think fit, PROVIDED THAT:

   (i) (subject to any direction to the contrary that may be given by the Company in a General Meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Regulation 11(a) with such adaptations as are necessary shall apply; and

   (ii) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same and in the provisions of these presents. Appendix 4C Paragraph 1(b)

   (b) Subject to Regulation 7(c) (where applicable), the Company has the power to issue different classes of shares.

   (c) The rights attaching to shares of a class other than ordinary shares shall be clearly defined in this Constitution.

8. (a) Preference shares may be issued subject to such limitation thereof as may be prescribed by the Exchange. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and balance sheets and attending General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is in arrears for more than six (6) months. Appendix 4C Paragraphs 1(a) and 1(d)

   (b) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued. Appendix 4C Paragraph 1(c)

VARIATION OF RIGHTS

9. Whenever the share capital of the Company is divided into different classes of shares, subject to the Statutes and the terms of issue of shares of that class, preference capital (other than redeemable preference capital) may be repaid and the special rights attached to any class may be varied or abrogated either with the consent in writing of holders of three-quarters of the issued shares of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting, all the provisions of these presents relating to General Meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two (2) persons at least holding or representing by proxy or attorney at least one-third of the issued shares of that class and that any holder of shares of the class present in person or by proxy or attorney may demand a poll, PROVIDED THAT where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from holders of three-quarters of the issued shares of that class concerned within two (2) months of such General Meeting shall be as valid and effectual as a Special Resolution passed at such General Meeting. The foregoing provisions of this Regulation shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

Appendix 4C Paragraph 5(a)

10. The special rights attached to any class of shares having preferential rights shall not, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied by the issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

ALTERATION OF SHARE CAPITAL

11. (a) Subject to any direction to the contrary that may be given by the Company in a General Meeting, or except as permitted under the listing rules of the Exchange, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Regulation.

Appendix 4C Paragraph 1(e)

(b) Notwithstanding Regulation 11(a), the Company may by ordinary resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the ordinary resolution, to:

(i) (A) issue shares whether by way of rights, bonus or otherwise; and/or

(B) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and

(ii) (notwithstanding the authority conferred by the ordinary resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the ordinary resolution was in force,

PROVIDED THAT:

(1) the aggregate number of shares to be issued pursuant to the ordinary resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the ordinary resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Exchange;

(2) in exercising the authority conferred by the ordinary resolution, the Company shall comply with the provisions of the listing rules of the Exchange for the time being in force (unless such compliance is waived by the Exchange) and these presents; and

(3) (unless revoked or varied by the Company in General Meeting) the authority conferred by the ordinary resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the ordinary resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).

(c) Except so far as otherwise provided by the conditions of issue or by the provisions of these presents, all new shares shall be subject to the Statutes and the provisions of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

12. (a) The Company may by ordinary resolution, subject to and in accordance with the Statutes:

(i) consolidate and divide all or any of its shares;

(ii) cancel any shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its capital by the number of shares so cancelled;

(iii) sub-divide its shares, or any of them, in accordance with the Statutes, these presents and the bye-laws or listing rules of the Exchange, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one (1) or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions as the Company has power to attach to new shares; and

(iv) convert its share capital or any class of shares from one (1) currency into another currency.

(b) The Company may by Special Resolution, subject to and in accordance with the Statutes, convert one (1) class of shares into another class of shares.

13. (a) The Company may by Special Resolution, subject to and in accordance with the Statutes, reduce its share capital or any undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.

(b) Subject to and in accordance with the Statutes, the Company may purchase or otherwise acquire any of its issued shares on such terms and in such manner as the Company may from time to time think fit and in the manner prescribed by the Act. If required by the Act, any share which is so purchased or acquired by the Company, unless held in treasury in accordance with the Act, shall be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in accordance with the Act. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these presents, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly in accordance with the Act.

(c) Shares that the Company purchases or otherwise acquires may be held as treasury shares in accordance with the provisions of these presents and the Act.

(d) Where the shares purchased or otherwise acquired are held as treasury shares by the Company, the Company shall be entered in the Register of Members as the Member holding the treasury shares.

(e) The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.

SHARES

14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way (except by the Statutes or the provisions of these presents) to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee, as the case may be) entered in the Register of Members as the registered holder thereof or (as the case may be) a person whose name is entered in the Depository Register in respect of that share.

15. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions (as regards dividend, return of capital, voting or otherwise), as the Company may from time to time by ordinary resolution or, if required by the Statutes, by Special Resolution determine (or, in the absence of any such determination, but subject to the Statutes, as the Directors may determine) and subject to the Statutes, the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed.

16. Subject to the Statutes and the provisions of these presents relating to authority, pre-emption rights and otherwise and of any resolution of the Company in a General Meeting passed pursuant thereto, all new shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

17. The Company may exercise the powers of paying commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.

18. Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within 10 Market Days of the closing date of any such application (or such other period as may be approved by the Exchange). The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

SHARE CERTIFICATES

19. Every share certificate shall be issued under the Seal and shall specify such information as required in the Act and shall bear the autographic or facsimile signatures of one (1) Director and the Secretary or a second Director or some other person appointed by the Directors. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors. No certificate shall be issued representing shares of more than one (1) class.

20. (a) The Company shall not be bound to register more than three (3) persons as the registered joint holders of a share except in the case of executors, trustees or administrators of the estate of a deceased Member. Appendix 4C Paragraph 4(d)

(b) In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one (1) certificate thereof and delivery of a certificate to any one (1) of the registered joint holders shall be sufficient delivery to all.

21. Subject to the listing rules of the Exchange, every person whose name is entered as a Member in the Register of Members shall be entitled to receive within 10 Market Days of the closing date of any application for shares (or such other period as may be approved by the Exchange) or, as the case may be, within 10 Market Days of the date of lodgement of a registrable transfer (or such other period as may be approved by the Exchange), one (1) certificate for all his shares of any one (1) class or several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where such a Member transfers part only of the shares comprised in a certificate or where such a Member requires the Company to cancel any certificate or certificates and issue a new certificate or certificates for the purpose of subdividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such Member shall pay a maximum fee of S$2 for each new certificate (or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by the Exchange). Appendix 4C Paragraph 2(a)

22. (a) Any two (2) or more certificates representing shares of any one (1) class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.

(b) If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two (2) or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of S$2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by the Exchange.

(c) In the case of shares registered jointly in the names of several persons, any such request may be made by any one (1) of the registered joint holders.

23. Subject to the Statutes, if any share certificate shall be defaced, worn-out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the Exchange or on behalf of its or their client or clients as the Directors shall require, and (in the case of defacement or wearing out) on delivery of the old certificate and in any case on payment of such sum not exceeding S$2 as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

Appendix 4C Paragraph 1(f)

CALLS ON SHARES

24. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

25. Each Member shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Company, the amount called on his shares, at the time or times and place of payment specified by the Company. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.

26. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 10% per annum) as the Directors may determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

27. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of the provisions of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment, all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

28. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

29. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the shares in respect of which it is made and upon the moneys so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 8% per annum) as the Member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not, while carrying interest, confer a right to participate in profits.

FORFEITURE AND LIEN

30. If a Member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

31. The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith, the shares on which the call has been made will be liable to be forfeited.

32. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

33. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition, the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer or effect the transfer of a forfeited or surrendered share to any such other person as aforesaid.

34. A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at 8% per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.

35. The Company shall have a first and paramount lien on every share (not being a fully paid share) and on the dividends from time to time declared in respect of such shares. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Regulation.

Appendix 4C Paragraph 3(a)

36. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy or otherwise.

37. The residue of the proceeds of such sale pursuant to Regulation 36 after the satisfaction of the unpaid calls and accrued interest and expenses of such sale shall be paid to the person entitled to the shares at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale, the Directors may authorise some person to transfer or effect the transfer of the shares sold to the purchaser.

Appendix 4C Paragraph 3(b)

38. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share

on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a depositor, to the Depository or its nominee, as the case may be) or allottee thereof shall (subject to the execution of a transfer if the same is required) constitute a good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

39. All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by the Exchange or in any other form acceptable to the Directors. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, PROVIDED THAT an instrument of transfer in respect of which the transferee is the Depository or its nominee (as the case may be) shall be effective although not signed or witnessed by or on behalf of the Depository or its nominee (as the case may be). The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

Appendix 4C Paragraph 4(a)

40. The Register of Members may be closed at such times and for such period as the Directors may from time to time determine, PROVIDED THAT the Register of Members shall not be closed for more than 30 days in any year. The Company shall give prior notice of such closure as may be required to the Exchange, stating the period and purpose or purposes for which the closure is made.

41. (a) Subject to the provisions of these presents, there shall be no restriction on the transfer of fully paid up shares (except where required by law or by the rules, bye-laws or listing rules of the Exchange) but the Directors may in their absolute discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve. PROVIDED ALWAYS THAT in the event of the Directors refusing to register a transfer of shares, they shall within 10 Market Days beginning with the date on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Statutes.

Appendix 4C Paragraph 4(c)

(b) The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:

(i) such fee not exceeding S$2 as the Directors may from time to time require is paid to the Company in respect thereof;

Appendix 4C Paragraph 4(b)

(ii) the amount of proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is paid;

(iii) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and

(iv) the instrument of transfer is in respect of only one (1) class of shares.

42. If the Directors refuse to register a transfer of any shares, they shall within 10 Market Days after the date on which the transfer was lodged with the Company send to the transferor and to the transferee, written notice of the refusal stating reasons for the refusal as required by the Statutes.

43. All instruments of transfer which are registered may be retained by the Company.

44. There shall be paid to the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares such fee not exceeding S$2 as the Directors may from time to time require or prescribe. Appendix 4C Paragraph 4(b)

45. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six (6) years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six (6) years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six (6) years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, PROVIDED THAT:

(a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;

(b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Regulation; and

(c) references herein to the destruction of any document include references to the disposal thereof in any manner.

TRANSMISSION OF SHARES

46. (a) In the case of the death of a Member whose name is entered in the Register of Members, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.

(b) In the case of the death of a Member who is a depositor, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased Member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.

(c) Nothing in this Regulation shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

47. Any of the following persons:

(a) a person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register of Members;

(b) any guardian of an infant becoming entitled to the legal title in a share and whose name is entered in the Register of Members; and

(c) any person as properly has the management of the estate of a Member whose name is entered in the Register of Members and:

(i) who becomes mentally disordered; or

(ii) whose person or estate is liable to be dealt with in any way under the law relating to mental capacity,

may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his legal title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or have some other person nominated by him registered as the transferee thereof by executing to that other person a transfer of the share, but the Directors shall, in either case,

have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the person whose name is entered in the Register of Members. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the circumstances referred to in this Regulation had not occurred and the notice or transfer were a transfer executed by such person.

48. Save as otherwise provided by or in accordance with the provisions of these presents, a person becoming entitled to a share pursuant to Regulation 46(a), Regulation 46(b) or Regulation 47 (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the Member in respect of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a Member in the Register of Members or his name shall have been entered in the Depository Register in respect of the share.

STOCK

49. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may from time to time by like resolution reconvert any stock into paid up shares.

50. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Regulations and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.

51. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by any number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

GENERAL MEETINGS

52. Save as otherwise permitted under the Statutes, an Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

53. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

54. (a) Subject to the Act, any General Meeting at which it is proposed to pass a Special Resolution shall be called by 21 days' notice in writing at the least. An Annual General Meeting and any other Extraordinary General Meeting shall be called by 14 days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereafter mentioned to all Members other than those who are not under the provisions of these presents and the Act entitled to receive such notices from the Company, PROVIDED THAT a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:

Appendix 4C Paragraph 7(a)

(i) in the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat; and

(ii) in the case of an Extraordinary General Meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than 95% of the total voting rights of all the Members having a right to vote at that meeting,

PROVIDED ALSO THAT the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

(b) Where special notice is required of a resolution pursuant to the Act, notice of the intention to move the resolution shall be given to the Company and notice of any General Meeting shall be called in accordance with the Act and in particular, Section 185 of the Act.

(c) So long as the shares in the Company are listed on the Exchange, **at least 14 days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to the Exchange**.

Appendix 4C Paragraph 7(a)

55. (a) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a Member of the Company.

Appendix 4C Paragraph 7(a)

(b) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

(c) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.

56. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:

(a) declaring dividends;

(b) considering and adopting the financial statements, the statement of the Directors and report of the Auditor, and other documents required to be annexed to the financial statements;

(c) appointing or re-appointing Directors, whether to fill vacancies arising at the meeting on retirement, whether by rotation or otherwise;

(d) appointing or re-appointing the Auditor;

(e) fixing the remuneration of the Auditor or determining the manner in which such remuneration is to be fixed; and

(f) fixing the remuneration of the Directors (in cash, shares or otherwise) proposed to be paid in respect of their office as such under Regulation 84 and Regulation 85(a).

57. Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution of the Company in respect of such special business.

Appendix 4C Paragraph 7(a)

PROCEEDINGS AT GENERAL MEETINGS

58. The chairman of the Board, failing whom the deputy chairman of the Board, shall preside as chairman at a General Meeting. If there be no such chairman or deputy chairman, or if at any meeting neither be present within 15 minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one (1) of their number to be chairman of the meeting. If the Directors who are present are unable to do so, the Members present shall elect a Director present to be chairman of the meeting, or, if no Director be present or if all the Directors present decline to take the chair, the Members present shall choose one (1) of their number to be chairman of the meeting.

59. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two (2) or more Members present in person or by proxy or attorney, PROVIDED THAT:

(a) a proxy representing more than one (1) Member shall only count as one (1) Member for the purpose of determining the quorum; and

(b) where a Member is represented by more than one (1) proxy such proxies shall count as only one (1) Member for the purpose of determining the quorum.

60. If within 30 minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following that public holiday) at the same time and place or such other day, time or place as the Directors may by not less than 10 days' notice appoint. At the adjourned meeting, any one (1) or more Members present in person or by proxy or attorney shall be a quorum.

61. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or *sine die*) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned *sine die*, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for 30 days or more or *sine die*, not less than seven (7) days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

62. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

63. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

64. (a) If required by the listing rules of the Exchange, all resolutions at General Meetings shall be voted by poll unless such requirement is waived by the Exchange.

(b) Subject to Regulation 64(a), at any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:

(i) the chairman of the meeting;

(ii) not less than five (5) Members present in person or by proxy or attorney and entitled to vote at the meeting;

(iii) a Member present in person or by proxy or attorney and representing not less than 5% of the total voting rights of all the Members having the right to vote at the meeting; or

(iv) a Member present in person or by proxy or attorney and holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than 5% of the total sum paid up on all shares of the Company conferring that right,

PROVIDED THAT no poll shall be demanded on the choice of a chairman or on a question of adjournment.

65. A demand for a poll made pursuant to Regulation 64(b) may be withdrawn only with the approval of the chairman of the meeting. Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. Where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. The chairman of the meeting may (and if required by the listing rules of the Exchange or if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

66. A poll on any question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

67. In the case of an equality of votes, whether on a poll or on a show of hands, the chairman of the meeting at which the poll or show of hands takes place shall be entitled to a second or casting vote.

VOTES OF MEMBERS

68. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Regulation 13(e), each Member entitled to vote may vote in person or by proxy or attorney. Every such Member who is present in person or by proxy or attorney shall:

Appendix 4C Paragraph 8(e)

(a) on a show of hands, have one (1) vote PROVIDED THAT:

(i) in the case of a Member who is not a relevant intermediary and who is represented by two (2) proxies, only one (1) of the two (2) proxies as determined by that Member or, failing such

determination, by the chairman of the meeting (or by a person authorised by him) in his sole discretion, shall be entitled to vote on a show of hands; and

(ii) in the case of a Member who is a relevant intermediary and who is represented by two (2) or more proxies, each proxy shall be entitled to vote on a show of hands and shall have one (1) vote each; and

(b) save as otherwise provided by the Act, on a poll, have one (1) vote for every share which he holds or represents.

For the purpose of determining the number of votes which a Member, being a depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that depositor, be the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting (or such other time specified in Section 81SJ of the Securities and Futures Act) as certified by the Depository to the Company.

69. In the case of joint holders of a share, any one (1) of such persons may vote, and be reckoned in quorum at any General Meeting, either personally or by proxy or by attorney as if he were solely entitled thereto, but if more than one (1) of such joint holders are so present at any meeting, then the person present whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of the share shall alone be entitled to vote in respect thereof, and the Company shall be entitled to disregard any votes cast by the other joint holder(s) present at the General Meeting. Appendix 4C Paragraph 8(b)

70. Where in Singapore or elsewhere, a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any Member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such Member to vote in person or by proxy or attorney at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

71. Any Member who is a holder of shares in the capital of the Company (conferring the right to attend and vote at any General Meeting) shall be entitled to be present and to vote either personally or by proxy or by attorney and to be reckoned in a quorum, at any General Meeting of the Company, in respect of any share or shares upon which all calls due to the Company have been paid. Appendix 4C Paragraph 8(a)

72. No objection shall be raised as to the admissibility of any vote or the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

73. (a) If at any General Meeting any votes shall be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, and be of sufficient magnitude to vitiate the result of the voting.

(b) To the extent permitted by the Act, and any other applicable laws or regulations, where a Member is required by the listing rules of the Exchange or a court order to abstain from voting on a resolution at a General Meeting, such Member shall not be entitled to vote on the relevant resolution and shall be required to abstain from voting his shares (including by proxy or by attorney) in respect of such resolution, and if the Member casts any votes in contravention of this Regulation, or if the listing rules of the Exchange require the Company to do so, the Company shall be entitled to disregard such votes.

74. On a poll, votes may be given personally or by proxy or attorney and a person entitled to more than one (1) vote need not use all his votes or cast all the votes he uses in the same way.

75. (a) Save as otherwise provided in the Act:

(i) a Member who is not a relevant intermediary may appoint not more than two (2) proxies to attend, speak and vote at the same General Meeting. Where such Member's instrument of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument of proxy. If no proportion is specified, the first-named proxy shall be deemed to represent 100% of the shareholding to which the instrument of proxy relates, and the second-named proxy shall be deemed to be an alternate to the first-named proxy; and

(ii) a Member who is a relevant intermediary may appoint more than two (2) proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member. Where such Member's instrument of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument of proxy.

(b) In any case where a Member is a depositor, the Company shall be entitled and bound:

(i) to reject any instrument of proxy lodged if the depositor is not shown to have any shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting (or such other time specified in Section 81SJ of the Securities and Futures Act) as certified by the Depository to the Company; and

(ii) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that depositor in the Depository Register as at 72 hours before the time of the relevant General Meeting (or such other time specified in Section 81SJ of the Securities and Futures Act) as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that depositor.

(c) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out by the Company in the instrument of proxy.

(d) A proxy need not be a Member of the Company. Any appointment of a proxy shall be deemed to be revoked if a member attends the General Meeting in person.

Appendix 4C Paragraph 8(c)

76. (a) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:

(i) in the case of an individual, shall be:

(A) signed under hand by the appointor or his attorney if the instrument is delivered personally or sent by post; or

(B) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and

(ii) in the case of a corporation or limited liability partnership, shall be:

(A) either given under its common seal (if any) or signed under hand on its behalf by an attorney or a duly authorised officer of the corporation or limited liability partnership if the instrument is delivered personally or sent by post; or

(B) authorised by that corporation or limited liability partnership through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.

The Directors may, for the purposes of Regulations 76(a)(i)(B) and 76(a)(ii)(B), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

(b) The signature on, or authorisation of, such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authorised 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 pursuant to Regulation 77(a), failing which the instrument may be treated as invalid.

(c) The Directors may, in their absolute discretion:

(i) approve the method and manner for an instrument appointing a proxy to be authorised; and

(ii) designate the procedure for authenticating an instrument appointing a proxy,

as contemplated in Regulations 76(a)(i)(B) and 76(a)(ii)(B) for application to such Members or class of Members as they may determine. Where the Directors do not so approve and designate in relation to a Member (whether of a class or otherwise), Regulation 76(a)(i)(A) and/or (as the case may be) Regulation 76(a)(ii)(A) shall apply.

77. (a) An instrument appointing a proxy:

(i) if sent personally or by post, must be left at such place or one (1) of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office); or

(ii) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting,

and in either case, not less than 72 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless

the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates, PROVIDED THAT an instrument of proxy relating to more than one (1) meeting (including any adjournment thereof) having once been so delivered in accordance with this Regulation for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

(b) The Directors may, in their absolute discretion, and in relation to such Members or class of Members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communication, as contemplated in Regulation 77(a)(ii). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), Regulation 77(a)(i) shall apply.

78. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting. Appendix 4C Paragraph 8(d)

79. A vote cast by proxy shall not be invalidated by the previous death or mental disorder of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made PROVIDED THAT no intimation in writing of such death, mental disorder or revocation shall have been received by the Company at the Office at least one (1) hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

80. Subject to these presents and the Statutes, the Board may, at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

CORPORATIONS ACTING BY REPRESENTATIVES

81. Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member of the Company and such corporation shall for the purposes of the provisions of these presents (but subject to the Act), be deemed to be present in person at any such meeting if a person so authorised is present thereat.

DIRECTORS

82. Subject to the Statutes and the listing rules of the Exchange, all the Directors shall be natural persons and shall not be less than two (2) in number. Appendix 4C Paragraph 9(a)

83. A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a Member of the Company shall nevertheless be entitled to attend and speak at General Meetings.

84. The ordinary remuneration of the Directors shall from time to time be determined by ordinary resolution, shall not be increased except pursuant to an ordinary resolution passed at a General Meeting where notice of the proposed increase shall have been given in the notice convening the General Meeting and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Appendix 4C Paragraph 9(d)

85. (a) Any Director who holds any executive office, or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine. Appendix 4C Paragraph 9(c)

    (b) The remuneration (including any remuneration under Regulation 85(a) above) in the case of a Director other than an executive Director shall be payable by a fixed sum (in cash, shares or otherwise) and shall not at any time be by commission on or percentage of profits or turnover. No Director whether an executive Director or otherwise shall be remunerated by a commission on or a percentage of turnover.

86. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company.

87. The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director for the time being holding any executive office and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

88. A Director may be party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the

Company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.

89. (a) The Directors may from time to time appoint one (1) or more of their body to be the holder of any executive office (including, where considered appropriate, the office of chairman or deputy chairman) on such terms and for such period as they may (subject to the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.

(b) The appointment of any Director to the office of chairman or deputy chairman or Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

(c) The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

90. The Directors may entrust to and confer upon any Directors holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

91. Any register, index, minute book, accounting records, minute or other book required by this Constitution or by the Act or the Statutes to be kept by or on behalf of the Company may, subject to and in accordance with the Act, be kept in hard copy form or in electronic form, and arranged in the manner that the Directors think fit. If such records are kept in electronic form, the Directors shall ensure that they are capable of being reproduced in hard copy form, and shall provide for the manner in which the records are to be authenticated and verified. In any case where such records are kept otherwise than in hard copy form, the Directors shall take reasonable precautions for ensuring the proper maintenance and authenticity of such records, guarding against falsification and facilitating the discovery of falsifications.

MANAGING DIRECTORS

92. The Directors may from time to time appoint one (1) or more of their body to be Managing Director or Managing Directors (or person(s) holding an equivalent position) of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company)

Appendix 4C Paragraph 9(h)

remove or dismiss him or them from office and appoint another or others in his or their place or places. Where an appointment is for a fixed term, such term shall not exceed five (5) years.

93. A Managing Director (or a person holding an equivalent position) shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to retirement by rotation, resignation and removal as the other Directors and if he ceases to hold the office of Director from any cause, he shall *ipso facto* and immediately cease to be a Managing Director (or a person holding an equivalent position).

94. The remuneration of a Managing Director (or a person holding an equivalent position) shall from time to time be fixed by the Directors and may, subject to the provisions of these presents, be by way of salary or commission or participation in profits or by any or all of these modes but he shall not under any circumstances be remunerated by a commission on or a percentage of turnover.

95. A Managing Director (or a person holding an equivalent position) shall at all times be subject to the control of the Directors but subject thereto, the Directors may from time to time entrust to and confer upon a Managing Director (or a person holding an equivalent position) for the time being such of the powers exercisable under the provisions of these presents by the Directors as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. Appendix 4C Paragraph 9(i)

APPOINTMENT AND RETIREMENT OF DIRECTORS

96. (a) The office of a Director shall be vacated in any of the following events, namely:

(i) if he shall become prohibited by law from acting as a Director;

(ii) subject to Section 145 of the Act, if he (not being a Director holding any executive office for a fixed term) shall resign by writing under his hand left at the Office;

(iii) if he becomes bankrupt or suspends payments to or makes any arrangement or composition with his creditors generally; Appendix 4C Paragraph 9(f)

(iv) if (A) he becomes mentally disordered and incapable of managing himself or his affairs, or (B) in Singapore or elsewhere, an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name Appendix 4C Paragraph 9(f)

called) to exercise powers with respect to his property or affairs, or (C) he becomes a person whose person or estate is liable to be dealt with in any way under the law relating to mental capacity;

(v) if he is absent from meetings of the Directors for a continuous period of six (6) months without leave from the Directors, and the Directors resolve that his office be vacated; or

(vi) if he is removed by the Company in a General Meeting pursuant to the provisions of these presents.

(b) A Director who has been disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds shall immediately resign from office as a Director. Appendix 4C Paragraph 9(m)

97. Every Director shall, subject to the Statutes, retire from office at least once every three (3) years and for this purpose, at each Annual General Meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation (in addition to any Director retiring pursuant to Regulation 103).

98. The Directors to retire in every year shall be those, subject to retirement by rotation, who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot or by mutual agreement of the said persons. A retiring Director shall be eligible for re-election.

99. The Company at the meeting at which a Director retires under any provision of these presents may by ordinary resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default, the retiring Director shall be deemed to have been re-elected except in any of the following cases:

(a) where at such meeting, it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;

(b) where such Director is disqualified under the Act from holding office as a Director or has given notice in writing to the Company that he is unwilling to be re-elected;

(c) where the default is due to the moving of a resolution in contravention of Regulation 100; or

(d) where such Director is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

100. A resolution for the appointment of two (2) or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it.

101. For as long as the listing rules of the Exchange so require, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than 11 clear days nor more than 42 clear days (exclusive of the date on which the notice is given) before the date appointed for the meeting, there shall have been lodged at the Office notice in writing signed by some Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election or notice in writing signed by the person to be proposed giving his consent to the nomination **and signifying his candidature for the office** PROVIDED THAT in the case of a person recommended by the Directors for election, not less than nine (9) clear days' notice shall be necessary and notice of each and every such person shall be served on the Members at least seven (7) days prior to the meeting at which the election is to take place. Appendix 4C Paragraph 9(g)

102. The Company may in accordance with and subject to the Statutes, by ordinary resolution of which special notice has been given, remove any Director from office (notwithstanding any provision of these presents or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office. Any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment, the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.

103. The Company may by ordinary resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice thereto, the Directors shall have power at any time so to do, but any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting. Appendix 4C Paragraph 9(b)

ALTERNATE DIRECTORS

104. (a) Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (other than another Director) approved by a majority of his co-Directors to be his Alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by a majority of the Directors, shall have effect only upon and subject to being so approved. A person shall not act as Alternate Director to more than one (1) Director at the same time. Appendix 4C Paragraph 9(k)

(b) The appointment of an Alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if the Director concerned ("his principal") ceases to be a Director.

(c) An Alternate Director shall (except when absent from Singapore) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his principal is not personally present and generally at such meeting to perform all functions of his principal as a Director and for the purposes of the proceedings at such meeting the provisions of these presents shall apply as if he (instead of his principal) were a Director. If his principal is for the time being absent from Singapore or temporarily unable to act through ill health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his principal. To such extent as the Directors may from time to time determine in relation to any committee of the Directors, the foregoing provisions of this paragraph shall also apply *mutatis mutandis* to any meeting of any such committee of which his principal is a member. An Alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these presents.

(d) An Alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as Alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his principal as such principal may by notice in writing to the Company from time to time direct PROVIDED THAT any fees payable to him shall be deducted from his principal's remuneration. Appendix 4C Paragraph 9(k)

MEETINGS AND PROCEEDINGS OF DIRECTORS

105. (a) Subject to the provisions of these presents, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Any Director may and the Secretary on the requisition of a Director shall at any time summon a meeting of the Directors. It shall be necessary to give notice of such meeting to all

Directors, regardless of whether they are for the time being absent from Singapore. Notice of a meeting of Directors shall be given to each of the Directors in writing at least two (2) days prior to the day of the meeting. The period of notice shall be exclusive of the day on which it is served or deemed to be served and the day on which the meeting is to be held. Any Director may waive notice of any meeting and any such waiver may be retroactive and for this purpose, the presence of a Director at the meeting shall be deemed to constitute a waiver on his part. A Director may participate at a meeting of Directors by telephone conference, video conference, audio visual or by means of similar communications equipment whereby all persons participating in the meeting are able to hear and be heard by, all other participants, without a Director being in the physical presence of another Director or Directors, in which event such Director shall be deemed to be present at the meeting. A Director participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Minutes of the proceedings at a meeting by telephone conference, video conference, audio visual, or other similar communications equipment signed by the chairman of the meeting shall be conclusive evidence of such proceedings and of the observance of all necessary formalities and, subject to there being a requisite quorum in accordance with Regulation 106 all resolutions agreed by the Directors in such meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held. Such a meeting is deemed to be held at the place agreed upon by the Directors attending the meeting, PROVIDED THAT at least one (1) of the Directors present at the meeting was at that place for the duration of the meeting.

(b) Any notice or document may be served on or delivered to any Director either personally or by sending it through the post in a prepaid cover addressed to such Director at his registered address appearing in the Register of Directors maintained by the Registrar pursuant to Section 173 of the Act, or to the address, if any, supplied by him to the Company for such purpose, or by sending a telefax containing the text of the notice or document to him to such address as aforesaid, or by delivering it to such address as aforesaid, or by using electronic communication. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the time when the cover containing the same is posted, and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. Where a notice or other document is served or sent by telefax, service or delivery shall be deemed to be effected on the day it is so sent, and in proving such service or delivery it shall be sufficient to prove that the telefax was properly addressed and transmitted. Where a notice or other document is served or sent using electronic communication, service or delivery shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message

indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under the Act, any other applicable regulations or procedures and/or the listing rules of the Exchange.

106. The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and shall be two (2) unless so fixed at any other number. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

107. Questions arising at any meeting of the Directors shall be determined by a majority of votes of Directors present and competent to vote on the question in issue. In case of an equality of votes (except where only two (2) Directors are present and form the quorum or when only two (2) Directors are competent to vote on the question in issue) the chairman of the meeting shall have a second or casting vote. Appendix 4C Paragraph 9(l)

108. A Director shall not vote in respect of any contract or proposed contract or arrangement or any other proposal whatsoever in which he has any personal material interest, directly or indirectly. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting. Appendix 4C Paragraph 9(e)

109. The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with the provisions of these presents, the continuing Directors or Director (if any) may, except in an emergency, act only for the purpose of increasing the number of Directors to such minimum number or of summoning General Meetings, but not for any other purpose. If there be no Director or Directors able or willing to act, then any two (2) Members may summon a General Meeting for the purpose of appointing Directors. Appendix 4C Paragraph 9(j)

110. (a) The Directors may elect from their number a chairman and a deputy chairman (or two (2) or more deputy chairmen) and determine the period for which each is to hold office. If no chairman or deputy chairman shall have been appointed or if at any meeting of the Directors, no chairman or deputy chairman shall be present within five (5) minutes after the time appointed for holding the meeting, the Directors present may choose one (1) of their number to be chairman of the meeting.

(b) If at any time there is more than one (1) deputy chairman, the right in the absence of the chairman to preside at a meeting of the Directors or of the Company shall be determined as between the deputy chairmen present (if more than one (1)) by seniority in length of appointment or otherwise as resolved by the Directors.

111. A resolution in writing signed by the majority of Directors (or their alternates) who are entitled to vote on the subject matter of the resolution shall be as effective as a resolution duly passed at a meeting of the Directors duly convened and held. Any such resolution may consist of several documents in the like form, each signed by one (1) or more Directors. The expressions "in writing" and "signed" include approval by any such Director by telefax, telex, cable, telegram, wireless or facsimile transmission or any form of electronic communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.

112. The Directors may delegate any of their powers or discretion to committees consisting of one (1) or more members of their body and (if thought fit) one (1) or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee.

113. The meetings and proceedings of any such committee consisting of two (2) or more members shall be governed *mutatis mutandis* by the provisions of these presents regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under Regulation 112.

114. All acts done by any meeting of Directors, or of any such committee, or by any person acting as a Director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee and had been entitled to vote.

BORROWING POWERS

115. Subject to the Statutes and the provisions of these presents, the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Appendix 4C Paragraph 6(a)

GENERAL POWERS OF DIRECTORS

116. The business and affairs of the Company shall be managed by, or under the direction or supervision of, the Directors, who may exercise all such powers of the Company that are not required by the Statutes or by the provisions of these presents to be exercised by the Company in a General Meeting. The Directors shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company's undertaking unless

such proposals have been approved by the Company in a General Meeting. The general powers given by this Regulation shall not be limited or restricted by any special authority or power given to the Directors by any other Regulation.

117. The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in Singapore or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

118. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

119. The Company or the Directors on behalf of the Company may in exercise of the powers in that behalf conferred by the Statutes cause to be kept a branch register or Register of Members and the Directors may (subject to the Statutes) make and vary such regulations as they may think fit in respect of the keeping of any such register.

120. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

SECRETARY

121. The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit, two (2) or more persons may be appointed as joint Secretaries. The Directors may also appoint from time to time on such terms

as they may think fit one (1) or more assistant Secretaries. The appointment and duties of the Secretary or joint Secretaries shall not conflict with the provisions of the Act and in particular Section 171 of the Act.

THE SEAL

122. The Directors shall provide for the safe custody of the Seal which shall not be used without the authority of the Directors or of a committee authorised by the Directors in that behalf.

123. Every instrument to which the Seal shall be affixed shall be signed autographically by one (1) Director and the Secretary or a second Director or some other person appointed by the Directors, save that as regards any certificates for shares or debentures or other securities of the Company, the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature or other method approved by the Directors.

124. (a) The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

(b) The Company may exercise the powers conferred by the Statutes with regard to having a duplicate Seal as referred to in Section 124 of the Act which shall be a facsimile of the Seal with the addition on its face of the words "Share Seal".

AUTHENTICATION OF DOCUMENTS

125. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting this Constitution and any resolutions passed by the Company or the Directors or any committee, and any books, records, documents, accounts and financial statements relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents, accounts or financial statements are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed, or as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting. Any authentication or certification made pursuant to this Regulation may be made by any electronic means approved by the Directors from time to time for such purpose incorporating, if the Directors deem necessary, the use of security and/or identification procedures or devices approved by the Directors.

RESERVES

126. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one (1) fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same, the Directors shall comply with the Statutes.

DIVIDENDS

127. The Company may by ordinary resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors. No dividends may be paid, unless otherwise provided in the Act, to the Company in respect of treasury shares.

128. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

129. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide and except as otherwise permitted under the Act:

(a) all dividends in respect of shares must be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and

(b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which dividend is paid.

For the purposes of this Regulation, no amount paid on a share in advance of calls shall be treated as paid on the share.

130. No dividend shall be paid otherwise than out of profits available for distribution under the Statutes.

131. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

132. (a) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(b) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person is under those provisions entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same.

133. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of six (6) years from the date they are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture. A payment by the Company to the Depository of any dividend or other moneys payable to a depositor shall, to the extent of the payment made, discharge the Company from any liability in respect of that payment. If the Depository returns any such dividend or moneys to the Company, the relevant depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six (6) years has elapsed from the date on which such dividend or other moneys are first payable.

134. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy or otherwise of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

135. The Company may upon the recommendation of the Directors by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

136. (a) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on shares of a particular class in the capital of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of shares of that class credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:

(i) the basis of any such allotment shall be determined by the Directors;

(ii) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of shares of the relevant class credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Regulation;

(iii) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded PROVIDED THAT the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and

(iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on the shares of the relevant class in respect whereof the share election has been duly exercised (the "elected shares") and in lieu and in satisfaction thereof shares of the relevant class shall be allotted and credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of Regulation 141, the Directors shall capitalise and apply out of the amount standing to the credit of any of the Company's reserve accounts or any amount standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and among the holders of the elected shares on such basis, or apply the sum which would otherwise have been payable in cash to the holders of the elected shares towards payment of the appropriate

number of shares of the relevant class for allotment and distribution to and among the holders of the elected shares on such basis.

(b) The shares of the relevant class allotted pursuant to the provisions of Regulation 136(a) shall rank *pari passu* in all respects with the shares of that class then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

(c) The Directors may, on any occasion when they resolve as provided in Regulation 136(a), determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of Regulation 136 shall be read and construed subject to such determination.

(d) The Directors may, on any occasion when they resolve as provided in Regulation 136(a), further determine that:

(i) no allotment of shares or rights of election for shares under Regulation 136(a) shall be made available or made to Members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or to such other Members or class of Members as the Directors may in their sole discretion decide and in such event the only entitlement of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared; and

(ii) no allotment of shares or rights of election for shares under Regulation 136(a) shall be made available or made to a person, or any persons, if such allotment or rights of election would in the opinion of the Directors cause such person, or such persons, to hold or control voting shares in excess of any shareholding or other limits which may from time to time be prescribed in any Statute, without the approval of the applicable regulatory or other authority as may be necessary.

(e) Notwithstanding the foregoing provisions of this Regulation, if at any time after the Directors' resolution to apply the provisions of Regulation 136(a) in relation to any dividend but prior to the allotment of shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or

appropriate to implement that proposal, the Directors may at their absolute discretion and as they deem fit in the interest of the Company and without assigning any reason therefor, cancel the proposed application of Regulation 136(a).

(f) The Directors may do all acts and things considered necessary or expedient to give effect to the provisions of Regulation 136(a), with full power to make such provisions as they think fit in the case of shares of the relevant class becoming distributable in fractions (including, notwithstanding any provision to the contrary in these presents, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down).

137. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of a Member or person entitled thereto (or, if two (2) or more persons are registered in the Register of Members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy or otherwise of the holder, to any one (1) of such persons) or to such person at such address as such Member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy or otherwise of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

138. Notwithstanding the provisions of Regulation 137 and the provisions of Regulation 140, the payment by the Company to the Depository of any dividend payable to a depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the depositor in respect of that payment.

139. If two (2) or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy or otherwise of the holder, any one (1) of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

140. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in a General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares.

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

141. (a) Subject to Regulation 7 and Regulation 11, the Company may, upon the recommendation of the Directors, by ordinary resolution, including any ordinary resolution passed pursuant to Regulation 11(b):

(i) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:

(A) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or

(B) (in the case of an ordinary resolution passed pursuant to Regulation 11(b)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares; and/or

(ii) capitalise any sum standing to the credit of any of the Company's reserve accounts (or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:

(A) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or

(B) (in the case of an ordinary resolution passed pursuant to Regulation 11(b)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full new shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, new shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

(b) The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation under Regulation 141(a), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company, providing for any such bonus

issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

142. In addition and without prejudice to the powers provided for by Regulation 141, the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares on terms that such shares shall, upon issue:

(a) be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit; or

(b) be held by or for the benefit of non-executive Directors as part of their remuneration under Regulations 84 or 85(a) approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing.

FINANCIAL STATEMENTS

143. Accounting and other records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office or at such other place as the Directors think fit, and in such manner as to enable them to be conveniently and properly audited. No Member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors.

144. In accordance with the Statutes and the listing rules of the Exchange, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such financial statements, balance sheets, reports, statements and other documents as may be necessary. The interval between the close of a financial year of the Company and the date of the Company's Annual General Meeting shall not exceed four (4) months or such other period as may be prescribed by law, the Statutes or the bye-laws or listing rules of the Exchange.

Appendix 4C Paragraph 10(a)

145. A copy of the financial statements and, if required, the balance sheet (including every document required by law to be attached thereto) which is duly audited and which is to be laid before the Company in General Meeting accompanied by a copy of the Auditor's report thereon and the statement of the Directors shall not less than 14 days before the date of the meeting be sent to every Member and to every other person who is entitled to receive notices of meetings from the Company, subject to the Statutes or the

provisions of these presents, PROVIDED THAT this Regulation shall not require a copy of these documents to be sent to more than one (1) of any joint holders or to any person whose address the Company is not aware, but any Member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

AUDITOR

146. Subject to the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

147. An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any Member is entitled to receive and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

NOTICES

148. Any notice or document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid cover addressed to such Member at his registered address appearing in the Register of Members or (as the case may be) the Depository Register, or (if he has no registered address within Singapore) to the address, if any, within Singapore supplied by him to the Company or (as the case may be) supplied by him to the Depository as his address for the service of notices, or by delivering it to such address as aforesaid. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the time when the cover containing the same is posted, and in proving such service or delivery, it shall be sufficient to prove that such cover was properly addressed, stamped and posted.

149. (a) Without prejudice to the provisions of Regulation 148, but subject otherwise to the Act and any regulations made thereunder relating to electronic communication, any notice or document (including, without limitation, any financial statements, balance sheet or report) which is required or permitted to be given, sent or served under the Act or under the provisions of these presents by the Company, or by the Directors, to a Member or an officer of the Company or the Auditor may be given, sent or served using electronic communication:

(i) to the current address of that person; or

(ii) by making it available on a website prescribed by the Company from time to time,

in accordance with the provisions of this Constitution, the Act, applicable regulations and the listing rules of the Exchange.

(b) For the purposes of Regulation 149(a), a Member shall be deemed to have agreed to receive such notice or document by way of such electronic communication and shall not have a right to elect to receive a physical copy of such notice or document.

(c) Notwithstanding Regulation 149(b), the Directors may, at their discretion, at any time, give a Member an opportunity to elect within a specified period of time whether to receive such notice or document by way of electronic communication or as a physical copy, and a Member shall be deemed to have consented to receive such notice or document by way of electronic communication if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document. The Directors shall abide by the provisions of the Act, applicable regulations and the listing rules of the Exchange in exercising their discretion under this Regulation.

(d) For the purposes of Regulation 149(a), where the Company gives, sends or serves any notice or document to a Member by way of electronic communication by publishing the notice or document on a website, the Company shall give separate notice to the Member of such publication and the manner in which the notice or document may be accessed (i) at the Member's registered address or current address; (ii) by way of advertisement in the daily press; or (iii) by way of announcement on the Exchange.

(e) Where a notice or document is given, sent or served by electronic communication:

(i) to the current address of a person pursuant to Regulation 149(a)(i), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under the Act, any other applicable regulations or procedures and/or the listing rules of the Exchange; and

(ii) by making it available on a website pursuant to Regulation 149(a)(ii), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, unless otherwise provided under the Act, any other applicable regulations or procedures and/or the listing rules of the Exchange.

150. Any notice given to that one (1) of the joint holders of a share whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose, a joint holder having no registered address in Singapore and not having supplied an address within Singapore for the service of notices shall be disregarded.

151. A person entitled to a share in consequence of the death or bankruptcy or otherwise of a Member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also to the Company or (as the case may be) the Depository an address within Singapore for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the Member but for his death or bankruptcy or otherwise would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any Member or given, sent or served to any Member using electronic communication in pursuance of these presents shall, notwithstanding that such Member be then dead or bankrupt or in liquidation or otherwise not entitled to such share, and whether or not the Company shall have notice of the same, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member in the Register of Members or, where such Member is a depositor, entered against his name in the Depository Register as sole or first-named joint holder.

152. A Member who (having no registered address within Singapore) has not supplied to the Company or (as the case may be) the Depository an address within Singapore for the service of notices or other documents shall not be entitled to receive notices from the Company.

WINDING UP

153. The Directors shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

154. Subject to the provisions of these presents and the Statutes, if the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the liquidator may, with the authority of a Special Resolution, divide among the Members *in specie* or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one (1) kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one (1) or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

Appendix 4C Paragraph 11(a)

155. In the event of a winding up of the Company every Member of the Company who is not for the time being in Singapore shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily, or within the like period after the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some householder in Singapore upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee shall be deemed to be a good personal service on such Member for all purposes, and where the liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such Member by advertisement in any daily English newspaper circulating generally in Singapore or by a registered letter sent through the post and addressed to such Member at his address as appearing in the Register of Members or (as the case may be) the Depository Register or given, sent or served to any Member using electronic communication in pursuance of these presents and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted or the electronic communication is transmitted.

INDEMNITY

156. To the fullest extent permitted under the Act, every officer of the Company shall be entitled to be indemnified by the Company against all claims, proceedings, demands, causes of action, liabilities, damages, losses, costs, charges, and expenses and brought against or suffered or incurred or to be incurred by him in the execution and discharge of his duties or in relation thereto. Every officer of the Company shall be entitled to be indemnified by the Company against any liability (other than any liability referred to in Section 172B of the Act) incurred by that officer to a person other than the Company, attaching to the officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company. To the fullest extent permitted under the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security or investment in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto unless the same happened through his own negligence or dishonesty.

SECRECY

157. No member shall be entitled to require discovery of or any information respecting any detail of the Company's trade or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will be inexpedient in the interest of the Members of the Company to communicate to the public, save as may be authorised by law or required by the bye-laws or listing rules of the Exchange.

PERSONAL DATA

158. (a) Any natural person, by subscribing for or acquiring (whether from the Company or any third party) any shares, debentures, or other securities, rights, options or other interests in or relating to the Company, becoming a Director or other officer of the Company, accepting appointment and/or acting as proxy, attorney or corporate representative of any Member, or participating in any corporate action relating to the Company, consents to the collection, use and disclosure of his personal data by the Company, its agents or service providers (whether such personal data has been provided directly by him or collected through a third party), from time to time for any of the following purposes:

(i) facilitating appointment as a Director or other officer or corporate representative of the Company;

(ii) implementation and administration of any corporate action by the Company (or its agents or service providers);

(iii) internal analysis and/or market research by the Company (or its agents or service providers);

(iv) investor relations communications by the Company (or its agents or service providers);

(v) administration of the Company (including but not limited to the maintenance of statutory registers, payment of Directors' and officers' remuneration, and administration of holdings of shares, debentures or other securities of the Company), by the Company (or its agents or service providers);

(vi) implementation and administration of any service provided by the Company (or its agents or service providers) to its Members or holders of its securities, to receive notices of meetings, annual reports, circulars and letters, and other communications to Members or holders of other securities, and/or for proxy appointment, whether by electronic means or otherwise;

(vii) processing, administration and analysis by the Company (or its agents or service providers) of attorneys, proxies and representatives appointed for any General Meeting (including any adjournment thereof), and the preparation and compilation of the attendance lists, notes of meeting, minutes of meeting and other documents relating to any General Meeting (including any adjournment thereof), including but not limited to making the same available to the Members or on the Company's website or in any other media;

(viii) implementation and administration of, and compliance with, any provision of this Constitution;

(ix) compliance with any applicable laws and regulations, listing rules of the Exchange (including but not limited to any relating to the disclosure of material information or prescribed information), take-over rules, codes and/or guidelines, and provision of assistance and information in connection with regulatory inquiries and investigations by relevant authorities;

(x) any other purposes specified in the Company's prevailing privacy or data protection policies; and

(xi) any purposes which are reasonably related to any of the above purposes.

(b) Without prejudice to Regulation 158(a), where any Member or any other person or entity provides any personal data relating to any proxy, attorney, corporate representative or other third party for any General Meeting or any adjournment thereof or in connection with any of the matters referenced in Regulation 158(a), it warrants to the Company that it has obtained the prior consent of that proxy, attorney, corporate representative or other third party for the collection, use and disclosure of the personal data for any and all purposes set out in Regulation 158(a), and is deemed to have agreed to indemnify the Company in respect of any claims, actions, proceedings, losses, damages, liabilities, penalties, costs and expenses brought against the Company or suffered or incurred by the Company as a result of such Member's breach of warranty.

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APPENDIX H – SUMMARY OF MATERIAL DIFFERENCES BETWEEN THE EXISTING CONSTITUTION AND THE AMENDED AND RESTATED CONSTITUTION

Regulation 2

The material differences between Article 2 in the Existing Constitution and Regulation 2 in the Amended and Restated Constitution are as follows:

2. In these Regulations (if not inconsistent with the subject or context):

the "Act"	The Companies Act (Chapter 50 of Singapore) **or any statutory modification, amendment or re-enactment thereof for the time being in force.**
"Alternate Director"	**Any person duly appointed by a Director as his alternate.**
"Annual General Meeting"	**The annual General Meeting of the Company.**
~~"these articles"~~	~~these Articles of Association as from time to time altered~~
"Auditor"	**The auditor for the time being of the Company (if any).**
"Board"	**The board of Directors for the time being of the Company.**
the "Company"	**The abovenamed Company by whatever name from time to time called.**
this "Constitution"	**This constitution of the Company for the time being in force.**
"current address"	**Means the number and/or address at which the Company may send notices or other documents by way of electronic communication to a person in accordance with the Act, which number and/or address has been notified to the Company (including to such agent or service provider appointed by the Company for such purpose):** (a) **by the said person; or** (b) **by the Depository (or its agents or service providers).**
"Director"	**Has the meaning given in Section 4 of the Act, and includes any person acting as a director of the Company and any person duly appointed and acting for the time being as an Alternate Director.**

"Directors"	The directors for the time being of the Company as a body~~, or unless the context otherwise requires,~~ **or such number of them as have authority to act for the Company or** as constituting a quorum necessary for the transaction of the business of the directors of the Company.
"dividend"	**Includes bonus.**
"electronic communication"	**Has the meaning given in Section 4 of the Act.**
"~~Stock~~ Exchange"	Singapore Exchange Securities Trading Limited or any other securities exchange on which shares of the Company are listed.
"Extraordinary General Meeting"	**A General Meeting other than an Annual General Meeting.**
"General Meeting"	**A meeting of the Members of the Company or of a class of Members of the Company, as the case may be.**
"Managing Director"	**The managing Director for the time being of the Company (if any).**
"Market Day"	**A day on which the Exchange is open for trading in securities.**
"Member"	**Means:** **(a) where the Depository or its nominee (as the case may be) is named in the Register of Members as the holder of the shares, a depositor in respect of the number of shares which stand in the credit against his name in the Depository Register; and** **(b) in any other case, a person whose name appears in the Register of Members as a shareholder,** **save that references in these Regulations to a "Member" shall, where the Act requires, exclude the Company where it is a Member by reason of its holding of its shares as treasury shares.**
"month"	Calendar month.

"Office"	The registered office for the time being of the Company.
"paid **up**"	Includes credited as paid up.
"Register of Members"	**The register of members of the Company, kept in accordance with Section 190 of the Act.**
"registered address" or "address"	**Means, in relation to any Member, his physical address for the service or delivery of notices or documents, whether personally or by post, except where otherwise expressly provided in these Regulations.**
"Registrar"	**The Registrar of Companies appointed under the Act and includes any deputy or assistant Registrar of Companies.**
"Regulations" or "these presents"	**The regulations of the Company contained in this Constitution for the time being in force.**
"relevant intermediary"	**Has the meaning given in Section 181 of the Act.**
"Seal"	The common seal of the Company **or in appropriate cases the official seal or duplicate common seal.**
"Secretary"	**Has the meaning given in the Act and** shall include any person(s) appointed by the Directors to perform any of the duties of the secretary **and any person(s) entitled to perform the duties of the secretary temporarily** and where two (2) or more persons are appointed to act as joint secretaries, shall include any one (1) of those persons.
"Securities and Futures Act"	**The Securities and Futures Act (Chapter 289 of Singapore) or any statutory modification, amendment or re-enactment thereof for the time being in force.**
"Singapore"	**The Republic of Singapore.**
"Special Resolution"	**Has the meaning given in Section 184 of the Act.**
~~"Statutes"~~	~~The Act and every other Act for the time being in force concerning companies and affecting the Company.~~
"treasury share"	Has the meaning given in **Section 4 of** the Act.

"writing" and "written" ~~"in writing"~~	**Includes printing, lithography, typewriting, telefax transmission and any other mode of representing or reproducing words in visible form, including electronic communication.** ~~Written or produced by any substitute for writing or partly one and partly another~~
"year"	Calendar year.
"S$"	**Singapore dollars,** the lawful currency of Singapore.
"%" ~~"per cent"~~	Per centum or percentage.

For the avoidance of doubt, a Special Resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these presents.

The terms "depositor", "Depository" and "Depository Register" shall have the meanings ascribed to them respectively in **Section 81SF of the Securities and Futures** Act.

The term "securities exchange" shall have the meaning ascribed to it in Section 2 of the Securities and Futures Act.

References in these presents to "holders" of shares or a class of shares shall:

(a) exclude the Depository or its nominee (as the case may be) except where otherwise expressly provided in these presents or where the term "registered holders" or "registered holder" is used in these presents;

(b) where the context so requires, be deemed to include references to depositors whose names are entered in the Depository Register in respect of those shares; and

(c) except where otherwise expressly provided in these presents, exclude the Company in relation to shares held by it as treasury shares,

and "hold", "holding" and "held" shall be construed accordingly.

All such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Where the Company is required to record any information in any company records, such information may be kept in electronic form in accordance with the Act.

Subject as aforesaid, any words or expressions defined in the Act **and the Interpretation Act (Chapter 1 of Singapore)** shall (if not inconsistent with the subject or context) bear the same meanings in these presents.

Words denoting the singular number shall include the plural number and vice versa. Words denoting the masculine gender shall include the feminine and neuter genders and vice versa. Words denoting persons shall include companies, corporations and other legal persons.

The headnotes and marginal notes are inserted for convenience only and shall not affect the construction of this Constitution.

Any reference in these presents to any Statute or enactment is a reference to that Statute or enactment as for the time being modified, amended or re-enacted.

Regulation 6

The following Regulation 6 was added in the "Issue of Shares" section of the Amended and Restated Constitution:

6. The Company may issue shares for which no consideration is payable to the Company.

Regulation 7

The material differences between Article 3 in the Existing Constitution and Regulation 7 in the Amended and Restated Constitution are as follows:

7. (a) Subject to the Statutes **and the provisions of these presents**, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to ~~Article 7~~**Regulation 11**, and to any special rights attached to any shares for the time being issued, the Directors may allot **and issue shares** or grant options over or otherwise dispose of ~~the same~~**shares** to such persons on such terms and conditions and for such consideration **(if any)** and at such time and subject or not to the payment of any part of the amount **(if any)** thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges, ~~or conditions~~**conditions or restrictions whether as regards dividend, return of capital, participation in surplus assets and profits, conversion, redemption or otherwise,** as the Directors may think fit, ~~and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, Provided Always that~~ **PROVIDED THAT**:

(i) (subject to any direction to the contrary that may be given by the Company in a General Meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of ~~Article 7(A)~~**Regulation 11(a)** with such adaptations as are necessary shall apply; and

(ii) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same **and in the provisions of these presents**.

(b) Subject to Regulation 7(c) (where applicable), the Company has the power to issue different classes of shares.

(c) The rights attaching to shares of a class other than ordinary shares shall be clearly defined in this Constitution.

Regulation 8

The material differences between Article 4 in the Existing Constitution and Regulation 8 in the Amended and Restated Constitution are as follows:

10. (a) Preference shares may be issued ~~by the Company~~ subject to **such limitation thereof as may be prescribed** by the Exchange ~~listing rules at any relevant Stock Exchange upon which the Company may be listed Provided Always that in the event of preference shares being issued the total number of issued preference shares shall not at any time exceed the total number of the issued ordinary shares~~. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and balance sheets and attending General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Company or where the ~~proposition~~ **proposal** to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is in arrears for more than six (6) months.

(b) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.

Regulation 9

The material differences between Article 5 in the Existing Constitution and Regulation 9 in the Amended and Restated Constitution are as follows:

11. Whenever the share capital of the Company is divided into different classes of shares, **subject to the Statutes and the terms of issue of shares of that class, preference capital (other than redeemable preference capital) may be repaid and** the special rights attached to any class may~~, subject to the provisions of the Statutes,~~ be varied or abrogated either with the consent in writing of holders of three-quarters of ~~total voting rights of~~ the issued shares of ~~the~~ **that** class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so **repaid,** varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting, all the provisions of these presents relating to General Meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two (2) persons at least holding or representing by proxy **or attorney** at least one-third of ~~total voting rights of~~ the issued shares of ~~the~~ **that** class and that any holder of shares of the class present in person or by **proxy or attorney** may demand a poll ~~and that every such holder shall on a poll have one vote for every share of the class held by him, Provided always that~~, **PROVIDED THAT** where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from holders of three-quarters of ~~total voting rights of~~ the issued shares of ~~the~~ that class concerned within two (2) months of such General Meeting shall be as valid and effectual as a Special Resolution ~~carried~~ **passed** at such General Meeting. The foregoing provisions of this ~~Article~~ **Regulation** shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

~~The repayment of preference capital other than redeemable preference capital, or any alteration of preference shareholders' rights, may only be made pursuant to a Special Resolution of the preference shareholders concerned Provided Always that where the necessary majority for such a Special Resolution is not obtained at the General Meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two months of the General Meeting, shall be as valid and effectual as a special resolution carried at the General Meeting.~~

Regulation 10

The material differences between Article 5(C) in the Existing Constitution and Regulation 10 in the Amended and Restated Constitution are as follows:

10. The special rights attached to any class of shares having preferential rights shall not, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied by the ~~creation or~~ issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

Regulation 11

The material differences between Articles 6 and 7 in the Existing Constitution and Regulation 11 in the Amended and Restated Constitution are as follows:

11. (a) ~~The Company may from time to time by Ordinary Resolution increase its capital by such sum as the resolution shall prescribe.~~ Subject to any direction to the contrary that may be given by the Company in a General Meeting, or except as permitted under the listing rules of the Exchange ~~any relevant Stock Exchange upon which the Company may be listed~~, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of ~~general meetings~~ **General Meetings** in proportion, as far as the circumstances admit, to the ~~amount~~ **number** of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this ~~Article 7(A)~~**Regulation**.

(b) Notwithstanding Regulation 11(a), the Company may by ordinary resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the ordinary resolution, to:

(i) (A) issue shares whether by way of rights, bonus or otherwise; and/or

(B) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and

(ii) (notwithstanding the authority conferred by the ordinary resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the ordinary resolution was in force,

PROVIDED THAT:

(1) the aggregate number of shares to be issued pursuant to the ordinary resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the ordinary resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Exchange;

(2) in exercising the authority conferred by the ordinary resolution, the Company shall comply with the provisions of the listing rules of the Exchange for the time being in force (unless such compliance is waived by the Exchange) and these presents; and

(3) (unless revoked or varied by the Company in General Meeting) the authority conferred by the ordinary resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the ordinary resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).

(c) Except so far as otherwise provided by the conditions of issue or **by the provisions of** these presents, all new shares shall be subject to the ~~provisions of the~~ Statutes and **the provisions** of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

Regulation 12

The material differences between Article 8 in the Existing Constitution and Regulation 12 in the Amended and Restated Constitution are as follows:

80. (a) The Company may by ~~Ordinary Resolution~~ **ordinary resolution, subject to and in accordance with the Statutes**:

(i) consolidate and divide all or any of its ~~share capital~~ **shares**;

(ii) **cancel any shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its capital by the number of shares so cancelled;**

(iii) sub-divide its shares, or any of them ~~(subject, nevertheless, to the provisions of the Statutes)~~, **in accordance with the Statutes, these presents and the bye-laws or listing rules of the Exchange,** and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one (1) or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions as the Company has power to attach to ~~unissued or~~ new shares; ~~or~~ **and**

(iv) **convert its share capital or any class of shares from one (1) currency into another currency.**

(b) **The Company may by Special Resolution,** subject to **and in accordance with** the Statutes, convert ~~any~~ **one (1)** class of shares into ~~any other~~ **another** class of shares.

Regulation 13

The material differences between Article 9 in the Existing Constitution and Regulation 13 in the Amended and Restated Constitution are as follows:

81. (a) The Company may **by Special Resolution, subject to and in accordance with the Statutes,** reduce its share capital or ~~other~~ **any** undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.

(b) Subject to and in accordance with the ~~provisions of the Act~~ **Statutes**, the Company may ~~authorise the Directors in General Meetings to~~ purchase or otherwise acquire ~~shares~~ **any of its** issued ~~by it~~ **shares** on such terms **and in such manner** as the Company may **from time to time** think fit and in the manner prescribed by the Act. If required by the Act, ~~all shares~~ **any share which is so** purchased **or acquired** by the Company ~~shall~~, unless held in treasury in accordance with the Act, **shall be deemed to** be cancelled immediately on purchase **or acquisition by the Company**. On the cancellation ~~of the shares~~ **of any share as** aforesaid, the rights and privileges attached to ~~those shares~~ **that share** shall expire. **In any other instance**, the Company may hold or deal with **any such share which is so purchased or acquired by it in accordance with the Act.**~~, without~~ **Without** prejudice to the generality of the foregoing, **upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these presents,** the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, **and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly in accordance with the Act**.

(c) **Shares that the Company purchases or otherwise acquires may be held as treasury shares in accordance with the provisions of these presents and the Act.**

(d) Where the shares purchased ~~by the Company are not cancelled,~~ **or otherwise acquired are held as treasury shares by the Company, the Company shall be entered in the Register of Members as the Member holding the treasury shares.**

(e) **The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto,** the Company may hold or deal with ~~any share so purchased by it in such manner as may be permitted by, and in accordance with~~ **its treasury shares in the manner authorised by, or prescribed pursuant to,** the Act.

Regulation 14

The material differences between Article 10 in the Existing Constitution and Regulation 14 in the Amended and Restated Constitution are as follows:

82. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way **(except by the Statutes or the provisions of these presents)** to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or ~~(except only as by these presents or by law)~~ any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository **or its nominee, as the case may be**) entered in the Register of Members as the registered holder thereof or (as the case may be) ~~the~~ **a** person whose name is entered in the Depository Register in respect of that share.

Regulation 15

The material differences between Article 11 in the Existing Constitution and Regulation 15 in the Amended and Restated Constitution are as follows:

83. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions~~, whether~~ (as regards dividend, return of capital, voting or otherwise), as the Company may from time to time by ordinary **resolution or, if required by the Statutes, by Special** Resolution determine (or, in the absence of any such determination, **but subject to the Statutes**, as the Directors may determine) and subject to the ~~provisions of the~~ Statutes, the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed.

Regulation 16

The material differences between Article 12 in the Existing Constitution and Regulation 16 in the Amended and Restated Constitution are as follows:

84. Subject to the **Statutes and the** provisions of these presents ~~and of the Statutes~~ relating to authority, pre-emption rights and otherwise and of any resolution of the Company in a General Meeting passed pursuant thereto, all ~~unissued~~ **new** shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

Regulation 17

The material differences between Articles 13 and 14 in the Existing Constitution and Regulation 17 in the Amended and Restated Constitution are as follows:

85. The Company ~~shall not may exercise any right in respect of Treasury Shares other than as provided by the Act. The rights in relation to Treasury Shares, are to be suspended except for the purposes of bonus shares, share splits, and consolidations. Subject thereto, the Company may hold or deal with its Treasury Shares in the manner authorised by, or prescribed pursuant to, the Act. The Company may pay commissions on~~ **may exercise the powers of paying commissions or brokerage on any** issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.

Regulation 18

The material differences between Article 15 in the Existing Constitution and Regulation 18 in the Amended and Restated Constitution are as follows:

86. Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within **10 Market Days** ~~ten market days (as defined in Article 18)~~ of the closing date of any such application (or such other period as may be approved by **the Exchange** ~~any relevant Stock Exchange upon which the Company may be listed~~). The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a ~~Depositor~~ **depositor** in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

Regulation 19

The material differences between Article 16 in the Existing Constitution and Regulation 19 in the Amended and Restated Constitution are as follows:

87. Every share certificate shall be issued under the Seal and shall specify ~~the number and class of shares to which it relates and the amount paid up and the amount (if any) if unpaid thereon~~ **such information as required in the Act and shall bear the autographic or facsimile signatures of one (1) Director and the Secretary or a second Director or some other person appointed by the Directors. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors.** No certificate shall be issued representing shares of more than one **(1)** class.

Regulation 20

The material differences between Article 17 in the Existing Constitution and Regulation 20 in the Amended and Restated Constitution are as follows:

88. (a) The Company shall not be bound to register more than three **(3)** persons as the registered joint holders of a share except in the case of executors, trustees or administrators of the estate of a deceased ~~member~~ **Member**.

(b) In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one **(1)** certificate **thereof** and delivery of a certificate to any one **(1)** of the registered joint holders shall be sufficient delivery to all.

Regulation 21

The material differences between Article 18 in the Existing Constitution and Regulation 21 in the Amended and Restated Constitution are as follows:

89. **Subject to the listing rules of the Exchange,** every person whose name is entered as a ~~member~~ **Member** in the Register of Members shall be entitled to receive within **10 Market Days** ~~ten market days~~ of the closing date of any application for shares (or such other period as may be approved by **the Exchange** ~~any relevant Stock Exchange upon which the Company may be listed~~) or, as the case may be, within **10 Market Days** ~~ten market days~~ of the date of lodgement of a registrable transfer (or such other period as may be approved by **the Exchange** ~~any relevant Stock Exchange upon which the Company may be listed~~), one **(1)** certificate for all his shares of any one **(1)** class or several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where such a ~~member~~ **Member** transfers part only of the shares comprised in a certificate or where such a ~~member~~ **Member** requires the Company to cancel any certificate or certificates and issue a new certificate~~(s)~~ **or certificates** for the purpose of subdividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and **such Member shall pay** a maximum fee of S$2 for each new certificate (or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by **the Exchange** ~~any relevant Stock Exchange upon which the Company may be listed. For the purposes of this Article 18, the term "market day" shall mean a day on which such Stock Exchange is open for trading in securities~~).

Regulation 22

The material differences between Article 19 in the Existing Constitution and Regulation 22 in the Amended and Restated Constitution are as follows:

90. (a) Any two **(2)** or more certificates representing shares of any one **(1)** class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.

(b) If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two **(2)** or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of S$2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by **the Exchange** ~~any relevant Stock Exchange upon which the Company may be listed~~.

(c) In the case of shares registered jointly in the names of several persons, any such request may be made by any one **(1)** of the registered joint holders.

Regulation 23

The material differences between Article 20 in the Existing Constitution and Regulation 23 in the Amended and Restated Constitution are as follows:

91. Subject to the~~ provisions of the~~ Statutes, if any share certificate~~s~~ shall be defaced, worn-out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of **the Exchange** ~~any relevant Stock Exchange upon which the Company may be listed~~ or on behalf of its or their client or clients as the Directors~~ of the Company~~ shall require, and (in **the** case of defacement or wearing out) on delivery of the old certificate and in any case on payment of such sum not exceeding S$2 as the Directors may from time to time require~~, having regard to any limitation thereof as may be prescribed by any relevant Stock Exchange upon which the Company may be listed~~. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

Regulation 24

The material differences between Article 21 in the Existing Constitution and Regulation 24 in the Amended and Restated Constitution are as follows:

92. The Directors may from time to time make calls upon the ~~members~~ **Members** in respect of any moneys unpaid on their shares but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

Regulation 25

The material differences between Article 22 in the Existing Constitution and Regulation 25 in the Amended and Restated Constitution are as follows:

93. Each ~~member~~ **Member** shall (subject to receiving at least ~~fourteen~~ **14** days' notice specifying the time or times and place of payment) pay to the Company**, the amount called on his shares**, at the time or times and place ~~so~~ **of payment** specified by ~~the amount called on his shares~~ **the Company**. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.

Regulation 26

The material differences between Article 23 in the Existing Constitution and Regulation 26 in the Amended and Restated Constitution are as follows:

94. If a sum called in respect of a share is not paid before or on the day appointed for ~~interest on calls~~ payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 10% per annum) as the Directors may determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

Regulation 27

The material differences between Article 24 in the Existing Constitution and Regulation 27 in the Amended and Restated Constitution are as follows:

95. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes **of the provisions** of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment, all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Regulation 28

There is no material difference between Article 25 in the Existing Constitution and Regulation 28 in the Amended and Restated Constitution, which both state:

96. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

Regulation 29

The material differences between Article 26 in the Existing Constitution and Regulation 29 in the Amended and Restated Constitution are as follows:

97. The Directors may, if they think fit, receive from any ~~member~~ **Member** willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the shares in respect of which it is made and upon the moneys so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding ~~eight per cent~~ **8%** per annum) as the ~~member~~ **Member** paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not, while carrying interest, confer a right to participate in profits.

Regulation 30

The material differences between Article 27 in the Existing Constitution and Regulation 30 in the Amended and Restated Constitution are as follows:

98. If a ~~member~~ **Member** fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.

Regulation 31

There is no material difference between Article 28 in the Existing Constitution and Regulation 31 in the Amended and Restated Constitution which both state as follows:

99. The notice shall name a further day (not being less than ~~fourteen~~ **14** days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith, the shares on which the call has been made will be liable to be forfeited.

Regulation 32

There is no material difference between Article 29 in the Existing Constitution and Regulation 32 in the Amended and Restated Constitution which both state as follows:

100. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

Regulation 33

There is no material difference between Article 30 in the Existing Constitution and Regulation 33 in the Amended and Restated Constitution which both state as follows:

101. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition, the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer or effect the transfer of a forfeited or surrendered share to any such other person as aforesaid.

Regulation 34

The material differences between Article 31 in the Existing Constitution and Regulation 34 in the Amended and Restated Constitution are as follows:

102. A ~~member~~ **Member** whose shares have been forfeited or surrendered shall cease to be a ~~member~~ **Member** in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at ~~eight per cent~~ **8%** per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.

Regulation 35

The material differences between Article 32 in the Existing Constitution and Regulation 35 in the Amended and Restated Constitution are as follows:

103. The Company~~'s~~ **shall have a first and paramount** lien on ~~shares~~ **every share** (not being a fully paid share) and on the dividends from time to time declared in respect of such shares**. Such lien** shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such ~~monies~~ **moneys** are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the ~~member~~

Member or deceased ~~member~~ **Member**. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this ~~Article~~ **Regulation**.

Regulation 36

The material differences between Article 33 in the Existing Constitution and Regulation 36 in the Amended and Restated Constitution are as follows:

104. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of ~~fourteen~~ **14** days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy **or otherwise**.

Regulation 37

The material differences between Article 34 in the Existing Constitution and Regulation 37 in the Amended and Restated Constitution are as follows:

105. The residue of the proceeds of such sale pursuant to ~~Article 33~~ **Regulation 36** after the satisfaction of the unpaid calls and accrued interest and expenses of such sale shall be paid to the person entitled to the shares at the time of the sale or to his executors, administrators or ~~asignees~~ **assigns**, or as he may direct. For the purpose of giving effect to any such sale, the Directors may authorise some person to transfer or effect the transfer of the shares sold to the purchaser.

Regulation 38

The material differences between Article 35 in the Existing Constitution and Regulation 38 in the Amended and Restated Constitution are as follows:

106. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold ~~or disposed~~ to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a ~~Depositor~~ **depositor**, to the Depository **or its nominee, as the case may be**) or allottee thereof shall (subject to the execution of a transfer if the same is required) constitute a good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a ~~Depositor~~ **depositor**, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

Regulation 39

The material differences between Article 36 in the Existing Constitution and Regulation 39 in the Amended and Restated Constitution are as follows:

107. All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by ~~any relevant Stock Exchange upon which the Company may be listed~~ **the Exchange or in any other form acceptable to the Directors**. The instrument of transfer of any share shall be signed by or on behalf of **both** the transferor and the transferee and be witnessed, ~~provided always that~~ **PROVIDED THAT** an instrument of transfer in respect of which the transferee is the Depository **or its nominee (as the case may be)** shall be effective although not signed or witnessed by or on behalf of the Depository **or its nominee (as the case may be)**. The transferor shall remain the holder of the shares concerned until ~~the transfer is registered and~~ the name of the transferee is entered in the Register of Members in respect thereof.

Regulation 40

The material differences between Article 37 in the Existing Constitution and Regulation 40 in the Amended and Restated Constitution are as follows:

108. The Register of Members may be closed at such times and for such period as the Directors may from time to time determine, ~~provided always that such~~ **PROVIDED THAT** the Register **of Members** shall not be closed for more than 30 days in any year.~~, provided always that the~~ **The** Company shall give prior notice of such closure as may be required to **the Exchange** ~~any relevant Stock Exchange upon which the Company may be listed~~, stating the period and purpose or purposes for which the closure is made.

Regulation 41

The material differences between Article 38 in the Existing Constitution and Regulation 41 in the Amended and Restated Constitution are as follows:

109. (a) **Subject to the provisions of these presents,** there shall be no restriction on the transfer of fully paid up shares (except where required by law or **by the rules, bye-laws or** listing rules of **the Exchange** ~~any Stock Exchange upon which the Company may be listed on and/or bye laws governing any such Stock Exchange~~) but the Directors may in their **absolute** discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve. PROVIDED ALWAYS THAT in the event of the Directors refusing to register a transfer of shares, they shall within 10 Market Days beginning with the ~~day~~ **date** on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Statutes.

(b) The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:

(i) such fee not exceeding S$2 as the Directors may from time to time require ~~pursuant to Article 41~~ is paid to the Company in respect thereof;

(ii) the amount of proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is paid;

(iii) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which ~~the transfer~~ **it relates** ~~and a certificate of stamp duty (if any)~~, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and

(iv) the instrument of transfer is in respect of only one **(1)** class of shares.

Regulation 42

The material differences between Article 39 in the Existing Constitution and Regulation 42 in the Amended and Restated Constitution are as follows:

110. If the Directors refuse to register a transfer of any shares, they shall within ~~ten market days~~ **10 Market Days** after the date on which the transfer was lodged with the Company send to the transferor and **to** the transferee, **written** notice of the refusal **stating reasons for the refusal** as required by the Statutes.

Regulation 43

There is no material difference between Article 40 in the Existing Constitution and Regulation 43 in the Amended and Restated Constitution which both state as follows:

111. All instruments of transfer which are registered may be retained by the Company.

Regulation 44

There is no material difference between Article 41 in the Existing Constitution and Regulation 44 in the Amended and Restated Constitution which both state as follows:

112. There shall be paid to the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares such fee not exceeding S$2 as the Directors may from time to time require or prescribe.

Regulation 45

The material differences between Article 42 in the Existing Constitution and Regulation 45 in the Amended and Restated Constitution are as follows:

113. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six **(6)** years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after

the expiration of six **(6)** years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six **(6)** years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate **so destroyed was a valid and effective certificate** duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, ~~provided always that~~ **PROVIDED THAT**:

(a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;

(b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this ~~Article~~ **Regulation**; and

(c) references herein to the destruction of any document include references to the disposal thereof in any manner.

Regulation 46

The material differences between Article 43 in the Existing Constitution and Regulation 46 in the Amended and Restated Constitution are as follows:

114. (a) In the case of the death of a ~~member~~ **Member** whose name is entered in the Register of Members, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.

(b) In the case of the death of a ~~member~~ **Member** who is a ~~Depositor~~ **depositor**, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased ~~member~~ **Member**, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.

(c) Nothing in this ~~Article~~ **Regulation** shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

Regulation 47

The material differences between Article 44 in the Existing Constitution and Regulation 47 in the Amended and Restated Constitution are as follows:

115. Any **of the following persons**:

(a) **a** person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register of Members;

(b) any guardian of an infant becoming entitled to the legal title in a share and whose name is entered in the Register of Members; and

(c) any person as properly has the management of the estate of a Member whose name is entered in the Register of Members and:

(i) who becomes mentally disordered; or

(ii) whose person or estate is liable to be dealt with in any way under the law relating to mental capacity,

may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his legal title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or ~~transfer such shares to some other person~~ **have some other person nominated by him registered as the transferee thereof by executing to that other person a transfer of the share, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the person whose name is entered in the Register of Members**. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the ~~death of bankruptcy of the person whose name is entered in the Register of Members~~ **circumstances referred to in this Regulation** had not occurred and the notice or transfer were a transfer executed by such person.

Regulation 48

The material differences between Article 45 in the Existing Constitution and Regulation 48 in the Amended and Restated Constitution are as follows:

116. Save as otherwise provided by or in accordance with the provisions of these presents, a person becoming entitled to a share pursuant to ~~Article 43(A) or (B) or Article 44~~ **Regulation 46(a), Regulation 46(b) or Regulation 47** (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the ~~member~~ **Member** in respect of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a ~~member~~ **Member** in the Register of Members or his name shall have been entered in the Depository Register in respect of the share.

Regulation 49

There are no material differences between Article 46 in the Existing Constitution and Regulation 49 in the Amended and Restated Constitution which both state as follows:

117. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may from time to time by like resolution reconvert any stock into paid up shares.

Regulation 50

The material differences between Article 47 in the Existing Constitution and Regulation 50 in the Amended and Restated Constitution are as follows:

118. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same ~~Articles~~ **Regulations** and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.

Regulation 51

The material differences between Article 48 in the Existing Constitution and Regulation 51 in the Amended and Restated Constitution are as follows:

119. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by ~~such~~ **any** number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

Regulation 52

The material differences between Article 49 in the Existing Constitution and Regulation 52 in the Amended and Restated Constitution are as follows:

120. **Save as otherwise permitted under the Statutes,** an Annual General Meeting shall be held once in every year, at such time (within a period of not more than ~~fifteen~~ **15** months after the holding of the last preceding Annual General Meeting~~, unless a longer period would not infringe the rules or regulation of the Stock Exchange, if any~~) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings. ~~In addition, for so long as the shares of the Company are listed on the Designated Stock Exchange, the interval between the close of the Company's financial and the date of the Company's annual general meeting shall not exceed four (4) months or such other period as may be prescribed or permitted by the Stock Exchange.~~

Regulation 53

There is no material difference between Article 50 in the Existing Constitution and Regulation 53 in the Amended and Restated Constitution which both state as follows:

121. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.

Regulation 54

The material differences between Article 51 in the Existing Constitution and Regulation 54 in the Amended and Restated Constitution are as follows:

122. (a) Subject to the ~~relevant requirements of the Stock Exchange~~ **Act**, any General Meeting at which it is proposed to pass a Special Resolution ~~or (save as provided by the Statutes) a resolution of which special notice has been given to the Company~~ shall be called by ~~twenty one~~ **21** days' notice in writing at the least.~~, and an~~ **An** Annual General Meeting and any other Extraordinary General Meeting **shall be called** by ~~fourteen~~ **14** days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereafter mentioned to all ~~members and such other persons entitled~~ **Members** other **than those who are not** under **the provisions of** these presents **and the Act entitled** to receive such notices from the Company, PROVIDED THAT a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been ~~fully~~ **duly** called if it is so agreed:

(i) in the case of an Annual General Meeting, by all the ~~members~~ **Members** entitled to attend and vote thereat; and

(ii) in the case of an Extraordinary General Meeting, by a majority in number of the ~~members~~ **Members** having a right to attend and vote thereat, being a majority together holding not less than ~~ninety-five per cent~~ 95% of the total voting rights of all the ~~members~~ **Members** having ~~the~~ **a** right to vote at that meeting,

PROVIDED ALSO THAT the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

(b) Where special notice is required of a resolution pursuant to the Act, notice of the intention to move the resolution shall be given to the Company and notice of any General Meeting shall be called in accordance with the Act and in particular, Section 185 of the Act.

(c) So long as the shares in the Company are listed on the Exchange, at least 14 days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to the Exchange ~~each Stock Exchange~~.

Regulation 55

The material differences between Article 52 in the Existing Constitution and Regulation 55 in the Amended and Restated Constitution are as follows:

123. (a) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every **such** notice a statement that a ~~member~~ **Member** entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a ~~member~~ **Member** of the Company.

(b) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

(c) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.

Regulation 56

The material differences between Article 53 in the Existing Constitution and Regulation 56 in the Amended and Restated Constitution are as follows:

124. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:

(a) declaring dividends;

(b) ~~receiving~~ **considering** and adopting the ~~accounts~~ **financial statements**, the ~~reports~~ **statement** of the Directors and ~~Auditors~~ report **of the Auditor**, and other documents required to be ~~attached to~~ **annexed** to the ~~accounts~~ **financial statements**;

(c) appointing or re-appointing Directors, **whether** to fill vacancies arising at the meeting on retirement, whether by rotation or otherwise;

(d) **appointing or** re-appointing the Auditor retiring Auditors ~~(unless they were last appointed otherwise than by the Company in General Meeting)~~;

(e) fixing the remuneration of the Auditor~~s~~ or determining the manner in which such remuneration is to be fixed; and

(f) fixing the ~~fees~~ **remuneration** of the Directors **(in cash, shares or otherwise)** proposed to be **paid in respect of their office as such under Regulation 84 and Regulation 85(a)** ~~passed under Article 79~~.

Regulation 57

There is no material difference between Article 54 in the Existing Constitution and Regulation 57 in the Amended and Restated Constitution which both state as follows:

125. Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution ~~on~~ **of** the Company in respect of such special business.

Regulation 58

The material differences between Article 55 in the Existing Constitution and Regulation 58 in the Amended and Restated Constitution are as follows:

126. The ~~Chairman of the Board of Directors~~ **chairman of the Board**, failing whom the ~~Deputy Chairman~~ **deputy chairman of the Board**, shall preside as chairman at a General Meeting. If there be no such ~~Chairman or Deputy Chairman~~ **chairman or deputy chairman**, or if at any meeting neither be present within ~~fifteen~~ **15** minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one (1) of their number **to be chairman of the meeting. If the Directors who are present are unable to do so, the Members present shall elect a Director present to be chairman of the meeting**, or, if no Director be present or if all the Directors present decline to take the chair, the ~~members~~ **Members** present shall choose one (1) of their number to be chairman of the meeting.

Regulation 59

The material differences between Article 56 in the Existing Constitution and Regulation 59 in the Amended and Restated Constitution are as follows:

127. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two (2) or more ~~members~~ **Members present in person or by proxy or attorney, PROVIDED THAT:**

(a) a proxy representing more than one (1) Member shall only count as one (1) Member for the purpose of determining the quorum; and

(b) where a Member is represented by more than one (1) proxy such proxies shall count as only one (1) Member for the purpose of determining the quorum.

Regulation 60

The material differences between Article 57 in the Existing Constitution and Regulation 60 in the Amended and Restated Constitution are as follows:

128. If within ~~thirty~~ 30 minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of ~~members~~ **Members**, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following that public holiday) at the same time

and place or such other day, time or place as the Directors may by not less than ~~ten~~ 10 days' notice appoint. At the adjourned meeting, any one (1) or more ~~members~~ **Members** present in person or by proxy **or attorney** shall be a quorum.

Regulation 61

There is no material difference between Article 58 in the Existing Constitution and Regulation 61 in the Amended and Restated Constitution which both state as follows:

129. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or *sine die*) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned *sine die*, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for ~~thirty~~ **30** days or more or *sine die*, not less than seven **(7)** days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

Regulation 62

There is no material difference between Article 59 in the Existing Constitution and Regulation 62 in the Amended and Restated Constitution which both state as follows:

130. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Regulation 63

There is no material difference between Article 60 in the Existing Constitution and Regulation 63 in the Amended and Restated Constitution which both state as follows:

131. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

Regulation 64

The material differences between Article 61 in the Existing Constitution and Regulation 64 in the Amended and Restated Constitution are as follows:

132. (a) If required by the listing rules of the Exchange, all resolutions at General Meetings shall be voted by poll unless such requirement is waived by the Exchange.

(b) **Subject to Regulation 64(a),** at any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:

(i) the chairman of the meeting; ~~or~~

(ii) not less than five (5) ~~members~~ **Members** present in person or by proxy **or attorney** and entitled to vote **at the meeting**; ~~or~~

(iii) a ~~member~~ **Member** present in person or by proxy **or attorney** and representing not less than ~~one-tenth~~ **5%** of the total voting rights of all the ~~members~~ **Members** having the right to vote at the meeting; or

(iv) a ~~member~~ **Member** present in person or by proxy ~~holding not less than 10 per cent~~ **or attorney and holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than 5%** of the total ~~number of paid up shares of the Company (excluding Treasury Shares)~~ **sum paid up on all shares of the Company conferring that right,** ~~Provided always that~~

PROVIDED THAT no poll shall be demanded on the choice of a chairman or on a question of adjournment.

Regulation 65

The material differences between Article 62 in the Existing Constitution and Regulation 65 in the Amended and Restated Constitution are as follows:

133. A demand for a poll made **pursuant to Regulation 64(b)** may be withdrawn only with the approval of the **chairman of the** meeting. Unless a poll is ~~required~~ **demanded**, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. ~~If~~ **Where** a poll is ~~required~~ **taken**, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was ~~demanded~~ **taken**. The chairman of the meeting may (and if **required by the listing rules of the Exchange or if** so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

Regulation 66

The material differences between Article 64 in the Existing Constitution and Regulation 66 in the Amended and Restated Constitution are as follows:

134. A poll ~~demanded~~ on any question shall be taken either immediately or at such subsequent time (not being more than ~~thirty~~ **30** days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

APPENDIX H – SUMMARY OF MATERIAL DIFFERENCES BETWEEN THE EXISTING CONSTITUTION AND THE AMENDED AND RESTATED CONSTITUTION

Regulation 67

There is no material difference between Article 63 in the Existing Constitution and Regulation 67 in the Amended and Restated Constitution which both state as follows:

135. In the case of an equality of votes, whether on ~~show of hands~~ **a poll** or ~~a poll~~ **on a show of hands**, the chairman of the meeting at which **the poll or** show of hands takes place ~~or at which the poll is demanded~~ shall be entitled to a second or casting vote.

Regulation 68

The material differences between Article 65 in the Existing Constitution and Regulation 68 in the Amended and Restated Constitution are as follows:

136. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the ~~company~~ **Company and to Regulation 13(e)**, each ~~member~~ **Member** entitled to vote may vote in person or by proxy~~. On a show of hands, every member~~ **or attorney. Every such Member** who is present in person or by proxy **or attorney** shall:

(a) **on a show of hands**, have one (1) vote **PROVIDED THAT**:

(i) in the case of a Member who is not a relevant intermediary and who is represented by two (2) proxies, only one (1) of the two (2) proxies as determined by that Member or, failing such determination, by the chairman of the meeting (or by a person authorised by him) in his sole discretion, shall be entitled to vote on a show of hands; and

(ii) in the case of a Member who is a relevant intermediary and who is represented by two (2) or more proxies, each proxy shall be entitled to vote on a show of hands and shall have one (1) vote each; and

(b) ~~and on a poll, every person who is present in person or by proxy shall~~ **save as otherwise provided by the Act, on a poll,** have one **(1)** vote for every share which he holds or represents.

For the purpose of determining the number of votes which a ~~member~~ **Member**, being a ~~Depositor~~ **depositor**, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that ~~Depositor~~ **depositor**, be the number of shares entered against his name in the Depository Register as at ~~forty-eight~~ **72** hours before the time of the relevant General Meeting **(or such other time specified in Section 81SJ of the Securities and Futures Act)** as certified by the Depository to the Company.

Regulation 69

The material differences between Article 66 in the Existing Constitution and Regulation 69 in the Amended and Restated Constitution are as follows:

137. In the case of joint holders of a share, any one **(1)** of such persons may vote**, and be reckoned in quorum at any General Meeting, either personally or by proxy or by attorney as if he were solely entitled thereto**, but if more than one **(1)** of such ~~persons is~~ **joint holders are so** present at ~~a~~ **any** meeting, **then** the **person present whose name stands first**~~vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose, seniority shall be determined by the order in which the names stand~~ in the Register of Members or (as the case may be) the Depository Register in respect of the share **shall alone be entitled to vote in respect thereof, and the Company shall be entitled to disregard any votes cast by the other joint holder(s) present at the General Meeting**.

Regulation 70

The material differences between Article 67 in the Existing Constitution and Regulation 70 in the Amended and Restated Constitution are as follows:

138. Where in Singapore or elsewhere, a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any ~~member~~ **Member** on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such ~~member~~ **Member** to vote in person or by proxy **or attorney** at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

Regulation 71

The material differences between Article 68 in the Existing Constitution and Regulation 71 in the Amended and Restated Constitution are as follows:

139. ~~No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personal or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remain unpaid.~~ **Any Member who is a holder of shares in the capital of the Company (conferring the right to attend and vote at any General Meeting) shall be entitled to be present and to vote either personally or by proxy or by attorney and to be reckoned in a quorum, at any General Meeting of the Company, in respect of any share or shares upon which all calls due to the Company have been paid.**

Regulation 72

The material differences between Article 69 in the Existing Constitution and Regulation 72 in the Amended and Restated Constitution are as follows:

140. No objection shall be raised as to the admissibility of any vote **or the qualification of any voter** except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

Regulation 73

The following Regulation 73 was added in the "Votes of Members" section of the Amended and Restated Constitution.

141. (a) If at any General Meeting any votes shall be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, and be of sufficient magnitude to vitiate the result of the voting.

(b) To the extent permitted by the Act, and any other applicable laws or regulations, where a Member is required by the listing rules of the Exchange or a court order to abstain from voting on a resolution at a General Meeting, such Member shall not be entitled to vote on the relevant resolution and shall be required to abstain from voting his shares (including by proxy or by attorney) in respect of such resolution, and if the Member casts any votes in contravention of this Regulation, or if the listing rules of the Exchange require the Company to do so, the Company shall be entitled to disregard such votes.

Regulation 74

The material differences between Article 70 in the Existing Constitution and Regulation 74 in the Amended and Restated Constitution are as follows:

142. On a poll, votes may be given personally or by proxy **or attorney** and a person entitled to more than one **(1)** vote need not use all his votes or cast all the votes he uses in the same way.

Regulation 75

The material differences between Article 71 in the Existing Constitution and Regulation 75 in the Amended and Restated Constitution are as follows:

143. (a) ~~A member may not appoint more than two proxies to attend and vote at the same General Meeting Provided that if the member is a Depositor, the Company shall be entitled and bound:~~ **Save as otherwise provided in the Act**:

(i) a Member who is not a relevant intermediary may appoint not more than two (2) proxies to attend, speak and vote at the same General Meeting. Where such Member's instrument of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument of proxy. If no proportion is specified, the first-named proxy shall be deemed to represent 100% of the shareholding to which the instrument of proxy relates, and the second-named proxy shall be deemed to be an alternate to the first-named proxy; and

(ii) a Member who is a relevant intermediary may appoint more than two (2) proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member. Where such Member's instrument of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument of proxy.

(b) In any case where a Member is a depositor, the Company shall be entitled and bound:

(i) to reject any instrument of proxy lodged if the ~~Depositor~~ **depositor** is not shown to have any shares entered against his name in the Depository Register as at ~~forty eight~~ **72** hours before the time of the relevant General Meeting **(or such other time specified in Section 81SJ of the Securities and Futures Act)** as certified by the Depository to the Company; and

(ii) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the ~~Depositor~~ **depositor** is or are able to cast on a poll a number which is the number of shares entered against the name of that ~~Depositor~~ **depositor** in the Depository Register as at ~~forty eight~~ **72** hours before the time of the relevant General Meeting **(or such other time specified in Section 81SJ of the Securities and Futures Act)** as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that ~~Depositor~~ **depositor**.

(c) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out **by the Company** in the instrument of proxy. ~~In any case where a form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of the proxy.~~

(d) A proxy need not be a ~~member~~ **Member** of the Company. **Any appointment of a proxy shall be deemed to be revoked if a member attends the General Meeting in person.**

Regulation 76

The material differences between Article 72 in the Existing Constitution and Regulation 76 in the Amended and Restated Constitution are as follows:

144. (a) An instrument appointing a proxy shall be in writing in any usual or common ~~Instrument~~ **form** or in any other form which the Directors may approve and:

(i) in the case of an individual, shall be:

(A) signed **under hand** by the appointor or his attorney **if the instrument is delivered personally or sent by post; or**

(B) **authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication;** and

(ii) in the case of a corporation **or limited liability partnership**, shall be:

(A) either given under its common seal **(if any)** or signed **under hand** on its behalf by an attorney or a duly authorised officer of the corporation **or limited liability partnership if the instrument is delivered personally or sent by post; or**

(B) authorised by that corporation or limited liability partnership through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.

The Directors may, for the purposes of Regulations 76(a)(i)(B) and 76(a)(ii)(B), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

(b) The signature on**, or authorisation of,** such instrument need not be witnessed. Where an instrument appointing a proxy is signed **or authorised** 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 pursuant to ~~Article 73~~ **Regulation 77(a)**, failing which the instrument may be treated as invalid.

(c) The Directors may, in their absolute discretion:

(i) approve the method and manner for an instrument appointing a proxy to be authorised; and

(ii) designate the procedure for authenticating an instrument appointing a proxy,

as contemplated in Regulations 76(a)(i)(B) and 76(a)(ii)(B) for application to such Members or class of Members as they may determine. Where the Directors do not so approve and designate in relation to a Member (whether of a class or otherwise), Regulation 76(a)(i)(A) and/or (as the case may be) Regulation 76(a)(ii)(A) shall apply.

Regulation 77

The material differences between Article 73 in the Existing Constitution and Regulation 77 in the Amended and Restated Constitution are as follows:

145. (a) An instrument appointing a proxy:

(i) **if sent personally or by post**, must be left at such place or one **(1)** of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office); **or**

(ii) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting,

and in either case, not less than ~~forty-eight~~ **72** hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates, ~~provided that~~ **PROVIDED THAT** an instrument of proxy relating to more than one **(1)** meeting (including any adjournment thereof) having once been so delivered **in accordance with this Regulation** for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

(b) The Directors may, in their absolute discretion, and in relation to such Members or class of Members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communication, as contemplated in Regulation 77(a)(ii). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), Regulation 77(a)(i) shall apply.

Regulation 78

There is no material difference between Article 74 in the Existing Constitution and Regulation 78 in the Amended and Restated Constitution which both state as follows:

146. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.

Regulation 79

The material differences between Article 75 in the Existing Constitution and Regulation 79 in the Amended and Restated Constitution are as follows:

147. A vote cast by proxy shall not be invalidated by the previous death or ~~insanity~~ **mental disorder** of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made ~~provided that~~ **PROVIDED THAT** no intimation in writing of such death, ~~insanity~~ **mental disorder** or revocation shall have been received by the Company at the Office at least one **(1)** hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

Regulation 80

The following Regulation 80 was added in the "Votes of Members" section of the Amended and Restated Constitution.

80. Subject to these presents and the Statutes, the Board may, at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

Regulation 81

The material differences between Article 76 in the Existing Constitution and Regulation 81 in the Amended and Restated Constitution are as follows:

159. Any corporation which is a ~~member~~ **Member** of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of ~~members~~ **Members** of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual ~~member~~ **Member** of the Company and such corporation shall for the ~~purpose~~ **purposes of the provisions** of these presents **(but subject to the Act)**, be deemed to be present in person at any such meeting if a person so authorised is present thereat.

Regulation 82

The material differences between Article 77 in the Existing Constitution and Regulation 82 in the Amended and Restated Constitution are as follows:

160. ~~Subject as hereinafter provided,~~ **Subject to the Statutes and the listing rules of the Exchange, all** the Directors shall be natural persons~~,~~ **and** shall not be less than **two (2) in number** ~~one in number. The Company may by Ordinary Resolution from time to time vary the number and/or maximum number of Directors. The first Director of the Company was Teo Boon Howe~~.

Regulation 83

The material differences between Article 78 in the Existing Constitution and Regulation 83 in the Amended and Restated Constitution are as follows:

161. A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a ~~member~~ **Member** of the Company shall nevertheless be entitled to attend and speak at General Meetings.

Regulation 84

The material differences between Article 79 in the Existing Constitution and Regulation 84 in the Amended and Restated Constitution are as follows:

162. The ordinary ~~fees~~ **remuneration** of the Directors shall from time to time be determined by ~~an Ordinary Resolution of the Company~~ **ordinary resolution**, shall not be increased except pursuant to an ~~Ordinary Resolution~~ **ordinary resolution** passed at a General Meeting where notice of the proposed increase shall have been given in the notice convening the General Meeting and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such ~~fees~~ **remuneration** is payable shall be entitled only to rank in such division for a proportion of ~~fees~~ **remuneration** related to the period during which he has held office.

Regulation 85

The material differences between Article 80 in the Existing Constitution and Regulation 85 in the Amended and Restated Constitution are as follows:

163. (a) Any Director who holds any executive office, or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of **the** ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

(b) The ~~fees~~ **remuneration** (including any remuneration under ~~Article 80~~ **Regulation 85(a)** above) in the case of a Director other than an ~~Executive~~ **executive** Director shall be payable by a fixed sum **(in cash, shares or otherwise)** and shall not at any time be by commission on or ~~a~~ percentage of ~~the~~ profits or turnover~~, and no~~. **No** Director whether an ~~Executive~~ **executive** Director or otherwise shall be remunerated by a commission on or a percentage of turnover.

Regulation 86

There is no material difference between Article 81 in the Existing Constitution and Regulation 86 in the Amended and Restated Constitution which both state as follows:

164. The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company.

Regulation 87

There is no material difference Article 82 in the Existing Constitution and Regulation 87 in the Amended and Restated Constitution which both state as follows:

165. The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director for the time being holding any executive office and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

Regulation 88

The material differences between Article 83 in the Existing Constitution and Regulation 88 in the Amended and Restated Constitution are as follows:

166. A Director may be party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.

Regulation 89

The material differences between Article 84 in the Existing Constitution and Regulation 89 in the Amended and Restated Constitution are as follows:

167. (a) The Directors may from time to time appoint one **(1)** or more of their body to be the holder of any executive office (including, where considered appropriate, the office of ~~Chairman or Deputy Chairman~~ **chairman or deputy chairman**) on such terms and for such period as they may (subject to ~~the provisions of~~ the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.

(b) The appointment of any Director to the office of ~~Chairman or Deputy Chairman or Managing or Deputy Managing Director~~ **chairman or deputy chairman or Managing Director** shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

(c) The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Regulation 90

The material differences between Article 85 in the Existing Constitution and Regulation 90 in the Amended and Restated Constitution are as follows:

168. The Directors may entrust to and confer upon any Directors holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from **time** to time revoke, withdraw, alter or vary all or any of such powers.

Regulation 91

The following Regulation 91 was added in the "Directors" section of the Amended and Restated Constitution.

169. Any register, index, minute book, accounting records, minute or other book required by this Constitution or by the Act or the Statutes to be kept by or on behalf of the Company may, subject to and in accordance with the Act, be kept in hard copy form or in electronic form, and arranged in the manner that the Directors think fit. If such records are kept in electronic form, the Directors shall ensure that they are capable of being reproduced in hard copy form, and shall provide for the manner in which the records are to be authenticated and verified. In any case where such records are kept otherwise than in hard copy form, the Directors shall take reasonable precautions for ensuring the proper maintenance and authenticity of such records, guarding against falsification and facilitating the discovery of falsifications.

Regulation 92

The material differences between Article 86 in the Existing Constitution and Regulation 92 in the Amended and Restated Constitution are as follows:

170. The Directors may from time to time appoint ~~a Managing Director or Chief Executive Officer or President or Vice President or Deputy Managing Director of the Company (or other equivalent position) (without limitation) (save that in the event a person is appointed as a Managing Director, he shall also be a Director) and may from time to time~~ **one (1) or more of their body to be Managing Director or Managing Directors (or person(s) holding an equivalent position) of the Company and may from time to time** (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their **place or** places. Where an appointment is for a fixed term, such term shall not exceed five **(5)** years.

Regulation 93

The material differences between Article 87 in the Existing Constitution and Regulation 93 in the Amended and Restated Constitution are as follows:

171. A Managing Director ~~or Chief Executive Officer or President or Vice President or Deputy Managing Director~~ (or **a** person holding an equivalent position) ~~(without limitation) who is a Director shall hold that office subject to retirement byrotation and he shall be taken in account in determining the rotation of retirement of Directors and he~~ shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to **retirement by rotation,** resignation and removal as the other Directors ~~of the Company, provided that in the event a Managing Director~~ **and if he** ceases to hold the office of Director from any cause, he shall *ipso facto* and immediately cease to be a Managing Director **(or a person holding an equivalent position)**.

Regulation 94

The material differences between Article 88 in the Existing Constitution and Regulation 94 in the Amended and Restated Constitution are as follows:

172. The remuneration of a Managing Director ~~or Chief Executive Officer or President or Vice President or Deputy Managing Director~~ (or **a** person holding an equivalent position) ~~(without limitation)~~ shall from time to time be fixed by the Directors and may, subject to **the provisions of** these presents, be by way of salary or commission or participation in profits or by any or all **of** these modes but he shall not under any circumstances be remunerated by a commission on or a percentage of turnover.

Regulation 95

The material differences between Article 89 in the Existing Constitution and Regulation 95 in the Amended and Restated Constitution are as follows:

173. A Managing Director ~~or Chief Executive Officer or President or Vice President or Deputy Managing Director~~ (or **a** person holding an equivalent position) ~~(without limitation)~~ shall at all times be subject to the control of the Directors but subject thereto, the Directors may from time to time entrust to and confer upon a Managing Director ~~or Chief Executive Officer or President or Vice President or Deputy Managing Director~~ (or **a** person holding an equivalent position) ~~(without limitation)~~ for the time being such of the powers exercisable under **the provisions of** these presents by the Directors as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

Regulation 96

The material differences between Article 90 in the Existing Constitution and Regulation 96 in the Amended and Restated Constitution are as follows:

174. (a) The office of a Director shall be vacated in any of the following events, namely:

(i) if he shall become prohibited by law from acting as a Director;

(ii) **subject to Section 145 of the Act,** if **he** (not being a Director holding any executive office for a fixed term) ~~he~~ shall resign by writing under his hand left at the Office ~~or if he shall in writing offer to resign and the Directors shall resolve to accept such offer; or~~;

(iii) if he becomes ~~a~~ bankrupt or ~~shall compound~~ **suspends payments to or makes any arrangement or composition** with his creditors generally;

(iv) if **(A)** he becomes ~~of unsound mind or if~~ **mentally disordered and incapable of managing himself or his affairs, or (B)** in Singapore or elsewhere, an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs, **or (C) he becomes a person whose person or estate is liable to be dealt with in any way under the law relating to mental capacity**; ~~or~~

(v) if he is absent from meetings of the Directors for a continuous period of six (6) months without leave from the Directors, and the Directors resolve that his office be vacated; or

(vi) if he is removed by the Company in a General Meeting pursuant to **the provisions of** these presents.

(b) A Director who has been disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds shall immediately resign from office as a Director.

Regulation 97

The material differences between Article 91 in the Existing Constitution and Regulation 97 in the Amended and Restated Constitution are as follows:

175. **Every Director shall, subject to the Statutes, retire from office at least once every three (3) years and for this purpose,** at each Annual General Meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three **(3)**, the number nearest to but not less than one-third) shall retire from office by rotation~~, so that all Directors shall retire from office once at least every three years.~~ **(in addition to any Director retiring pursuant to Regulation 103)**.

Regulation 98

The material differences between Article 92 in the Existing Constitution and Regulation 98 in the Amended and Restated Constitution are as follows:

176. The Directors to retire in every year shall be those, subject to retirement by rotation, who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot **or by mutual agreement of the said persons**. A retiring Director shall be eligible for re-election.

Regulation 99

The material differences between Article 93 in the Existing Constitution and Regulation 99 in the Amended and Restated Constitution are as follows:

177. The Company at the meeting at which a Director retires under any provision of these presents may by ~~Ordinary Resolution~~ **ordinary resolution** fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default, the retiring Director shall be deemed to have been re-elected except in any of the following cases:

    (a) where at such meeting, it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;

    (b) where such Director **is disqualified under the Act from holding office as a Director or** has given notice in writing to the Company that he is unwilling to be re-elected;

    (c) where the default is due to the moving of a resolution in contravention of ~~Article 94~~ **Regulation 100**; or

    (d) where such Director ~~has attained any retiring age applicable to him as Director~~ **is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds**.

    The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

Regulation 100

The material differences between Article 94 in the Existing Constitution and Regulation 100 in the Amended and Restated Constitution are as follows:

178. A resolution for the appointment of two (2) or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it~~, and any resolution moved in contravention of this provision shall be void~~.

Regulation 101

The material differences between Article 95 in the Existing Constitution and Regulation 101 in the Amended and Restated Constitution are as follows:

179. **For as long as the listing rules of the Exchange so require, no** ~~No~~ person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than ~~eleven~~ **11 clear days** nor more than ~~forty-two~~ **42** clear days (~~inclusive~~ **exclusive** of the date on which the notice is given) before the date appointed for the meeting, there shall have been lodged at the Office notice in writing signed by some ~~member~~ **Member** (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election ~~and also a~~ **or** notice in writing signed by the person to be proposed ~~of his willingness to be elected. Provided that~~ **giving his consent to the nomination and signifying his candidature for the office PROVIDED THAT** in the case of a person recommended by the Directors for election, not less than nine **(9)** clear days' notice shall be necessary and notice of each and every such person shall be served on the ~~members~~ **Members** at least seven **(7)** days prior to the meeting at which the election is to take place.

Regulation 102

The material differences between Article 96 in the Existing Constitution and Regulation 102 in the Amended and Restated Constitution are as follows:

180. The Company may in accordance with and subject to the ~~provisions of the~~ Statutes, by ~~Ordinary Resolution~~ **ordinary resolution** of which special notice has been given, remove any Director from office (notwithstanding any provision of these presents or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office ~~and any~~**. Any** person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment, the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.

Regulation 103

The material differences between Article 97 in the Existing Constitution and Regulation 103 in the Amended and Restated Constitution are as follows:

181. The Company may by ~~Ordinary Resolution~~ **ordinary resolution** appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice thereto, the Directors shall have power at any time so to do, ~~provided that the number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with these presents. Any~~ **but any** person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the **Directors or the** number of Directors who are to retire by rotation at such meeting.

Regulation 104

The material differences between Article 98 in the Existing Constitution and Regulation 104 in the Amended and Restated Constitution are as follows:

182. (a) Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person **(other than another Director)** approved by a majority of his co-Directors ~~(other than another Director)~~ to be his ~~alternate~~ **Alternate** Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by ~~the~~ **a** majority of the Directors, shall have effect only upon and subject to being so approved. A person shall not act as ~~alternate~~ **Alternate** Director to more than one **(1)** Director at the same time.

(b) The appointment of an ~~alternate~~ **Alternate** Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if the Director concerned (~~below called~~ "his principal") ceases to be a Director.

(c) An ~~alternate~~ **Alternate** Director shall (except when absent from Singapore) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his principal is not personally present and generally at such meeting to perform all functions of his principal as a Director and for the ~~purpose~~ **purposes** of the proceedings at such meeting the provisions of these presents shall apply as if he (instead of his principal) were a Director. If his principal is for the time being absent from Singapore or temporarily unable to act through ill health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his principal. To such extent as the Directors may from time to time determine in relation to any ~~committee~~ **committees** of the Directors, the foregoing provisions of this paragraph shall also apply *mutatis mutandis* to any meeting of any such committee of which his principal is a member. An ~~alternate~~ **Alternate** Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these presents.

(d) An ~~alternate~~ **Alternate** Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as ~~alternate~~ **Alternate** Director any ~~fees~~ **remuneration** except only such part (if any) of the ~~fees~~ **remuneration** otherwise payable to his principal as such principal may by notice in writing to the Company from time to time direct **PROVIDED THAT any fees payable to him shall be deducted from his principal's remuneration**.

Regulation 105

The material differences between Article 99 in the Existing Constitution and Regulation 105 in the Amended and Restated Constitution are as follows:

183. (a) Subject to the provisions of these presents, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. ~~At any time, any~~ **Any** Director may and the Secretary on the requisition of a Director shall at any time summon a meeting of the Directors. **It shall be necessary to give**

notice of such meeting to all Directors, regardless of whether they are for the time being absent from Singapore. Notice of a meeting of Directors shall be given to each of the Directors in writing at least two **(2)** days prior to the day of the meeting. The period of notice shall be exclusive of the day on which it is served or deemed to be served and the day on which the meeting is to be held. ~~Where the Director is absent from Singapore, such notice may be given by telefax or telex, to a telefax number, or telex number as the case may be, given by that absent Director to the Secretary.~~ Any Director may waive notice of any meeting and any such waiver may be retroactive and for this purpose, the presence of a Director at the meeting shall be deemed to constitute a waiver on his part. A Director may participate at a meeting of Directors by telephone conference ~~or,~~ video conference**, audio visual** or by means of similar communications equipment whereby all persons participating in the meeting are able to hear ~~each other~~ **and be heard by, all other participants,** without a Director being in the physical presence of another Director or Directors, in which event such Director shall be deemed to be present at the meeting. A Director participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. **Minutes of the proceedings at a meeting by telephone conference, video conference, audio visual, or other similar communications equipment signed by the chairman of the meeting shall be conclusive evidence of such proceedings and of the observance of all necessary formalities and, subject to there being a requisite quorum in accordance with Regulation 106 all resolutions agreed by the Directors in such meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held.** Such **a** meeting is deemed to be held at the place ~~at which the Chairman of the meeting is participating in the meeting~~ **agreed upon by the Directors attending the meeting, PROVIDED THAT at least one (1) of the Directors present at the meeting was at that place for the duration of the meeting**.

(b) Any notice or document may be served on or delivered to any Director either personally or by sending it through the post in a prepaid cover addressed to such Director at his registered address appearing in the Register of Directors maintained by the Registrar pursuant to Section 173 of the Act, or to the address, if any, supplied by him to the Company for such purpose, or by sending a telefax containing the text of the notice or document to him to such address as aforesaid, or by delivering it to such address as aforesaid, or by using electronic communication. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the time when the cover containing the same is posted, and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. Where a notice or other document is served or sent by telefax, service or delivery shall be deemed to be effected on the day it is so sent, and in proving such service or delivery it shall be sufficient to prove that the telefax was properly addressed and transmitted. Where a notice or other document is served or sent using electronic communication, service or delivery shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under the Act, any other applicable regulations or procedures and/or the listing rules of the Exchange.

Regulation 106

There is no material difference Article 100 in the Existing Constitution and Regulation 106 in the Amended and Restated Constitution which both state as follows:

184. The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and **shall be two (2)** unless so fixed at any other number~~, shall be two~~. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

Regulation 107

The material differences between Article 101 in the Existing Constitution and Regulation 107 in the Amended and Restated Constitution are as follows:

185. Questions arising at any meeting of the Directors shall be determined by a majority of votes **of Directors present and competent to vote on the question in issue**. In case of an equality of votes (except where only two **(2)** Directors are present and form the quorum or when only two **(2)** Directors are competent to vote on the question in issue) the chairman of the meeting shall have a second or casting vote.

Regulation 108

The material differences between Article 102 in the Existing Constitution and Regulation 108 in the Amended and Restated Constitution are as follows:

186. A Director shall not vote in respect of any contract or proposed contract or arrangement or any other proposal whatsoever in which he has any personal material interest, directly or indirectly. A Director shall **not** be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

Regulation 109

The material differences between Article 103 in the Existing Constitution and Regulation 109 in the Amended and Restated Constitution are as follows:

187. The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with **the provisions of** these presents, the continuing Directors or Director **(if any)** may, except in an emergency, act only for the purpose of increasing the number of ~~directors~~ **Directors** to such minimum number or ~~to summon~~ **of summoning** General Meetings, but not for any other purpose. If there be no Director or Directors able or willing to act, then any two ~~members~~ **(2) Members** may summon a General Meeting for the ~~purposes~~ **purpose** of appointing Directors.

Regulation 110

The material differences between Article 104 in the Existing Constitution and Regulation 110 in the Amended and Restated Constitution are as follows:

188. (a) The Directors may elect from their number a ~~Chairman~~ **chairman** and a ~~Deputy Chairman~~ **deputy chairman** (or two **(2)** or more deputy chairmen) and determine the period for which each is to hold office. If no chairman or deputy chairman shall have been appointed or if at any meeting of the Directors, no ~~Chairman or Deputy Chairman~~ **chairman or deputy chairman** shall be present within five **(5)** minutes after the time appointed for holding the meeting, the Directors present may choose one **(1)** of their number to be chairman of the meeting.

(b) If at any time there is more than one **(1)** ~~Deputy Chairman~~ **deputy chairman**, the right in the absence of the chairman to preside at a meeting of the Directors or of the Company shall be determined as between the ~~Deputy Chairmen~~ **deputy chairmen** present (if more than one **(1)**) by seniority in length of appointment or otherwise as resolved by the Directors.

Regulation 111

The material differences between Article 105 in the Existing Constitution and Regulation 111 in the Amended and Restated Constitution are as follows:

189. A resolution in writing signed by the majority of Directors~~, being not less than the number that is sufficient to form a quorum,~~ **(or their alternates) who are entitled to vote on the subject matter of the resolution** shall be as effective as a resolution duly passed at a meeting of the Directors ~~and~~ **duly convened and held. Any such resolution** may consist of several documents in the like form, each signed by one **(1)** or more ~~of the~~ Directors. The expressions "in writing" and "signed" include approval **by any such Director** by telefax, telex, cable, telegram, ~~digital or electronic signature or such other mode of approval or indication of approval as may be permitted by law by such Director.~~ **wireless or facsimile transmission or any form of electronic communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.**

Regulation 112

There is no material difference Article 106 in the Existing Constitution and Regulation 112 in the Amended and Restated Constitution which both state as follows:

190. The Directors may delegate any of their powers or discretion to committees consisting of one **(1)** or more members of their body and (if thought fit) one **(1)** or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee.

Regulation 113

The material differences between Article 107 in the Existing Constitution and Regulation 113 in the Amended and Restated Constitution are as follows:

191. The meetings and proceedings of any such committee consisting of two **(2)** or more members shall be governed *mutatis mutandis* by the provisions of these presents regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under ~~Article 106~~ **Regulation 112**.

Regulation 114

There is no material difference Article 108 in the Existing Constitution and Regulation 114 in the Amended and Restated Constitution which both state as follows:

192. All acts done by any meeting of Directors, or of any such committee, or by any person acting as a Director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee and had been entitled to vote.

Regulation 115

The material differences between Article 109 in the Existing Constitution and Regulation 115 in the Amended and Restated Constitution are as follows:

193. Subject ~~as hereinafter provided and to the provisions of the Statutes~~ **to the Statutes and the provisions of these presents**, the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Regulation 116

The material differences between Article 110 in the Existing Constitution and Regulation 116 in the Amended and Restated Constitution are as follows:

194. ~~The business and affairs of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in a General Meeting, but subject nevertheless to any regulations of these presents, to the provisions of the Statutes and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolutions of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made; Provided that the~~ **The business and affairs of the Company shall be managed by, or under the direction or supervision of, the Directors, who may exercise all such powers of the Company that are not required by the Statutes or by the provisions of these presents to be exercised by the Company in a General**

Meeting. The Directors shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company's undertaking unless such proposals have been approved by the Company in a General Meeting. The general powers given by this ~~Article~~ **Regulation** shall not be limited or restricted by any special authority or power given to the Directors by any other ~~Article~~ **Regulation**.

Regulation 117

There is no material difference Article 111 in the Existing Constitution and Regulation 117 in the Amended and Restated Constitution which both state as follows:

195. The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in Singapore or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Regulation 118

There is no material difference Article 112 in the Existing Constitution and Regulation 118 in the Amended and Restated Constitution which both state as follows:

196. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Regulation 119

The material differences between Article 113 in the Existing Constitution and Regulation 119 in the Amended and Restated Constitution are as follows:

197. The Company or the Directors on behalf of the Company may in exercise of the powers in that behalf conferred by the Statutes cause to be kept a ~~Branch Register~~ **branch register** or Register~~s~~ of Members and the Directors may (subject to the Statutes) make and vary such regulations as they may think fit in respect of the keeping of any such ~~Register~~ **register**.

Regulation 120

There is no material difference Article 114 in the Existing Constitution and Regulation 120 in the Amended and Restated Constitution which both state as follows:

198. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

Regulation 121

The material differences between Article 115 in the Existing Constitution and Regulation 121 in the Amended and Restated Constitution are as follows:

199. The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit, two **(2)** or more persons may be appointed as ~~Joint~~ **joint** Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one (1) or more ~~Assistant~~ **assistant** Secretaries. The appointment and duties of the Secretary or ~~Joint~~ **joint** Secretaries shall not conflict with the provisions of the Act and in particular Section 171 of the Act.

Regulation 122

There is no material difference Article 116 in the Existing Constitution and Regulation 122 in the Amended and Restated Constitution which both state as follows:

200. The Directors shall provide for the safe custody of the Seal which shall not be used without the authority of the Directors or of a committee authorised by the Directors in that behalf.

Regulation 123

The material differences between Article 117 in the Existing Constitution and Regulation 123 in the Amended and Restated Constitution are as follows:

201. Every instrument to which the Seal shall be affixed shall be signed autographically by one (1) Director and the Secretary or ~~by two Directors~~ **a second Director or some other person appointed by the Directors,** save that as regards any certificates for shares or debentures or other securities of the Company, the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature or other method approved by the Directors.

Regulation 124

There is no material difference Article 118 in the Existing Constitution and Regulation 124 in the Amended and Restated Constitution which both state as follows:

202. (a) The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

(b) The Company may exercise the powers conferred by the Statutes with regard to having a duplicate Seal as referred to in Section 124 of the Act which shall be a facsimile of the Seal with the addition on its face of the words "Share Seal".

Regulation 125

The material differences between Article 119 in the Existing Constitution and Regulation 125 in the Amended and Restated Constitution are as follows:

203. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting ~~the constitution of the Company~~ **this Constitution** and any resolutions passed by the Company or the Directors or any committee, and any books, records, documents, ~~and~~ accounts **and financial statements** relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents, ~~or~~ accounts **or financial statements** are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed, or as the case may be, that any ~~minutes~~ **minute** so extracted is a true and accurate record of proceedings at a duly constituted meeting. Any authentication or certification made pursuant to this ~~Article~~ **Regulation** may be made by any electronic means approved by the Directors from time to time for such purpose incorporating, if the Directors deem necessary, the use of security **and/or identification** procedures or devices approved by the Directors.

Regulation 126

The material differences between Article 120 in the Existing Constitution and Regulation 126 in the Amended and Restated Constitution are as follows:

204. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one **(1)** fund any special funds or any ~~part~~ **parts** of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same, the Directors shall comply with the Statutes.

Regulation 127

The material differences between Article 121 in the Existing Constitution and Regulation 127 in the Amended and Restated Constitution are as follows:

205. The Company may by ordinary resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors. **No dividends may be paid, unless otherwise provided in the Act, to the Company in respect of treasury shares.**

Regulation 128

The material differences between Article 122 in the Existing Constitution and Regulation 128 in the Amended and Restated Constitution are as follows:

206. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed ~~and/or preferential~~ dividends on any class of shares carrying a fixed ~~and/or preferential~~ dividend ~~(as the case may be)~~ expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

Regulation 129

The material differences between Article 123 in the Existing Constitution and Regulation 129 in the Amended and Restated Constitution are as follows:

207. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide **and except as otherwise permitted under the Act**:

(a) all dividends ~~shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid.~~ **in respect of shares must be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and**

(b) **all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which dividend is paid.**

For the purposes of this ~~Article~~ **Regulation**, no amount paid on a share in advance of calls shall be treated as paid on the share.

Regulation 130

The material differences between Article 124 in the Existing Constitution and Regulation 130 in the Amended and Restated Constitution are as follows:

208. No dividend shall be paid otherwise than out of profits available for distribution under the ~~provisions of the~~ Statutes.

Regulation 131

There is no material difference Article 125 in the Existing Constitution and Regulation 131 in the Amended and Restated Constitution which both state as follows:

209. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

Regulation 132

The material differences between Article 126 in the Existing Constitution and Regulation 132 in the Amended and Restated Constitution are as follows:

210. (a) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

(b) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a ~~member~~ **Member**, or which any person is under those provisions entitled to transfer, until such person shall become a ~~member~~ **Member** in respect of such shares or shall transfer the same.

Regulation 133

The material differences between Article 126(C) in the Existing Constitution and Regulation 133 in the Amended and Restated Constitution are as follows:

211. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends **and other moneys payable on or in respect of a share that are** unclaimed after ~~being declared~~ **first becoming payable** may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend **or any such moneys** unclaimed after a period of six **(6)** years from the date ~~of declaration of such dividend~~ **they are first payable** may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the ~~dividend~~ **moneys** so forfeited to the person entitled thereto prior to the forfeiture. **A payment by the Company to the Depository of any dividend or other moneys payable to a depositor shall, to the extent of the payment made, discharge the Company from any liability in respect of that payment.** If the Depository returns any such dividend or moneys to the Company, the relevant ~~Depositor entitled thereto~~ **depositor**

shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six **(6)** years has elapsed from the date ~~of the declaration of such dividend or the date~~ on which such **dividend or** other moneys are first payable.

Regulation 134

The material differences between Article 127 in the Existing Constitution and Regulation 134 in the Amended and Restated Constitution are as follows:

212. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy **or otherwise** of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

Regulation 135

The material differences between Article 128 in the Existing Constitution and Regulation 135 in the Amended and Restated Constitution are as follows:

213. The Company may upon the recommendation of the Directors by ~~Ordinary Resolution~~ **ordinary resolution** direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any ~~members~~ **Members** upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

Regulation 136

The material differences between Article 129 in the Existing Constitution and Regulation 136 in the Amended and Restated Constitution are as follows:

214. (a) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on **shares of a particular class in** the ~~ordinary share~~ capital of the Company, the Directors may further resolve that ~~members~~ **Members** entitled to such dividend be entitled to elect to receive an allotment of ~~ordinary~~ shares **of that class** credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors ~~many~~ **may** think fit. In such case, the following provisions shall apply:

(i) the basis of any such allotment shall be determined by the Directors;

(ii) the Directors shall determine the manner in which ~~members~~ **Members** shall be entitled to elect to receive an allotment of ~~ordinary~~ shares **of the relevant class** credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as

aforesaid, and the Directors may make such arrangements as to the giving of notice to ~~members~~ **Members**, providing for forms of election for completion by ~~members~~ **Members** (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this ~~Article~~ **Regulation**;

(iii) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded ~~provided that~~ **PROVIDED THAT** the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and

(iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ~~ordinary~~ **the** shares **of the relevant class** in respect whereof the share election has been duly exercised (the "elected ~~ordinary~~ shares") and in lieu and in satisfaction thereof ~~ordinary~~ shares **of the relevant class** shall be allotted and credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of ~~Article 133~~ **Regulation 141**, the Directors shall capitalise and apply **out of** the amount standing to the credit **of any** of the Company's reserve accounts **or any amount standing to the credit of the profit and loss account or otherwise available for distribution** as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ~~ordinary~~ shares for allotment and distribution to and among the holders of the elected ~~ordinary~~ **shares on such basis, or apply the sum which would otherwise have been payable in cash to the holders of the elected shares towards payment of the appropriate number of shares of the relevant class for allotment and distribution to and among the holders of the elected** shares on such basis.

(b) The ~~ordinary~~ shares **of the relevant class** allotted pursuant to the provisions of ~~paragraph (A) of this Article~~ **Regulation 136(a)** shall rank *pari passu* in all respects with the ~~ordinary~~ shares **of that class** then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

(c) The Directors may, on any occasion when they resolve as provided in ~~paragraph (A) of this Article~~ **Regulation 136(a)**, determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of shares in the Register of Members or (as the case ~~maybe~~ **may be**) in the Depository Register, or in respect of shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of ~~this Article~~ **Regulation 136** shall be read and construed subject to such determination.

(d) The Directors may, on any occasion when they resolve as provided in ~~paragraph (A) of this Article~~ **Regulation 136(a)**, further determine that:

(i) no allotment of shares or rights of election for shares under ~~that paragraph~~ **Regulation 136(a)** shall be made available or made to Members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or to such other ~~members~~ **Members** or class of ~~members~~ **Members** as the Directors may in their sole discretion decide and in such event the only entitlement of the ~~members~~ **Members** aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared; **and**

(ii) no allotment of shares or rights of election for shares under Regulation 136(a) shall be made available or made to a person, or any persons, if such allotment or rights of election would in the opinion of the Directors cause such person, or such persons, to hold or control voting shares in excess of any shareholding or other limits which may from time to time be prescribed in any Statute, without the approval of the applicable regulatory or other authority as may be necessary.

(e) Notwithstanding the foregoing provisions of this ~~Article~~ **Regulation**, if at any time after the Directors' resolution to apply the provisions of ~~paragraph (A) of this Article~~ **Regulation 136(a)** in relation to any dividend but prior to the allotment of shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and **as they deem fit in the interest of the Company and** without assigning any reason therefor, cancel the proposed application of ~~paragraph (A) of this Article~~ **Regulation 136(a)**.

(f) The Directors may do all acts and things considered necessary or expedient to give effect to the provisions of Regulation 136(a), with full power to make such provisions as they think fit in the case of shares of the relevant class becoming distributable in fractions (including, notwithstanding any provision to the contrary in these presents, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down).

Regulation 137

The material differences between Article 130 in the Existing Constitution and Regulation 137 in the Amended and Restated Constitution are as follows:

215. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of a ~~member~~ **Member** or person entitled thereto (or, if two **(2)** or more persons are registered in the Register of Members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy **or otherwise** of the holder, to any one **(1)** of such persons) or to such person at such address as such ~~member~~ **Member** or person or persons may by writing direct. Every such cheque or warrant shall be

made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy **or otherwise** of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

Regulation 138

The material differences between Article 130 in the Existing Constitution and Regulation 138 in the Amended and Restated Constitution are as follows:

216. Notwithstanding the ~~foregoing~~ provisions of ~~this Article~~ **Regulation 137** and the provisions of ~~Article 132~~ **Regulation 140**, the payment by the Company to the Depository of any dividend payable to a ~~Depositor~~ **depositor** shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the ~~Depositor~~ **depositor** in respect of that payment.

Regulation 139

The material differences between Article 131 in the Existing Constitution and Regulation 139 in the Amended and Restated Constitution are as follows:

217. If two **(2)** or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy **or otherwise** of the holder, any one **(1)** of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

Regulation 140

There is no material difference Article 132 in the Existing Constitution and Regulation 140 in the Amended and Restated Constitution which both state as follows:

218. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in a General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares.

Regulation 141

The material differences between Article 133 in the Existing Constitution and Regulation 141 in the Amended and Restated Constitution are as follows:

219. (a) ~~The Directors may, with sanction of an Ordinary Resolution of the Company:~~ **Subject to Regulation 7 and Regulation 11, the Company may, upon the recommendation of the Directors, by ordinary resolution, including any ordinary resolution passed pursuant to Regulation 11(b):**

(i) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of ~~members~~ **Members** or (as the case may be) **in** the Depository Register at the close of business on:

(A) the date of the ~~Ordinary Resolution~~ **ordinary resolution** (or such other date as may be specified therein or determined as therein provided); **or**

(B) (in the case of an ordinary resolution passed pursuant to Regulation 11(b)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares; and/or

(ii) capitalise any sum standing to the credit of any of the Company's reserve accounts (or other ~~distributable~~ **undistributable** reserve) or any sum standing to the credit of ~~the~~ profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of ~~members~~ **Members** or (as the case may be) in the Depository Register at the close of business on:

(A) the date of the ~~Ordinary Resolution~~ **ordinary resolution** (or such other date as may be specified therein or determined as therein provided); or

(B) (in the case of an ordinary resolution passed pursuant to Regulation 11(b)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full ~~unissued~~ **new** shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, ~~unissued~~ **new** shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

(b) The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue **and/**or capitalisation under ~~Article 133(A)~~ **Regulation 141(a)**, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company, providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

Regulation 142

The material differences between Article 133(C) in the Existing Constitution and Regulation 142 in the Amended and Restated Constitution are as follows:

220. In addition and without prejudice to the powers provided for by ~~Article 133(A) and 133(B)~~ **Regulation 141**, the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full~~, in each case~~ **new shares** on terms that such shares shall, upon issue:

(a) be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting **in such manner** and on such terms as the Directors shall think fit; **or**

(b) be held by or for the benefit of non-executive Directors as part of their remuneration under Regulations 84 or 85(a) approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing.

Regulation 143

The material differences between Article 134 in the Existing Constitution and Regulation 143 in the Amended and Restated Constitution are as follows:

221. Accounting **and other** records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office or at such other place as the Directors think fit, **and in such manner as to enable them to be conveniently and properly audited.** No ~~member~~ **Member** of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors.

Regulation 144

The material differences between Article 135 in the Existing Constitution and Regulation 144 in the Amended and Restated Constitution are as follows:

222. In accordance with the ~~provisions of the Act, the listing rules of the Stock Exchange and any other relevant rules or provisions~~ **Statutes and the listing rules of the Exchange**, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such ~~profit and loss accounts~~ **financial statements,** balance sheets, ~~group accounts (if any) and reports as may be necessary~~ **reports, statements and other documents as may be necessary. The interval between the close of a financial year of the Company and the date of the Company's Annual General Meeting shall not exceed four (4) months or such other period as may be prescribed by law, the Statutes or the bye-laws or listing rules of the Exchange.**

Regulation 145

The material differences between Article 136 in the Existing Constitution and Regulation 145 in the Amended and Restated Constitution are as follows:

223. A copy of **the financial statements and, if required, the** ~~every~~ balance sheet ~~and profit and loss account which is to be laid before a General Meeting of the Company~~ (including every document required by law **to be attached thereto** ~~comprised therein or attached or annexed thereto~~) **which is duly audited and which is to be laid before the Company in General Meeting accompanied by a copy of the Auditor's report thereon and the statement of the Directors** shall not less than ~~fourteen~~ **14** days before the date of the meeting be sent to every ~~member if, and every holder of debentures of, the Company~~ **Member** and to every other person who is entitled to receive notices of meetings from the Company ~~under the provisions of~~**, subject to** the Statutes or **the provisions of** these presents, ~~provided that~~ **PROVIDED THAT** this ~~Article~~ **Regulation** shall not require a copy of these documents to be sent to more than one **(1)** of any joint holders or to any person whose address the Company is not aware, but any ~~member~~ **Member** or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

Regulation 146

There is no material difference between Article 137 in the Existing Constitution and Regulation 146 in the Amended and Restated Constitution which both state as follows:

224. Subject to ~~the provisions of~~ the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

Regulation 147

The material differences between Article 138 in the Existing Constitution and Regulation 147 in the Amended and Restated Constitution are as follows:

225. An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any ~~member~~ **Member** is entitled to receive and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

Regulation 148

The material differences between Article 139 in the Existing Constitution and Regulation 148 in the Amended and Restated Constitution are as follows:

226. Any notice or document (including a share certificate) may be served on or delivered to any ~~member~~ **Member** by the Company either personally or by sending it through the post in a prepaid cover addressed to such ~~member~~ **Member** at his registered address appearing in the Register of Members or (as the case may be) the Depository Register, or (if he has no registered address within Singapore) to the address, if any, within Singapore supplied by

him to the Company or (as the case may be) supplied by him to the Depository as his address for the service of notices, or by delivering it to such address as aforesaid. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at ~~the expiration of twenty-four hours after~~ the time when the cover containing the same is posted, and in proving such service or delivery, it shall be sufficient to prove that such cover was properly addressed, stamped and posted.

Regulation 149

The material differences between Article 139 in the Existing Constitution and Regulation 149 in the Amended and Restated Constitution are as follows:

227. **(a)** ~~Without prejudice to the foregoing, any notice or document (including, without limitations, any accounts, balance-sheet or report) which is required or permitted to be given, sent or served under the Act or under these Articles by the Company, or by the directors, to a member or an officer or Auditor of the Company may be given, sent or served using electronic communications to that person in accordance with the provisions of, or as otherwise provided by the Act and/or any other applicable regulations or procedures.~~ **Without prejudice to the provisions of Regulation 148, but subject otherwise to the Act and any regulations made thereunder relating to electronic communication, any notice or document (including, without limitation, any financial statements, balance sheet or report) which is required or permitted to be given, sent or served under the Act or under the provisions of these presents by the Company, or by the Directors, to a Member or an officer of the Company or the Auditor may be given, sent or served using electronic communication:**

(i) **to the current address of that person; or**

(ii) **by making it available on a website prescribed by the Company from time to time,**

in accordance with the provisions of this Constitution, the Act, applicable regulations and the listing rules of the Exchange.

(b) **For the purposes of Regulation 149(a), a Member shall be deemed to have agreed to receive such notice or document by way of such electronic communication and shall not have a right to elect to receive a physical copy of such notice or document.**

(c) **Notwithstanding Regulation 149(b), the Directors may, at their discretion, at any time, give a Member an opportunity to elect within a specified period of time whether to receive such notice or document by way of electronic communication or as a physical copy, and a Member shall be deemed to have consented to receive such notice or document by way of electronic communication if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document. The Directors shall abide by the provisions of the Act, applicable regulations and the listing rules of the Exchange in exercising their discretion under this Regulation.**

(d) For the purposes of Regulation 149(a), where the Company gives, sends or serves any notice or document to a Member by way of electronic communication by publishing the notice or document on a website, the Company shall give separate notice to the Member of such publication and the manner in which the notice or document may be accessed (i) at the Member's registered address or current address; (ii) by way of advertisement in the daily press; or (iii) by way of announcement on the Exchange.

(e) Where a notice or document is given, sent or served by electronic communication:

(i) to the current address of a person pursuant to Regulation 149(a)(i), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under the Act, any other applicable regulations or procedures and/or the listing rules of the Exchange; and

(ii) by making it available on a website pursuant to Regulation 149(a)(ii), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, unless otherwise provided under the Act, any other applicable regulations or procedures and/or the listing rules of the Exchange.

Regulation 150

There is no material difference between Article 140 in the Existing Constitution and Regulation 150 in the Amended and Restated Constitution which both state as follows:

228. Any notice given to that one **(1)** of the joint holders of a share whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose, a joint holder having no registered address in Singapore and not having supplied an address within Singapore for the service of notices shall be disregarded.

Regulation 151

The material differences between Article 141 in the Existing Constitution and Regulation 151 in the Amended and Restated Constitution are as follows:

229. A person entitled to a share in consequence of the death or bankruptcy **or otherwise** of a ~~member~~ **Member** upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also to the Company or (as the case may be) the Depository an address within Singapore for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the ~~member~~ **Member** but for his death or bankruptcy **or otherwise** would have been entitled, and such service or delivery shall for all purposes be deemed a

sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address **of any Member** or given, sent or served to any ~~member~~ **Member** using electronic ~~communications of any member~~ **communication** in pursuance of these presents shall, notwithstanding that such ~~member~~ **Member** be then dead or bankrupt or in liquidation **or otherwise not entitled to such share**, and whether or not the Company shall have notice of ~~his death or bankruptcy or liquidation~~ **the same**, be deemed to have been duly served or delivered in respect of any share registered in the name of such ~~member~~ **Member** in the Register of Members or, where such Member is a ~~Depositor~~ **depositor**, entered against his name in the Depository Register as sole or first-named joint holder.

Regulation 152

The material differences between Article 142 in the Existing Constitution and Regulation 152 in the Amended and Restated Constitution are as follows:

230. A ~~member~~ **Member** who (having no registered address within Singapore) has not supplied to the Company or (as the case may be) the Depository an address within Singapore for the service of notices **or other documents** shall not be entitled to receive notices from the Company.

Regulation 153

There is no material difference between Article 143 in the Existing Constitution and Regulation 153 in the Amended and Restated Constitution which both state as follows:

231. The Directors shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

Regulation 154

The material differences between Article 144 in the Existing Constitution and Regulation 154 in the Amended and Restated Constitution are as follows:

232. **Subject to the provisions of these presents and the Statutes,** if the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the liquidator may, with the authority of a Special Resolution, divide among the ~~members~~ **Members** *in specie* or ~~in~~ kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one **(1)** kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one **(1)** or more class or classes of property and may determine how such division shall be carried out as between the ~~members~~ **Members** or different classes of ~~members~~ **Members**. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of ~~members~~ **Members** as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

Regulation 155

The following Regulation 155 was added in the "Winding Up" section of the Amended and Restated Constitution.

233. In the event of a winding up of the Company every Member of the Company who is not for the time being in Singapore shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily, or within the like period after the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some householder in Singapore upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee shall be deemed to be a good personal service on such Member for all purposes, and where the liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such Member by advertisement in any daily English newspaper circulating generally in Singapore or by a registered letter sent through the post and addressed to such Member at his address as appearing in the Register of Members or (as the case may be) the Depository Register or given, sent or served to any Member using electronic communication in pursuance of these presents and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted or the electronic communication is transmitted.

Regulation 156

The material differences between Article 145 in the Existing Constitution and Regulation 156 in the Amended and Restated Constitution are as follows:

234. ~~Subject to the provisions of and so far as may be permitted by the~~ **Statutes To the fullest extent permitted under the Act**, every ~~Director, Auditor, Secretary or other~~ officer of the Company shall be entitled to be indemnified by the Company against all **claims, proceedings, demands, causes of action, liabilities, damages, losses,** costs, charges, ~~losses~~ and expenses and ~~liabilities~~ **brought against or suffered or incurred or to be** incurred by him in the execution and discharge of his duties or in relation thereto ~~including any liability by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or inconnection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court. Without prejudice to the generality of the foregoing,~~. **Every officer of the Company shall be entitled to be indemnified by the Company against any liability (other than any liability referred to in Section 172B of the Act) incurred by that officer to a person other than the Company, attaching to the officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company. To the fullest extent permitted under the Act,** no Director~~, Manager, Secretary~~ or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property

acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security **or investment** in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune what**so**ever which shall happen in the execution of the duties of his office or in relation thereto unless the same ~~shall happen~~ **happened** through his own negligence~~, wilful default, breach of duty or breach of trust~~ **or dishonesty**.

Regulation 157

The material differences between Article 146 in the Existing Constitution and Regulation 157 in the Amended and Restated Constitution are as follows:

235. No member shall be entitled to require discovery of or any information respecting any detail of the Company's trade or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will be inexpedient in the interest of the ~~members~~ **Members** of the Company to communicate to the public, save as may be authorised by law or required by ~~any relevant Stock Exchange upon which the Company may be listed~~ **the bye-laws or listing rules of the Exchange**.

Regulation 158

The following Regulation 158 was added in the "Personal Data" section of the Amended and Restated Constitution.

236. (a) Any natural person, by subscribing for or acquiring (whether from the Company or any third party) any shares, debentures, or other securities, rights, options or other interests in or relating to the Company, becoming a Director or other officer of the Company, accepting appointment and/or acting as proxy, attorney or corporate representative of any Member, or participating in any corporate action relating to the Company, consents to the collection, use and disclosure of his personal data by the Company, its agents or service providers (whether such personal data has been provided directly by him or collected through a third party), from time to time for any of the following purposes:

(i) facilitating appointment as a Director or other officer or corporate representative of the Company;

(ii) implementation and administration of any corporate action by the Company (or its agents or service providers);

(iii) internal analysis and/or market research by the Company (or its agents or service providers);

(iv) investor relations communications by the Company (or its agents or service providers);

(v) **administration of the Company (including but not limited to the maintenance of statutory registers, payment of Directors' and officers' remuneration, and administration of holdings of shares, debentures or other securities of the Company), by the Company (or its agents or service providers);**

(vi) **implementation and administration of any service provided by the Company (or its agents or service providers) to its Members or holders of its securities, to receive notices of meetings, annual reports, circulars and letters, and other communications to Members or holders of other securities, and/or for proxy appointment, whether by electronic means or otherwise;**

(vii) **processing, administration and analysis by the Company (or its agents or service providers) of attorneys, proxies and representatives appointed for any General Meeting (including any adjournment thereof), and the preparation and compilation of the attendance lists, notes of meeting, minutes of meeting and other documents relating to any General Meeting (including any adjournment thereof), including but not limited to making the same available to the Members or on the Company's website or in any other media;**

(viii) **implementation and administration of, and compliance with, any provision of this Constitution;**

(ix) **compliance with any applicable laws and regulations, listing rules of the Exchange (including but not limited to any relating to the disclosure of material information or prescribed information), take-over rules, codes and/or guidelines, and provision of assistance and information in connection with regulatory inquiries and investigations by relevant authorities;**

(x) **any other purposes specified in the Company's prevailing privacy or data protection policies; and**

(xi) **any purposes which are reasonably related to any of the above purposes.**

(b) **Without prejudice to Regulation 158(a), where any Member or any other person or entity provides any personal data relating to any proxy, attorney, corporate representative or other third party for any General Meeting or any adjournment thereof or in connection with any of the matters referenced in Regulation 158(a), it warrants to the Company that it has obtained the prior consent of that proxy, attorney, corporate representative or other third party for the collection, use and disclosure of the personal data for any and all purposes set out in Regulation 158(a), and is deemed to have agreed to indemnify the Company in respect of any claims, actions, proceedings, losses, damages, liabilities, penalties, costs and expenses brought against the Company or suffered or incurred by the Company as a result of such Member's breach of warranty.**

WBH INVESTMENTS PTE. LTD.
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)
(REGISTRATION NUMBER: 201007726K)

AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016

WBH Investments Pte. Ltd.
Directors' Statement
For the Financial Years ended 31 December 2014, 2015 and 2016

In the opinion of the directors,

(i) the financial statements of the Company as set out on pages I-5 to I-28 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2014, 2015 and 2016, and of the financial performance, changes in equity and cash flows of the Company for the financial years covered by the financial statements, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the directors

.....
Ng Chee Beng
Director

.....
Ng Chee Hwa
Director

15 November 2017

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016

The Board of Directors
WBH Investments Pte. Ltd.
114 Lavender Street
#18-01
CT Hub 2
Singapore 338729

Dear Sirs

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of WBH Investments Pte. Ltd. (the "Company"), which comprise the statements of financial position as at 31 December 2014, 2015 and 2016, and statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial years then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages I-5 to I-28.

In our opinion, the accompanying financial statements are properly drawn up in accordance with Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2014, 2015 and 2016 and of the financial performance, changes in equity and cash flows of the Company for each of the financial years ended on 31 December 2014, 2015 and 2016.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016
(continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016
(continued)

Restriction on Distribution and Use

This report has been prepared solely for inclusion in the circular of Changjiang Fertilizer Holdings Limited to be issue in connection with the proposed acquisition of entire issued and paid-up share capital of the Company by Changjiang Fertilizer Holdings Limited, a company listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and not for any other purpose or any other party.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Director-in-charge: Meriana Ang Mei Ling
Singapore

15 November 2017

WBH Investments Pte. Ltd.
Statements of Comprehensive Income
For the Financial Years ended 31 December 2014, 2015 and 2016

	Note	2014 $	2015 $	2016 $
Revenue	3	1,148,255	904,132	771,808
Other income	4	27	-	-
Expenses				
- Administrative	5	(603,986)	(624,709)	(625,259)
- Finance	6	(97,349)	(118,351)	(121,275)
Profit before income tax		446,947	161,072	25,274
Income tax expense	7	(90,936)	(66,601)	(37,200)
Total comprehensive income/(loss), representing net profit/(loss)		356,011	94,471	(11,926)

The accompanying notes form an integral part of these financial statements.

WBH Investments Pte. Ltd.
Statements of Financial Position
As at 31 December 2014, 2015 and 2016

	Note	2014 $	2015 $	2016 $
ASSETS				
Current assets				
Cash and bank balances		294,430	70,695	63,305
Trade receivables	8	68,751	26,744	49,213
		363,181	97,439	112,518
Non-current asset				
Investment properties	9	10,698,038	10,242,802	9,787,566
Total assets		11,061,219	10,340,241	9,900,084
LIABILITIES				
Current liabilities				
Trade and other payables	10	4,908,457	4,552,844	4,594,220
Borrowings	11	458,752	521,434	546,824
Current income tax liabilities		92,745	66,790	37,598
		5,459,954	5,141,068	5,178,642
Non-current liability				
Borrowings	11	4,966,541	4,469,978	4,004,173
Total liabilities		10,426,495	9,611,046	9,182,815
NET ASSETS		634,724	729,195	717,269
EQUITY				
Share capital	12	100,000	100,000	100,000
Retained profits[(1)]		534,724	629,195	617,269
Total equity		634,724	729,195	717,269

[(1)] Retained profits of the Company are fully distributable.

The accompanying notes form an integral part of these financial statements.

WBH Investments Pte. Ltd.
Statements of Changes in Equity
For the Financial Years ended 31 December 2014, 2015 and 2016

	Share capital $	Retained profits $	Total equity $
2014			
Beginning of financial year	100,000	178,713	278,713
Total comprehensive income for the financial year	-	356,011	356,011
End of financial year	100,000	534,724	634,724
2015			
Beginning of financial year	100,000	534,724	634,724
Total comprehensive income for the financial year	-	94,471	94,471
End of financial year	100,000	629,195	729,195
2016			
Beginning of financial year	100,000	629,195	729,195
Total comprehensive loss for the financial year	-	(11,926)	(11,926)
End of financial year	100,000	617,269	717,269

The accompanying notes form an integral part of these financial statements.

WBH Investments Pte. Ltd.
Statements of Cash Flows
For the Financial Years ended 31 December 2014, 2015 and 2016

	Note	2014 $	2015 $	2016 $
Cash flows from operating activities				
Net profit/(loss)		356,011	94,471	(11,926)
Adjustments for:				
- Depreciation of investment properties	5	455,236	455,236	455,236
- Income tax expense	7	90,936	66,601	37,200
- Interest expense	6	97,349	118,351	121,275
Operating cash flow before working capital changes		999,532	734,659	601,785
Changes in working capital:				
- Trade receivables		(68,751)	42,007	(22,469)
- Trade and other payables		131,378	(105,613)	41,376
Cash generated from operations		1,062,159	671,053	620,692
Income tax paid		(119,576)	(92,556)	(66,392)
Net cash provided by operating activities		942,583	578,497	554,300
Cash flows from financing activities				
Repayment of shareholders' loan		(250,000)	(250,000)	-
Repayment of bank borrowings		(463,712)	(458,717)	(463,743)
Interest paid		(97,349)	(118,351)	(121,275)
Net cash used in financing activities		(811,061)	(827,068)	(585,018)
Net increase/(decrease) in cash and cash equivalents		131,522	(248,571)	(30,718)
Cash and cash equivalents				
Beginning of financial year		162,908	294,430	45,859
End of financial year		294,430	45,859	15,141
Cash and cash equivalents comprises:				
Cash and bank balances per statements of financial position		294,430	70,695	63,305
Less: Bank overdraft	11	-	(24,836)	(48,164)
Cash and cash equivalents per statements of cash flows		294,430	45,859	15,141

The accompanying notes form an integral part of these financial statements.

WBH Investments Pte. Ltd.
Notes to the Financial Statements
For the Financial Years ended 31 December 2014, 2015 and 2016

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Corporate information

WBH Investments Pte. Ltd. ("the Company") is a limited liability company incorporated and domiciled in Singapore.

The address of its registered and principal place of business of the Company is located at 114 Lavender Street #18-01 CT Hub 2, Singapore 639144.

The principal activity of the Company is that of property investment holding.

On 14 November 2017, Chiu Teng Enterprises Pte. Ltd., an existing shareholder holding 40% shareholding interest in the Company acquired an additional 30% shareholding interest in the Company from YMK Realty Pte. Ltd.. This had resulted in Chiu Teng Enterprises Pte. Ltd. being the immediate and ultimate holding corporation of the Company with effect from that date.

Chiu Teng Enterprises Pte. Ltd. is a company incorporated and domiciled in Singapore.

2 Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Interpretations and amendments to published standards effective in 2014, 2015 and 2016

On 1 January 2014, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial years ended 31 December 2014, 2015 and 2016. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the financial years ended 31 December 2014, 2015 and 2016 or prior financial years.

2 Summary of significant accounting policies (continued)

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable and is presented net of goods and services tax, rebates and discounts.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activities are met as follows:

Rental income

Rental income from operating lease (net of any incentives given to the lessee) is recognised on a straight-line basis over the lease term.

2.3 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.4 Investment properties

Investment properties comprise significant portions of leasehold factory units that are held for long-term rental yields and/or for capital appreciation.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of 28 years. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are included in profit or loss when the changes arise.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2 Summary of significant accounting policies (continued)

2.5 Impairment of non-financial assets

Investment properties

Investment properties are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2 Summary of significant accounting policies (continued)

2.6 Financial assets

(a) Classification

The Company classifies its financial assets as loans and receivables. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those that are expected to be realised later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are presented as "Trade receivables" (Note 8) and "Cash and bank balances" on the statements of financial position.

(b) Recognition and Derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

(c) Initial Measurement

Financial assets are initially recognised at fair value plus transaction costs.

(d) Subsequent Measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

2 Summary of significant accounting policies (continued)

2.6 Financial assets (continued)

(e) Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a Company of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and Receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2.7 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.8 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2 Summary of significant accounting policies (continued)

2.9 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.10 Leases

The Company leases office under operating leases to non-related parties.

When the Company is the lessor:

Lessor - Operating Leases

Lease of investment properties where the Company retains substantially all risks and rewards incidental to ownership is classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Company in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as an expense in profit or loss when incurred.

2.11 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the reporting date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

2 Summary of significant accounting policies (continued)

2.11 Income taxes (continued)

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.12 Provisions for other liabilities and charges

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision are not recognised for future operating losses.

2.13 Functional and presentation currency

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

2.14 Cash and bank balances

For the purpose of the presentation in the statement of cash flows, cash and bank balances include cash at bank which are subject to an insignificant risk of changes in value.

2.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.16 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

WBH Investments Pte. Ltd.
Notes to the Financial Statements
For the Financial Years ended 31 December 2014, 2015 and 2016

3 Revenue

	2014 $	2015 $	2016 $
Rental income (Note 9)	1,148,255	904,132	771,808

4 Other income

	2014 $	2015 $	2016 $
Interest income from bank balances	27	-	-

5 Administrative expenses

	2014 $	2015 $	2016 $
Depreciation of investment properties (Note 9)	455,236	455,236	455,236
Maintenance fee	27,780	27,780	27,780
Management fee	12,000	12,000	12,000
Property tax	110,628	112,090	110,432
Professional fee	-	3,000	2,900
Others	(1,658)	14,603	16,911
	603,986	624,709	625,259

6 Finance expenses

	2014 $	2015 $	2016 $
Interest expense on bank borrowings	97,349	118,351	121,275

7 Income taxes

	2014 $	2015 $	2016 $
Tax expense attributable to profit is made up of:			
Profit for the financial year			
- Current income tax	93,538	66,601	37,200
- Over provision of current income tax in prior financial years	(2,602)	-	-
	90,936	66,601	37,200

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	2014 $	2015 $	2016 $
Profit before income tax	446,947	161,072	25,274
Tax calculated at tax rate of 17%	75,981	27,382	4,297
Effects of:			
- expenses not deductible for tax purposes	77,390	77,390	77,390
- tax rebate	(30,000)	(20,000)	(20,000)
- statutory tax exemption	(25,925)	(25,925)	(25,925)
- others	(3,908)	7,754	1,438
	93,538	66,601	37,200

8 Trade receivables

	2014 $	2015 $	2016 $
Trade receivables - Non-related parties	68,751	26,744	49,213

9 Investment properties

	2014 $	2015 $	2016 $
Cost			
Beginning and end of financial year	12,746,599	12,746,599	12,746,599
Accumulated depreciation			
Beginning of financial year	1,593,325	2,048,561	2,503,797
Depreciation charge (Note 5)	455,236	455,236	455,236
End of financial year	2,048,561	2,503,797	2,959,033
Net book value			
End of financial year	10,698,038	10,242,802	9,787,566
Fair value			
End of financial year	15,260,000	15,371,898	14,300,000

Investment properties are leased to non-related parties under operating leases (Note 13).

All investment properties are mortgaged to secure bank borrowings (Note 11).

The following amounts are recognised in profit or loss:

	2014 $	2015 $	2016 $
Rental income (Note 3)	1,148,255	904,132	771,808
Direct operating expenses arising from investment properties that generated rental income	237,933	260,397	261,662

At the reporting date, the details of the Company's investment properties are as follows:

Location	Description	Tenure
1 Commonwealth Lane, Units #01-07 to #01-15 and #01-17 to #01-20, Singapore	Factory units	30 years from 1 March 2008

9 Investment properties (continued)

Fair value hierarchy

	Fair value measurements using		
	Quoted prices in active markets for identical assets (Level 1) $	**Significant other observable inputs (Level 2) $**	**Significant unobservable inputs (Level 3) $**
31 December 2014			
- Factory units in Singapore	-	15,260,000	-
31 December 2015			
- Factory units in Singapore	-	15,371,898	-
31 December 2016			
- Factory units in Singapore	-	14,300,000	-

Valuation techniques used to derive Level 2 fair values

Level 2 fair values of the Company's properties have been derived using the Market Comparison method. Market prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation method is market price per square meter.

Valuation processes of the Company

The Company engages external, independent and qualified valuers to determine the fair value of the Company's investment properties at the end of every financial year based on the properties' highest and best use. As at 31 December 2014, 2015 and 2016, the fair values of the investment properties have been determined by Colliers International Consultancy & Valuation Singapore Pte Ltd.

10 Trade and other payables

	2014 $	2015 $	2016 $
Trade payables – Non related parties	-	-	5,003
Loans from shareholders	4,500,000	4,250,000	4,250,000
Deposit from customers (refundable)	275,637	214,694	255,345
Advance billing	97,111	71,564	68,874
Accrued expenses	10,881	4,550	4,000
Other payables – Non related parties	24,828	12,036	10,998
	4,908,457	4,552,844	4,594,220

Loans from shareholders are unsecured, interest-free and are payable on demand.

11 Borrowings

	2014 $	2015 $	2016 $
Current			
Bank borrowings	458,752	496,598	498,660
Bank overdraft	-	24,836	48,164
	458,752	521,434	546,824
Non-current			
Bank borrowings	4,966,541	4,469,978	4,004,173
Total	5,425,293	4,991,412	4,550,997

The exposure of the borrowings of the Company to interest rate changes and the contractual re-pricing dates at the reporting dates are as follows:

	2014 $	2015 $	2016 $
Less than 1 year	458,752	521,434	546,824
Between 1 – 5 years	2,491,208	2,493,313	1,994,759
More than 5 years	2,475,333	1,976,665	2,009,414
	5,425,293	4,991,412	4,550,997

(a) Securities granted

All bank borrowings are secured by personal guarantee from the directors of the Company and a first legal mortgages on investment properties of the Company (Note 9).

11 Borrowings (continued)

(b) Fair value of non-current borrowings

	2014 $	2015 $	2016 $
Bank borrowings	5,149,780	4,851,503	4,416,296

The fair values of non-current portion of borrowings are determined from the discounted cash flows analysis, using a discounted rate based on the market borrowing rate of an equivalent instrument which the directors expect to be available to the Company as follows:

	2014 %	2015 %	2016 %
Bank borrowings	5.35	5.35	5.35

The fair values are within Level 2 of the fair values hierarchy.

12 Share capital

	2014 $	2015 $	2016 $
Beginning and end of financial year - 100,000 ordinary shares	100,000	100,000	100,000

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

13 Operating lease commitment

The Company leases out investment properties to non-related parties under non-cancellable operating leases. The leases have varying terms and renewal rights.

The future minimum lease receivables under non-cancellable operating leases contracted for at the reporting date but not recognised as receivables, are as follows:

	2014 $	2015 $	2016 $
Not later than one year	904,132	654,676	806,640
Between one and five years	329,996	425,060	242,935
	1,234,128	1,079,736	1,049,575

14 Financial risk management

Financial risk factors

The Company's activities expose it to market risk (including currency risk and cash flow and fair value interest rate risk), credit risk, liquidity risk and capital risk. The Company's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Company's financial performance. As at 31 December 2014, 2015 and 2016, the Company does not hold or issue derivative financial instrument for trading purposes.

Risk management is integral to the whole business of the Company. Financial risk management is carried out by the Board of Directors. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) Market risk

(i) Currency risk

The Company's business operations are not exposed to significant currency risk as it has no significant transactions and balances denominated in foreign currencies.

(ii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Company has no significant interest-bearing assets, the Company's income is substantially independent of changes in market interest rates.

The Company's exposure to cash flow interest rate risks arises mainly from bank borrowings at variable rate. The Company's exposure to cash flow interest rate risk arises from non-current borrowings. The Company manages its interest rate risk by keeping bank borrowings to the minimum required to sustain the operations of the Company.

The Company's borrowings at variable rates are denominated mainly in SGD. If the SGD interest rates had increased/decreased by 1% with all other variables including tax rate being held constant, the impact to profit after tax as a result of higher/lower interest expenses on these borrowings are not significant.

14 Financial risk management (continued)

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial asset of the Company are cash and bank balances and trade receivables. For trade receivables, the Company has policies in place to ensure that sales of services are made to customers with an appropriate credit history.

Cash and bank balances are placed with banks and financial institutions with high credit-ratings assigned by international credit rating agencies. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record.

As at 31 December 2014, 2015 and 2016, the trade receivables are corporate companies and comprise 3 debtors, 2 debtors and 3 debtors that individually represented 24% - 26%, 33% - 67% and 16% - 51% of trade receivables in the respective financial years ended.

As the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position. None of the Company's financial assets are past due and/or impaired.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the reporting date, assets held by the Company for managing liquidity risk included cash and bank balances.

The Company's policy in managing liquidity risk is to maintain sufficient cash and bank balances and adequate amount of committed credit facilities to enable the Company to meet its operating commitments.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity Company based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

14 Financial risk management (continued)

(c) Liquidity risk (continued)

	Less than 1 year $	Between 1 to 5 years $	More than 5 years $	Total $
At 31 December 2014				
Trade and other payables	4,811,346	-	-	4,811,346
Borrowings	458,752	2,904,538	2,566,822	5,930,112
	5,270,098	2,904,538	2,566,822	10,741,458
At 31 December 2015				
Trade and other payables	4,481,280	-	-	4,481,280
Borrowings	521,434	2,850,629	2,010,596	5,382,659
	5,002,714	2,850,629	2,010,596	9,863,939
At 31 December 2016				
Trade and other payables	4,525,346	-	-	4,525,346
Borrowings	546,824	2,301,505	2,115,508	4,963,837
	5,072,170	2,301,505	2,115,508	9,489,183

(d) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The Company's strategy is to not maintain a gearing ratio not higher than 1. The Company is not required by the banks to maintain certain gearing ratio.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less cash and bank balances. Total capital is calculated as equity plus net debt.

	2014 $	2015 $	2016 $
Net debt	10,132,065	9,540,351	9,119,510
Total equity	634,724	729,195	717,269
Total capital	10,766,789	10,269,546	9,836,779
Gearing ratio	0.94	0.93	0.93

The Company is not subject to any externally imposed capital requirements for the financial years ended 31 December 2014, 2015 and 2016.

14 Financial risk management (continued)

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments is as follows:

	2014 $	2015 $	2016 $
Loans and receivables	363,181	97,439	112,518
Financial liabilities at amortised cost	10,236,639	9,472,692	9,076,343

15 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Purchases of services

	2014 $	2015 $	2016 $
Expenses paid/payable to related party			
- Accounting fee	3,000	6,000	6,000
- Management fee	12,000	12,000	12,000

Related parties comprise mainly of companies which are controlled or significantly influenced by the Company's key personnel and their close family members.

There were no outstanding balance at 31 December 2014, 2015 and 2016, arising from the purchases of services.

(b) Key management personnel compensation

There are no compensation made to key management personnel of the Company during the financial years ended 31 December 2014, 2015 and 2016.

16 New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 January 2017 or later periods and which the Company has not early adopted:

Effective for annual periods beginning on or after 1 January 2017

- Amendments to FRS 7: Disclosure Initiative
- Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses

Effective for annual periods beginning on or after 1 January 2018

- FRS 109 Financial Instruments

The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI.

The Company does not expect the new guidance to have a significant impact on the classification of its financial assets.

For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designed at fair value through profit or loss. There will be no impact on the Company's accounting for financial liabilities as the Company does not have any such liabilities.

In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

16 New or revised accounting standards and interpretations (continued)

Effective for annual periods beginning on or after 1 January 2018 (continued)

- FRS 109 Financial Instruments (continued)

  Management anticipates that the initial application of the new FRS 109 will result in changes to the accounting policies relating to the impairment provisions of financial asset. Management will consider whether a lifetime or 12-month expected credit losses on financial assets should be recognised, which is dependent on whether there has been a significant increase in the credit risk of the assets from initial recognition to the date of initial application of FRS 109. Additional disclosures will also be made. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Company's financial statements in the period of initial application as management has yet to complete its detailed assessment.

- Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers

  This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

  Step 1: Identify the contract(s) with a customer
  Step 2: Identify the performance obligations in the contract
  Step 3: Determine the transaction price
  Step 4: Allocate the transaction price to the performance obligations in the contract
  Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

  FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

  At this stage, the Company is not able to estimate the impact of the new rules on the Company's financial statements. The Company will make more detailed assessment of the impact over the next twelve months.

16 New or revised accounting standards and interpretations (continued)

Effective for annual periods beginning on or after 1 January 2019

- FRS 116 Leases

  FRS 116 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

  The standard will affect primarily the accounting for the Company's operating leases. However, the Company has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Company's profit and classification of cash flows.

  Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

Effective date: to be determined*

- Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore (ASC) in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption.

17 Authorisation of financial statements

These financial statements for the financial years ended 31 December 2014, 2015 and 2016 have been prepared for inclusion in the circular to be issued by Changjiang Fertilizer Limited and were authorised for issue by the Board of Directors of the Company on 15 November 2017.

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CHIU TENG 8 PTE. LTD.
(INCOPORATED IN THE REPUBLIC OF SINGAPORE)
(REGISTRATION NUMBER: 201006389E)

AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016

Chiu Teng 8 Pte. Ltd.
Statement by Directors
For the Financial Years ended 31 December 2014, 2015 and 2016

In the opinion of the directors,

(i) the financial statements of the Company as set out on pages J-5 to J-30 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2014, 2015 and 2016, and of the financial performance, changes in equity and cash flows of the Company for the financial years then ended, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the directors

.....
Ng Chee Beng
Director

.....
Ng Chee Hwa
Director

15 November 2017

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016

The Board of Directors
Chiu Teng 8 Pte. Ltd.
114 Lavender Street
#18-01
CT Hub 2
Singapore 338729

Dear Sirs

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Chiu Teng 8 Pte. Ltd. (the "Company"), which comprise the statements of financial position as at 31 December 2014, 2015 and 2016 and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial years then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages J-5 to J-30.

In our opinion, the accompanying financial statements are properly drawn up in accordance with Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2014, 2015 and 2016 and of the financial performance, changes in equity and cash flows of the Company for each of the financial years ended on 31 December 2014, 2015 and 2016.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016
(continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016
(continued)

Restriction on Distribution and Use

This report has been prepared solely for inclusion in the Circular of Changjiang Fertilizer Holdings Limited to be issued in connection with the proposed acquisition of the entire issued and paid-up share capital of the Company by Changjiang Fertilizer Holdings Limited, a company listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and for no other purpose or party.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Director-in-charge: Meriana Ang Mei Ling
Singapore

15 November 2017

Chiu Teng 8 Pte. Ltd.
Statements of Comprehensive Income
For the Financial Years ended 31 December 2014, 2015 and 2016

	Note	2014 $	2015 $	2016 $
Revenue	4	-	169,846,964	16,008,119
Cost of sales		-	(139,857,378)	(14,007,127)
Gross profit		-	29,989,586	2,000,992
Other income	7	5	15,953	188
Expenses				
- Selling and distribution		(472,447)	(3,530,944)	(697,709)
- Administrative		(97,953)	(236,503)	(348,757)
- Finance	8	(268,212)	(1,263,281)	(203,836)
(Loss)/Profit before income tax		(838,607)	24,974,811	750,878
Income tax credit/(expense)	9	96,967	(4,245,641)	(98,216)
Total comprehensive (loss)/ income, representing net (loss)/profit		(741,640)	20,729,170	652,662

The accompanying notes form an integral part of these financial statements.

Chiu Teng 8 Pte. Ltd.
Statements of Financial Position
As at 31 December 2014, 2015 and 2016

	Note	2014 $	2015 $	2016 $
ASSETS				
Current assets				
Cash and bank balances	10	15,537,720	4,373,812	3,144,428
Trade and other receivables	11	13,984,955	15,566,804	4,114,094
Development properties	12	161,494,924	27,541,790	13,675,663
Deferred income tax assets	13	196,619	-	-
Total assets		191,214,218	47,482,406	20,934,185
LIABILITIES				
Current liabilities				
Trade and other payables	14	129,959,580	21,908,948	1,056,546
Borrowings	15	54,400,000	-	-
Provisions	16	6,153,154	93,782	249,323
Current income tax liabilities		-	4,049,022	2,545,000
		190,512,734	26,051,752	3,850,869
Total liabilities		190,512,734	26,051,752	3,850,869
NET ASSETS		701,484	21,430,654	17,083,316
EQUITY				
Share capital	17	1,000,000	1,000,000	1,000,000
(Accumulated losses)/retained profits*		(298,516)	20,430,654	16,083,316
Total equity		701,484	21,430,654	17,083,316

*Retained profits of the Company are fully distributable

The accompanying notes form an integral part of these financial statements.

Chiu Teng 8 Pte. Ltd.
Statements of Changes in Equity
For the Financial Years ended 31 December 2014, 2015 and 2016

	Share capital	(Accumulated losses)/ retained profits	Total equity
	$	$	$
2014			
Beginning of financial year	1,000,000	443,124	1,443,124
Total comprehensive loss for the financial year	-	(741,640)	(741,640)
End of financial year	1,000,000	(298,516)	701,484
2015			
Beginning of financial year	1,000,000	(298,516)	701,484
Total comprehensive income for the financial year	-	20,729,170	20,729,170
End of financial year	1,000,000	20,430,654	21,430,654
2016			
Beginning of financial year	1,000,000	20,430,654	21,430,654
Total comprehensive income for the financial year	-	652,662	652,662
Dividends paid (Note 18)	-	(5,000,000)	(5,000,000)
End of financial year	1,000,000	16,083,316	17,083,316

The accompanying notes form an integral part of these financial statements.

Chiu Teng 8 Pte. Ltd.
Statements of Cash Flows
For the Financial Years ended 31 December 2014, 2015 and 2016

	Note	2014 $	2015 $	2016 $
Cash flows from operating activities				
Net (loss)/profit		(741,640)	20,729,170	652,662
Adjustments for:				
- Interest expense	8	7,296,414	2,479,092	203,836
- Income tax (credit)/expense	9	(96,967)	4,245,641	98,216
- Interest income on bank balances	7	-	(7,899)	-
Operating cash flow before working capital changes		6,457,807	27,446,004	954,714
Changes in working capital:				
- Trade and other receivables		(3,442,224)	(1,581,849)	11,452,710
- Development properties		(54,456,852)	132,737,323	13,866,127
- Provisions		539,642	(6,342,014)	155,541
- Trade and other payables		57,623,268	(90,035,586)	(827,051)
Cash generated from operations		6,721,641	62,223,878	25,602,041
Interest received		-	7,899	-
Income tax paid		-	-	(1,602,238)
Net cash provided by operating activities		6,721,641	62,231,777	23,999,803
Cash flows from financing activities				
Repayment of shareholder's loans		-	(11,050,000)	(20,000,000)
Dividends paid	18	-	-	(5,000,000)
Repayment of bank borrowings		-	(54,400,000)	-
Interest paid		(1,149,017)	(8,083,906)	(203,836)
Net cash used in financing activities		(1,149,017)	(73,533,906)	(25,203,836)
Net increase/(decrease) in cash and cash equivalents		5,572,624	(11,302,129)	(1,204,033)
Cash and cash equivalents				
Beginning of financial year		9,965,096	15,537,720	4,235,591
End of financial year	10	15,537,720	4,235,591	3,031,558

The accompanying notes form an integral part of these financial statements

Chiu Teng 8 Pte. Ltd.
Notes to the Financial Statements
For the Financial Years ended 31 December 2014, 2015 and 2016

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 General information

Chiu Teng 8 Pte. Ltd. ("the Company") is a limited liability company incorporated and domiciled in Singapore.

The registered address and principal place of business of the Company is located at 114 Lavender Street, #18-01 CT Hub 2, Singapore 639144.

The principal activity of the Company is that of real estate development.

The Company's immediate holding corporation is CTE Resources Pte. Ltd., a company incorporated and domiciled in Singapore.

2 Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2014, 2015 and 2016

On 1 January 2014, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial years ended 31 December 2014, 2015 and 2016. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the financial years ended 31 December 2014, 2015 and 2016 or prior financial years.

2 Summary of significant accounting policies (continued)

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable and is presented net of goods and services tax, rebates and discounts.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activities are met as follows:

(a) Sale of development properties under construction

Where development property is under construction and agreement has been reached to sell such property when construction is complete, the management considers whether the contract comprise a contract to construct a property, when the contract is judged to be for the sale of a completed property, revenue is recognised when the significant risks and rewards of ownership of the real estate have been transferred to the buyer, generally upon completion of the construction of the property. Properties are considered complete upon the issuance of the Temporary Occupation Permits ("TOP") by Building Construction Authority ("BCA").

Sale of development properties under construction in respect of sale and purchase agreements are entered into prior to completion of construction will be deferred and presented as deferred income within "Trade and other payables" on the statements of financial position (Note 14) and will be recognised as revenue upon the issuance of TOP.

(b) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

2.3 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the development of properties. This includes those costs on borrowings acquired specifically for the development of properties as well as those in relation to general borrowings used to finance the development of properties.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the properties under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.4 Financial assets

(a) Classification

The Company classifies its financial assets as loans and receivables. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

2 Summary of significant accounting policies (continued)

2.4 Financial assets (continued)

(a) Classification (continued)

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those that are expected to be realised later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are presented as "Trade and other receivables" (Note 11) and "Cash and bank balances" (Note 10) on the statements of financial position.

(b) Recognition and Derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

(c) Initial Measurement

Financial assets are initially recognised at fair value plus transaction costs.

(d) Subsequent Measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

(e) Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a Company of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and Receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

2 Summary of significant accounting policies (continued)

2.4 Financial assets (continued)

(e) Impairment (continued)

Loans and Receivables (continued)

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2.5 Development properties

Development properties are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Company's own use, rental or capital appreciation. Development properties are held as inventories and are stated at lower of cost and the estimated net realisable value. Net realisable value of development properties is the estimated selling price in the ordinary course of business based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimates costs necessary to make the sale. Where necessary, write-down is made for development properties when it is anticipated that the net realisable value has fallen below cost.

The cost of properties under development includes cost of land and construction costs, related overhead expenditure, and financing charges and other net costs incurred during the period of development. Borrowing costs payable on loans funding the development properties are also capitalised, on a specific identification basis as part of the cost of the development properties until the completion of development. When it is probable that the cost of development properties will exceed sale proceed of the development properties, the expected loss is recognised as an expense immediately. The development properties in progress have operating cycles longer than one year. Revenue recognition on properties under development is described in Note 2.2(a) to the financial statements. The costs of development properties recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Expenses incurred in selling of the property will be deferred and presented as deferred expenses within "Trade and other receivables" (Note 11) on the statements of financial position until the issuance of TOP.

Completed properties held for sale are stated at the lower of cost and net realisable value. Cost includes cost of land and construction costs, related overhead expenditure, and financing charges and other net costs incurred during the period of development. A write-down is made for development properties when it is anticipated that the net realisable value has fallen below cost. Revenue recognition on completed properties held for sale is described in Note 2.2(a) to the financial statements.

2 Summary of significant accounting policies (continued)

2.6 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.7 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.8 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.9 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the reporting date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

2 Summary of significant accounting policies (continued)

2.9 Income taxes (continued)

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Company accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.11 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined contribution

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The Company's contributions are recognised as employee compensation expenses when they are due.

2 Summary of significant accounting policies (continued)

2.12 Functional and presentation currency

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

2.13 Cash and cash equivalents

For the purpose of the presentation in the statement of cash flows, cash and cash equivalents include cash and bank balances, deposits with financial institutions which are subject to an insignificant risk of changes in value.

2.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.15 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

(a) Estimation of net realisable value for development properties

Development properties are stated at the lower of cost and net realisable value.

The Company assesses at each reporting date the net realisable value of development properties by reference to sales prices of comparable properties, timing of sale launches, location of property, expected net selling prices and development expenditure. Market conditions may, however, change which may affect the future selling prices on the remaining unsold units of the development properties and accordingly, the carrying amount of development properties for sale may have to be written down in future periods.

Management has assessed that no write down in the carrying amount of the development properties is required to be made in the financial statements for the financial years ended 31 December 2014, 2015 and 2016.

The carrying amount of the development properties is disclosed in Note 12 to the financial statements.

3 Critical accounting estimates, assumptions and judgements (continued)

(b) Provison for stamp duty and renovation rebates

The Company has granted stamp duty rebates and renovation rebates, as part of marketing activities, to purchasers of the development properties at 421 Tagore Industrial Avenue. The amount is pre-agreed during the signing of option to purchase. The rebates will be paid out upon the fulfillment of the conditions stated in the Letter of Offer.

In determining the provisions, consideration is given to the timing of these expected future costs. Management has based it on the average period to complete the construction of the development properties which is estimated to be within 2 years at the point of agreement.

Full provisions are made on the rebates on a discounted basis, which represent the present value of the future cash payments of the rebates. The carrying amounts of the provisions are disclosed in Note 16 to the financial statements.

Provisions made during the financial years ended 31 December 2014 and 2015 is not discounted to present value as the impact is not significant.

4 Revenue

	2014 $	2015 $	2016 $
Sale of development properties	-	169,846,964	16,008,119

5 Expenses by nature

	2014 $	2015 $	2016 $
Accounting fee	21,000	30,000	30,000
Audit fee	8,000	10,000	8,000
Cost of development properties	-	139,857,378	14,007,127
Employee compensation (Note 6)	52,684	37,387	35,504
Management fee	12,000	12,000	12,000
Selling and marketing	289,309	3,361,894	478,794
Rental expense for sales office	183,138	169,050	169,050
Others	4,269	147,116	313,118
Total costs of sales, selling and distribution and administrative expenses	570,400	143,624,825	15,053,593

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6 Employee compensation

	2014 $	2015 $	2016 $
Salaries	45,337	31,905	30,298
Employer's contribution to defined contribution plans including Central Provident Fund	7,255	5,424	5,152
Other	92	58	54
	52,684	37,387	35,504

7 Other income

	2014 $	2015 $	2016 $
Interest income on bank balances	-	7,899	-
Late payment charges from customers	5	7,654	188
Others	-	400	-
	5	15,953	188

8 Finance expenses

	2014 $	2015 $	2016 $
Interest expense on:			
- Unwinding of discount on provisions (Note 16(b))	268,212	282,642	-
- Loans from shareholders	5,887,456	1,747,323	203,836
- Bank borrowings	1,140,746	449,127	-
	7,296,414	2,479,092	203,836
Less: Capitalised in development properties (Note 12)	(7,028,202)	(1,215,811)	-
	268,212	1,263,281	203,836

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9 Income taxes

	2014 $	2015 $	2016 $
Tax (credit)/expense attributable to (loss)/profit is made up of:			
(Loss)/profit for the financial year:			
- Current income tax	-	4,049,022	95,978
- Deferred income tax (Note 13)	(96,967)	196,619	-
	(96,967)	4,245,641	95,978
Under provision of current income tax in prior financial years	-	-	2,238
	(96,967)	4,245,641	98,216

The tax on the Company's (loss)/profit before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	2014 $	2015 $	2016 $
(Loss)/profit before income tax	(838,607)	24,974,811	750,878
Tax calculated at tax rate of 17%	(142,563)	4,245,718	127,649
Effects of:			
- expenses not deductible for tax purposes	45,596	48,050	-
- corporate income tax rebate	-	(20,000)	(25,000)
- statutory tax exemption	-	(25,925)	(25,925)
- others	-	(2,202)	19,254
	(96,967)	4,245,641	95,978

10 Cash and bank balances

	2014 $	2015 $	2016 $
Bank balances	1,101,859	761,673	3,026,603
Bank balances – project account	14,435,861	3,473,918	4,955
Restricted cash	-	138,221	112,870
	15,537,720	4,373,812	3,144,428

As at 31 December 2015 and 2016, the Company holds a bank account which is reserved for the purpose of funding maintenance expenses of the properties located at 421 Tagore Industrial Avenue. The bank balance is classified as restricted cash as the Company does not have access to the funds (Note 14).

10 Cash and bank balances (continued)

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

	2014 $	2015 $	2016 $
Cash and bank balances (as above)	15,537,720	4,373,812	3,144,428
Less: restricted cash	-	(138,221)	(112,870)
Cash and cash and cash equivalents as per statements of cash flows	15,537,720	4,235,591	3,031,558

11 Trade and other receivables

	2014 $	2015 $	2016 $
Trade receivables:			
- Non-related parties	2,043,972	853,708	-
- Unbilled receivables (non-related parties)	-	14,406,014	4,114,094
	2,043,972	15,259,722	4,114,094
Other receivables – Non-related parties	-	291,609	-
Deferred expenses	11,927,633	-	-
Deposits	13,350	15,473	-
	13,984,955	15,566,804	4,114,094

Deferred expenses relate to selling expenses which have been deferred until the issuance of TOP by the BCA as stated in Note 2.5 to the financial statements.

12 Development properties

	2014 $	2015 $	2016 $
Properties under development	161,494,924	-	-
Properties held for sale	-	27,541,790	13,675,663
	161,494,924	27,541,790	13,675,663
Borrowing costs capitalised:			
Interest on bank borrowings	1,140,746	363,425	-
Interest on loans from shareholders	5,887,456	852,386	-

12 Development properties (continued)

At 31 December 2014, 2015 and 2016, the development properties held by the Company is as follows:

Location	Description	Tenure	Issuance date of Temporary Occupation Permit ("TOP")	Issuance date of Certificate of Statutory Completion ("CSC")	Site area (sq.m)	Gross floor area (sq.m)
421 Taglore Industry Avenue	4 storey multi user industry building	Freehold	17 June 2015	02 September 2015	13,314	26,628

The development properties had been pledged as security for bank borrowings (Note 15) of $54,000,000 as at 31 December 2014.

13 Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the statements of financial position as follows:

	2014 $	2015 $	2016 $
Deferred income tax assets			
-To be recovered within one year	196,619	-	-

Movement in deferred income tax account is as follows:

	2014 $	2015 $	2016 $
Beginning of financial year	(99,652)	(196,619)	-
Tax (credited)/charged to profit or loss (Note 9)	(96,967)	196,619	-
End of financial year	(196,619)	-	-

13 Deferred income taxes (continued)

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The tax losses can be carried forward and used to offset against future taxable income.

	Tax losses $
2014	
Beginning of financial year	(99,652)
Tax credited to profit or loss	(96,967)
End of financial year	(196,619)
2015	
Beginning of financial year	(196,619)
Tax charged to profit or loss	196,619
End of financial year	-
2016	
Beginning of financial year	-
Tax charged to profit or loss	-
End of financial year	-

14 Trade and other payables

	2014 $	2015 $	2016 $
Trade payables			
- Non-related parties	338,021	556,918	56,368
- Related parties	153,354	16,151	21,280
- Retention payables – Related parties	2,490,360	71,423	71,423
	2,981,735	644,492	149,071
Loans from shareholders	31,050,000	20,000,000	-
Accrued interest from shareholders' loan	5,887,456	-	-
Accrued operating expenses	234,350	253,510	234,589
Accrued development costs	2,562,705	642,240	-
Other payables – Non-related parties	544,314	230,485	560,016
Reserve fund for maintenance expenses (Note 10)	-	138,221	112,870
Deferred income	86,699,020	-	-
	129,959,580	21,908,948	1,056,546

14 Trade and other payables (continued)

Loans from shareholders as at 31 December 2014 and 2015 are non-trade, unsecured, bearing an interest of 6% per annum and are payable on demand.

Deferred income relates to progress billings received from buyers for the purchase of development properties.

15 Borrowings

	2014 $	2015 $	2016 $
Bank borrowings	54,400,000	-	-

The exposure of the borrowings of the Company to interest rate changes and the contractual re-pricing dates at the reporting date are as follows:

	2014 $	2015 $	2016 $
Less than 6 months	24,400,000	-	-
6 – 12 months	30,000,000	-	-
	54,400,000	-	-

Securities granted

Secured bank borrowings amounting to $54,400,000 as at 31 December 2014 were secured by personal guarantee from the directors of the Company, corporate guarantee from a shareholder, a first legal mortgage to be executed over the development properties (Note 12) and a legal assignment of all rights, titles and interests resulting from the sale and purchase agreement(s).

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16 Provisions

	2014 $	2015 $	2016 $
Stamp duty rebates (Note(a))	159,225	6,000	-
Renovation rebates (Note(b))	5,993,929	87,782	249,323
	6,153,154	93,782	249,323

Stamp duty rebates and renovation rebates have been granted to purchasers of the development properties at 421 Tagore Industrial Avenue upon the signing of the option to purchase ("OTP"). The provisions were based on the amount stated on the OTP and it will be paid out upon the fulfillment of the conditions stated in the OTP. Provisions are recognised at the reporting date for expected amounts of rebates payable to purchasers based on management's past experience and likelihood of the fulfillment of the conditions.

(a) Movement in the provision of stamp duty rebates are as follows:

	2014 $	2015 $	2016 $
Beginning of financial year	359,943	159,225	6,000
Provisions made	412,172	25,256	-
Provisions written back	-	-	(6,000)
Provisions utilised	(612,890)	(178,481)	-
End of financial year	159,225	6,000	-

(b) Movement in the provision of renovation rebates are as follows:

	2014 $	2015 $	2016 $
Beginning of financial year	4,985,357	5,993,929	87,782
Provisions made	740,360	22,852	249,323
Provisions utilised	-	(6,211,641)	-
Provisions written back	-	-	(87,782)
Unwinding of discount (Note 8)	268,212	282,642	-
End of financial year	5,993,929	87,782	249,323

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17 Share capital

	2014 $	2015 $	2016 $
Beginning and end of financial year - 1,000,000 ordinary shares	1,000,000	1,000,000	1,000,000

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

18 Dividends

	2014 $	2015 $	2016 $
Ordinary dividends Interim one-tier dividends	-	-	5,000,000

During the financial year ended 31 December 2016, one-tier tax exempt interim dividends amounting to $5,000,000 was paid to the Company's shareholders in respect of the financial year ended 31 December 2015.

19 Financial risk management

Financial risk factors

The Company's activities expose it to market risk (including currency risk and cash flow and fair value interest rate risks), credit risk, liquidity risk and capital risk. The Company's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Company's financial performance. As at 31 December 2014, 2015 and 2016, the Company does not hold or issue derivative financial instrument for trading purposes.

Risk management is integral to the whole business of the Company. Financial risk management is carried out by the Board of Directors. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

19 Financial risk management (continued)

(a) Market risk

(i) Currency risk

The Company's business operations are not exposed to significant currency risk as it has no significant transactions and balances denominated in foreign currencies.

(ii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Company's exposure to cash flow interest rate risks arises mainly from bank borrowings at variable rates. The Company manages its interest rate risk by keeping bank borrowings to the minimum required to sustain the operations of the Company.

The Company's borrowings at variable rates are denominated mainly in SGD. If the SGD interest rates had increased/decreased by 1% with all other variables including tax rate being held constant, the impact to profit after tax as a result of higher/lower interest expenses on these borrowings are not significant.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are cash and bank balances and trade receivables. For trade receivables, the Company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

Cash and bank balances are placed with banks and financial institutions which are regulated with high credit-ratings assigned by international credit-rating agencies.

As at 31 December 2014, 2015 and 2016, the trade receivables are corporate companies and comprise 2 debtors, 1 debtor and 1 debtor that individually represented 39% - 55%, 100% and 100% of trade receivables in the respective financial years ended.

As the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position. None of the Company's financial assets are past due and/or impaired.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the reporting date, assets held by the Company for managing liquidity risk included cash and bank balances as disclosed in Note 10 to the financial statements.

19 Financial risk management (continued)

(c) Liquidity risk (continued)

The Company's policy in managing liquidity risk is to maintain sufficient cash and bank balances and adequate amount of committed credit facilities to enable the Company to meet its operating commitments.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity Company based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year $
2014	
Trade and other payables	43,260,560
Borrowings	54,400,000
	97,660,560
2015	
Trade and other payables	21,770,727
2016	
Trade and other payables	943,676

(d) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The Company's strategy is to maintain a gearing ratio not higher than 1. The Company is not required by the banks to maintain certain gearing ratio.

19 Financial risk management (continued)

(d) Capital risk

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less cash and bank balances. Total capital is calculated as net debt plus equity.

	2014 $	2015 $	2016 $
Net debt	174,975,014	21,677,940	706,441
Total equity	701,484	21,430,654	17,083,316
Total capital	175,676,498	43,108,594	17,789,757
Gearing ratio	1.00	0.50	0.04

The Company is not subject to any externally imposed capital requirements for the financial years ended 31 December 2014, 2015 and 2016.

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments is disclosed on the face of the statements of financial position, except for the following:

	2014 $	2015 $	2016 $
Loans and receivables	17,595,042	19,802,395	7,145,652
Financial liabilities at amortised cost	97,660,560	21,770,727	943,676

20 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Purchases of goods and services

	2014 $	2015 $	2016 $
Expenses paid/payable to related party			
- Rental expenses	183,138	169,050	169,050
- Management fee	12,000	12,000	12,000
- Accounting fee	15,000	30,000	30,000
- Development costs	39,653,813	3,971,504	128,177
- Back charge of staff salaries	52,684	-	35,504
Interest payable/paid to shareholders	5,887,456	1,747,323	203,836

20 Related party transactions (continued)

(a) Purchases of goods and services (continued)

Related parties comprise mainly of companies which are controlled or significantly influenced by the Company's key personnel and their close family members.

Outstanding balance at 31 December 2014, 2015 and 2016, arising from the sales and purchases of goods and services are unsecured and payable within 12 months from reporting date and are disclosed in Note 14 to the financial statements.

(b) Key management personnel compensation

There are no key management personnel compensation incurred for the financial years ended 31 December 2014, 2015 and 2016.

21 New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 January 2017 or later periods and which the Company has not early adopted:

Effective for annual periods beginning on or after 1 January 2017

- Amendments to FRS 7: Disclosure Initiative
- Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses

Effective for annual periods beginning on or after 1 January 2018

- FRS 109 Financial Instruments

The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI.

The Company does not expect the new guidance to have a significant impact on the classification of its financial assets.

For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designed at fair value through profit or loss. There will be no impact on the Company's accounting for financial liabilities as the Company does not have any such liabilities.

21 New or revised accounting standards and interpretations (continued)

Effective for annual periods beginning on or after 1 January 2018 (continued)

- FRS 109 Financial Instruments (continued)

  In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

  Management anticipates that the initial application of the new FRS 109 will result in changes to the accounting policies relating to the impairment provisions of financial asset. Management will consider whether a lifetime or 12-month expected credit losses on financial assets should be recognised, which is dependent on whether there has been a significant increase in the credit risk of the assets from initial recognition to the date of initial application of FRS 109. Additional disclosures will also be made. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Company's financial statements in the period of initial application as management has yet to complete its detailed assessment.

- Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers

  This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

  Step 1: Identify the contract(s) with a customer
  Step 2: Identify the performance obligations in the contract
  Step 3: Determine the transaction price
  Step 4: Allocate the transaction price to the performance obligations in the contract
  Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

  FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

  At this stage, the Company is not able to estimate the impact of the new rules on the Company's financial statements. The Company will make more detailed assessment of the impact over the next twelve months.

21 New or revised accounting standards and interpretations (continued)

Effective for annual periods beginning on or after 1 January 2019

- FRS 116 Leases

  FRS 116 will result in almost all leases being recognised on the statements of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

  The standard will affect primarily the accounting for the Company's operating leases. However, the Company has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Company's profit and classification of cash flows.

  Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

Effective date: to be determined*

- Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore (ASC) in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption.

22 Authorisation of financial statements

These financial statements for the financial years ended 31 December 2014, 2015 and 2016 have been prepared for inclusion in the Circular of Changjiang Fertilizer Holdings Limited and were authorised for issue by the Board of Directors of the Company on 15 November 2017.

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APPENDIX K – INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM FINANCIAL STATEMENTS OF WBH INVESTMENTS PTE. LTD. FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

WBH INVESTMENTS PTE. LTD.
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)
(REGISTRATION NUMBER: 201007726K)

INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

WBH Investments Pte. Ltd.
Directors' Statement
For the Six-month Period ended 30 June 2017

In the opinion of the directors,

(i) the interim financial statements of the Company as set out on pages K-4 to K-29 are drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2017, and of the financial performance, changes in equity and cash flows of the Company for the six-month period then ended, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these interim financial statements for issue.

On behalf of the directors

.....
Ng Chee Beng
Director

.....
Ng Chee Hwa
Director

15 November 2017

APPENDIX K – INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM FINANCIAL STATEMENTS OF WBH INVESTMENTS PTE. LTD. FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

The Board of Directors
WBH Investments Pte. Ltd.
114 Lavender Street
#18-01
CT Hub 2
Singapore 338729

Dear Sirs

Introduction

We have reviewed the accompanying interim financial statements of WBH Investments Pte. Ltd. (the "Company") as set out on pages K-4 to K-29, which comprise the statement of financial position of the Company as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period ended 30 June 2017, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and presentation of this interim financial statements in accordance with Singapore Financial Reporting Standards. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements does not present fairly, in all material respects, the financial position of the Company as at 30 June 2017, and of its financial performance, changes in equity and its cash flows for the six-month period then ended in accordance with Singapore Financial Reporting Standards.

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2017
(continued)

Restriction on Distribution and Use

This report has been prepared solely for inclusion in the Circular of Changjiang Fertilizer Holdings Limited to be issued in connection with the proposed acquisition of the entire issued and paid-up share capital of the Company by Changjiang Fertilizer Holdings Limited, a company listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and for no other purpose or party.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Director in-charge: Meriana Ang Mei Ling
Singapore

15 November 2017

WBH Investments Pte. Ltd.
Statement of Comprehensive Income
For the Six-month Period ended 30 June 2017

	Note	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Revenue	3	481,972	410,760
Other income	4	7,161	-
Expenses			
- Administrative	5	(310,683)	(313,012)
- Finance	6	(50,781)	(69,831)
Profit before income tax		127,669	27,917
Income tax expense	7	(38,693)	(18,601)
Total comprehensive income, representing net profit		88,976	9,316

The accompanying notes form an integral part of these financial statements.

WBH Investments Pte. Ltd.
Statement of Financial Position
As at 30 June 2017

	Note	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
ASSETS			
Current assets			
Cash and bank balances		199,416	63,305
Trade receivables	8	32,319	49,213
		231,735	112,518
Non-current asset			
Investment properties	9	9,559,949	9,787,566
Total assets		9,791,684	9,900,084
LIABILITIES			
Current liabilities			
Trade and other payables	10	4,658,555	4,594,220
Borrowings	11	498,660	546,824
Current income tax liabilities		62,721	37,598
		5,219,936	5,178,642
Non-current liability			
Borrowings	11	3,765,503	4,004,173
Total liabilities		8,985,439	9,182,815
NET ASSETS		806,245	717,269
EQUITY			
Share capital	12	100,000	100,000
Retained profits*		706,245	617,269
Total equity		806,245	717,269

*Retained profits of the Company are fully distributable.

The accompanying notes form an integral part of these financial statements.

WBH Investments Pte. Ltd.
Statement of Changes in Equity
For the Six-month Period ended 30 June 2017

	Share capital $	Retained profits $	Total equity $
(Unaudited)			
30 June 2017			
Beginning of financial period	100,000	617,269	717,269
Total comprehensive income for the financial period	-	88,976	88,976
End of financial period	100,000	706,245	806,245
(Unaudited)			
30 June 2016			
Beginning of financial period	100,000	629,195	729,195
Total comprehensive income for the financial period	-	9,316	9,316
End of financial period	100,000	638,511	738,511

The accompanying notes form an integral part of these financial statements.

WBH Investments Pte. Ltd.
Unaudited Statement of Cash Flows
For the Six-month Period ended 30 June 2017

	Note	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Cash flows from operating activities			
Net profit		88,976	9,316
Adjustments for:			
- Depreciation of investment properties	5	227,617	227,617
- Income tax expense	7	38,693	18,601
- Interest expense	6	50,781	69,831
Operating cash flow before working capital changes		406,067	325,365
Changes in working capital:			
- Trade receivables		16,894	(17,075)
- Trade and other payables		64,335	(28,673)
Cash generated from operations		487,296	279,617
Income tax paid		(13,570)	(47,799)
Net cash provided by operating activities		473,726	231,818
Cash flows from financing activities			
Repayment of bank borrowings		(238,670)	(227,420)
Interest paid		(50,781)	(69,831)
Net cash used in financing activities		(289,451)	(297,251)
Net increase/(decrease) in cash and bank balances		184,275	(65,433)
Cash and cash equivalents			
Beginning of financial period		15,141	45,859
End of financial period		199,416	(19,574)
Cash and cash equivalents comprises:			
Cash and bank balances per statement of financial position		199,416	34,159
Bank overdrafts		-	(53,733)
Cash and cash equivalents per statement of cash flows		199,416	(19,574)

The accompanying notes form an integral part of these financial statements.

WBH Investments Pte. Ltd.
Unaudited Statement of Cash Flows
For the Six-month Period ended 30 June 2017

Reconciliation of liabilities arising from financing activities

	(Audited)			(Unaudited)
	1 January 2017 $	Principal and interest payments $	Non-cash changes $	30 June 2017 $
			Interest expense	
Bank borrowings	4,502,833	(289,451)	50,781	4,264,163

The accompanying notes form an integral part of these financial statements

WBH Investments Pte. Ltd.
Notes to the Interim Financial Statements
For the Six-month Period ended 30 June 2017

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Corporate information

WBH Investments Pte. Ltd. ("the Company") is a limited liability company incorporated and domiciled in Singapore.

The address of its registered and principal place of business of the Company is located at 114 Lavender Street #18-01 CT Hub 2, Singapore 639144.

The principal activity of the Company is that of property investment holding.

On 14 November 2017, Chiu Teng Enterprises Pte. Ltd., an existing shareholder holding 40% shareholding interest in the Company acquired an additional 30% shareholding interest in the Company from YMK Realty Pte. Ltd.. This had resulted in Chiu Teng Enterprises Pte. Ltd. being the immediate and ultimate holding corporation of the Company with effect from that date.

Chiu Teng Enterprises Pte. Ltd. is a company incorporated and domiciled in Singapore.

2 Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Interpretations and amendments to published standards effective in 2017

On 1 January 2017, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial period ended 30 June 2017. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the six-month period ended 30 June 2017 or prior financial years except for amendments to FRS 7: Disclosure Initiative which required reconciliation of liabilities arising from financial activities which has been disclosed under page K-8 of this report.

2 Summary of significant accounting policies (continued)

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable and is presented net of goods and services tax, rebates and discounts.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activities are met as follows:

Rental income

Rental income from operating lease (net of any incentives given to the lessee) is recognised on a straight-line basis over the lease term.

2.3 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.4 Investment properties

Investment properties comprise significant portions of leasehold factory units that are held for long-term rental yields and/or for capital appreciation.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of 28 years. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are included in profit or loss when the changes arise.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2 Summary of significant accounting policies (continued)

2.5 Impairment of non-financial assets

Investment properties

Investment properties are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2 Summary of significant accounting policies (continued)

2.6 Financial assets

(a) Classification

The Company classifies its financial assets as loans and receivables. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those that are expected to be realised later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are presented as "Trade receivables" (Note 8) and "Cash and bank balances" on the statement of financial position.

(b) Recognition and Derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

(c) Initial Measurement

Financial assets are initially recognised at fair value plus transaction costs.

(d) Subsequent Measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

2 Summary of significant accounting policies (continued)

2.6 Financial assets (continued)

(e) Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a Company of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and Receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2.7 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.8 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2 Summary of significant accounting policies (continued)

2.9 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.10 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.11 Leases

The Company leases office under operating leases to non-related parties.

When the Company is the lessor:

Lessor - Operating Leases

Lease of investment properties where the Company retains substantially all risks and rewards incidental to ownership is classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Company in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as an expense in profit or loss when incurred.

2.12 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the reporting date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

2 Summary of significant accounting policies (continued)

2.12 Income taxes (continued)

A deferred income tax liability is recognised on temporary differences, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.13 Provisions for other liabilities and charges

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision are not recognised for future operating losses.

2.14 Functional and presentation currency

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

2.15 Cash and bank balances

For the purpose of the presentation in the statement of cash flows, cash and bank balances include cash at bank which are subject to an insignificant risk of changes in value.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

WBH Investments Pte. Ltd.
Notes to the Interim Financial Statements
For the Six-month Period ended 30 June 2017

3 Revenue

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Rental income (Note 9)	481,972	410,760

4 Other income

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Forfeited rental deposit	7,161	-

5 Administrative expenses

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Depreciation of investment properties	227,617	227,617
Maintenance fee	13,890	13,890
Management fee	6,000	6,000
Property tax	54,055	56,045
Professional fee	3,000	3,000
Others	6,121	6,460
	310,683	313,012

6 Finance expenses

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Interest expense on bank borrowings	50,781	69,831

WBH Investments Pte. Ltd.
Notes to the Interim Financial Statements
For the Six-month Period ended 30 June 2017

7 Income taxes

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Tax expense attributable to profit is made up of:		
Profit for the financial period		
- Current income tax	47,762	18,601
- Over provision of income tax in prior financial years	(9,069)	-
	38,693	18,601

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Profit before income tax	127,669	27,917
Tax calculated at tax rate of 17%	21,703	4,745
Effects of:		
- expenses not deducted for tax purpose	38,695	38,695
- tax rebate	(6,376)	(10,000)
- statutory tax exemption	(6,260)	(11,071)
- others	-	(3,768)
	47,762	18,601

8 Trade receivables

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Trade receivables - Non-related parties	32,319	49,213

9 Investment properties

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Cost		
Beginning and end of financial period/year	12,746,599	12,746,599
Accumulated depreciation		
Beginning of financial period/year	2,959,033	2,503,797
Depreciation charge	227,617	455,236
End of financial period/year	3,186,650	2,959,033
Net book value		
End of financial period/year	9,559,949	9,787,566
Fair value		
End of financial period/year	12,740,000	14,300,000

Investment properties are leased to non-related parties under operating leases (Note 13).

All investment properties are mortgaged to secure bank borrowings (Note 11).

9 Investment properties (continued)

The following amounts are recognised in profit and loss:

	(Unaudited) For the six-month period ended 30 June 17 $	(Unaudited) For the six- month period ended 30 June 16 $
Rental income (Note 3)	481,972	410,760
Direct operating expenses arising from investment properties that generated rental income	118,726	139,766

At the reporting date, the details of the Company's investment properties are as follows:

Location	Description	Tenure
1 Commonwealth Lane, Units #01-07 to #01-15 and #01-17 to #01-20, Singapore	Factory units	30 years from 1 March 2008

Fair value hierarchy

	Fair value measurements using		
	Quoted prices in active markets for identical assets (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $
30 June 2017			
- Factory units in Singapore	-	12,740,000	-
31 December 2016			
- Factory units in Singapore	-	14,300,000	-

Valuation techniques used to derive Level 2 fair values

Level 2 fair values of the Company's properties have been derived using the Market Comparison method. Market prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation method is market price per square meter.

Valuation processes of the Company

The Company engages external, independent and qualified valuers to determine the fair value of the Company's investment properties at the end of every financial year based on the properties' highest and best use. As at 30 June 2017 and 31 December 2016, the fair values of the investment properties have been determined by Jones Lang LaSalle Property Consultants Pte Ltd and Colliers International Consultancy & Valuation Singapore Pte Ltd respectively.

10 Trade and other payables

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Trade payables – Non related parties	-	5,003
Loans from shareholders	4,250,000	4,250,000
Deposit from customers (refundable)	293,346	255,345
Advance billing	90,222	68,874
Accrued expenses	5,300	4,000
Non-trade payables – Non related parties	16,477	10,998
Non-trade payables – Related parties	3,210	-
	4,658,555	4,594,220

Loans from shareholders and non-trade payables to related parties are unsecured, interest-free and are payable on demand.

11 Borrowings

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Current		
Bank borrowings	498,660	498,660
Bank overdraft	-	48,164
	498,660	546,824
Non-current		
Bank borrowings	3,765,503	4,004,173
Total	4,264,163	4,550,997

11 Borrowings (continued)

The exposure of the borrowings of the Company to interest rate changes and the contractual re-pricing dates at the reporting dates are as follows:

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Less than 1 year	498,660	546,824
Between 1 – 5 years	1,994,759	1,994,759
More than 5 years	1,770,744	2,009,414
	4,264,163	4,550,997

(a) Securities granted

All bank borrowings are secured by personal guarantee from the directors of the Company and a first legal mortgages on investment properties of the Company (Note 9).

(b) Fair value of non-current borrowings

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Bank borrowings	4,170,466	4,416,296

The fair values of non-current portion of borrowings are determined from the discounted cash flows analysis, using a discounted rate based on the market borrowing rate of an equivalent instrument which the directors expect to be available to the Company as follows:

	(Unaudited) 30 June 2017 %	(Audited) 31 December 2016 %
Bank borrowings	5.28	5.35

The fair values are within Level 2 of the fair values hierarchy.

12 Share capital

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Beginning and end of financial period/year		
- 100,000 ordinary shares	100,000	100,000

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

13 Operating lease commitment

The Company leases out investment properties to non-related parties under non-cancellable operating leases. The leases have varying terms and renewal rights.

The future minimum lease receivables under non-cancellable operating leases contracted for at the reporting date but not recognised as receivables, are as follows:

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Not later than one year	860,062	806,640
Between one and five years	250,770	242,935
	1,110,832	1,049,575

14 Financial risk management

Financial risk factors

The Company's activities expose it to market risk (including currency risk and cash flow and fair value interest rate risk), credit risk, liquidity risk and capital risk. The Company's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Company's financial performance. As at 30 June 2017, the Company does not hold or issue derivative financial instrument for trading purposes.

14 Financial risk management (continued)

Risk management is integral to the whole business of the Company. Financial risk management is carried out by the Board of Directors. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) Market risk

(i) Currency risk

The Company's business operations are not exposed to significant currency risk as it has no significant transactions and balances denominated in foreign currencies.

(ii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Company has no significant interest-bearing assets, the Company's income is substantially independent of changes in market interest rates.

The Company's exposure to cash flow interest rate risks arises mainly from bank borrowings at variable rate. The Company's exposure to cash flow interest rate risk arises from non-current borrowings. The Company manages its interest rate risk by keeping bank borrowings to the minimum required to sustain the operations of the Company.

The Company's borrowings at variable rates are denominated mainly in SGD. If the SGD interest rates had increased/decreased by 1% with all other variables including tax rate being held constant, the impact to profit after tax as a result of higher/lower interest expenses on these borrowings are not significant.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial asset of the Company are cash and bank balances and trade receivables. For trade receivables, the Company has policies in place to ensure that sales of services are made to customers with an appropriate credit history.

Cash and bank balances are placed with banks and financial institutions with high credit-ratings assigned by international credit rating agencies. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record.

As at 30 June 2017 and 31 December 2016, the trade receivables are corporate companies and comprise 2 debtors and 3 debtors that individually represented 49% - 51%, and 16% - 51% of trade receivables in the respective financial period/year ended.

As the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position. None of the Company's financial assets are past due and/or impaired.

14 Financial risk management (continued)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the reporting date, assets held by the Company for managing liquidity risk included cash and bank balances.

The Company's policy in managing liquidity risk is to maintain sufficient cash and bank balances and adequate amount of committed credit facilities to enable the Company to meet its operating commitments.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity Company based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year $	Between 1 to 5 years $	More than 5 years $	Total $
(Unaudited)				
At 30 June 2017				
Trade and other payables	4,568,333	-	-	4,568,333
Borrowings	498,660	2,289,098	1,984,834	4,772,592
	5,066,993	2,289,098	1,984,834	9,340,925
(Audited)				
At 31 December 2016				
Trade and other payables	4,525,346	-	-	4,525,346
Borrowings	546,824	2,301,505	2,115,508	4,963,837
	5,072,170	2,301,505	2,115,508	9,489,183

14 Financial risk management (continued)

(d) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The Company's strategy is to maintain a gearing ratio not higher than 1. The Company is not required by the banks to maintain certain gearing ratio.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less cash and bank balances. Total capital is calculated as net debt plus equity.

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Net debt	8,786,023	9,119,510
Total equity	806,245	717,269
Total capital	9,592,268	9,799,181
Gearing ratio	0.92	0.93

The Company is not subject to any externally imposed capital requirements for the financial period/year ended 30 June 2017 and 31 December 2016 respectively.

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments is as follows:

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Loans and receivables	231,735	112,518
Financial liabilities at amortised cost	8,832,496	9,076,343

15 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Purchase of services

	(Unaudited) For the six-month period ended 30 June 17 $	(Unaudited) For the six-month period ended 30 June 16 $
Expenses paid/payable to related parties		
- Accounting fee	3,000	3,000
- Management fee	6,000	6,000

Related parties comprise mainly of companies which are controlled or significantly influenced by the Company's key personnel and their close family members.

There were no outstanding balance at 30 June 2017 and 31 December 2016, arising from the purchases of services except as disclosed in Note 10 to the financial statements.

(b) Key management personnel compensation

There are no compensation made to key management personnel of the Company during the six-month period ended 30 June 2017 and 30 June 2016 respectively.

16 New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 July 2017 or later periods and which the Company has not early adopted:

Effective for annual periods beginning on or after 1 January 2018

- FRS 109 Financial Instruments

The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI.

The Company does not expect the new guidance to have a significant impact on the classification of its financial assets.

For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designed at fair value through profit or loss. There will be no impact on the Company's accounting for financial liabilities as the Company does not have any such liabilities.

In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Management anticipates that the initial application of the new FRS 109 will result in changes to the accounting policies relating to the impairment provisions of financial asset. Management will consider whether a lifetime or 12-month expected credit losses on financial assets should be recognised, which is dependent on whether there has been a significant increase in the credit risk of the assets from initial recognition to the date of initial application of FRS 109. Additional disclosures will also be made. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Company's financial statements in the period of initial application as management has yet to complete its detailed assessment.

16 New or revised accounting standards and interpretations (continued)

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 July 2017 or later periods and which the Company has not early adopted: (continued)

Effective for annual periods beginning on or after 1 January 2018 (continued)

- Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers

This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

At this stage, the Company is not able to estimate the impact of the new rules on the Company's financial statements. The Company will make more detailed assessment of the impact over the next twelve months.

Effective for annual periods beginning on or after 1 January 2019

- FRS 116 Leases

FRS 116 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The standard will affect primarily the accounting for the Company's operating leases. However, the Company has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Company's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

16 New or revised accounting standards and interpretations (continued)

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 July 2017 or later periods and which the Company has not early adopted: (continued)

Effective date: to be determined*
- Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore (ASC) in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption.

17 Authorisation of financial statements

These financial statements for the six-month period ended 30 June 2017 have been prepared for inclusion in the circular to be issued by Changjiang Fertilizer Limited and were authorised for issue by the Board of Directors of the Company on 15 November 2017.

CHIU TENG 8 PTE. LTD.
(INCOPORATED IN THE REPUBLIC OF SINGAPORE)
(REGISTRATION NUMBER: 201006389E)

INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

Chiu Teng 8 Pte. Ltd.
Directors' Statement
For the Six-month Period ended 30 June 2017

In the opinion of the directors,

(i) the interim financial statements of the Company as set out on pages L-4 to L-27 are drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2017, and of the financial performance, changes in equity and cash flows of the Company for the six-month period then ended, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these interim financial statements for issue.

On behalf of the directors

.....
Ng Chee Beng
Director

.....
Ng Chee Hwa
Director

15 November 2017

APPENDIX L – INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM FINANCIAL STATEMENTS OF CHIU TENG 8 PTE. LTD. FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

The Board of Directors
Chiu Teng 8 Pte. Ltd
114 Lavender Street
#18-01
CT Hub 2
Singapore 338729

Dear Sirs

Introduction

We have reviewed the accompanying interim financial statements of Chiu Teng 8 Pte. Ltd. (the "Company") as set out on pages L-4 to L-27, which comprise the statement of financial position of the Company as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period ended 30 June 2017, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and presentation of these interim financial statements in accordance with Singapore Financial Reporting Standards. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 30 June 2017, and of its financial performance, changes in equity and its cash flows for the six-month period then ended in accordance with Singapore Financial Reporting Standards.

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2017
(continued)

Restriction on Distribution and Use

This report has been prepared solely for inclusion in the Circular of Changjiang Fertilizer Holdings Limited to be issued in connection with the proposed acquisition of the entire issued and paid-up share capital of the Company by Changjiang Fertilizer Holdings Limited, a company listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") and for no other purpose or party.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Director in-charge: Meriana Ang Mei Ling
Singapore

15 November 2017

Chiu Teng 8 Pte. Ltd.
Statement of Comprehensive Income
For the Six-month Period ended 30 June 2017

	Note	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Revenue	4	7,521,892	4,279,716
Cost of sales		(5,643,473)	(3,510,705)
Gross profit		1,878,419	769,011
Other income	7	5,771	234
Expenses			
- Selling and distribution		(243,005)	(181,908)
- Administrative		(81,176)	(207,514)
- Finance	8	-	(203,836)
Profit before income tax		1,560,009	175,987
Income tax expense	9	(230,000)	(6,573)
Total comprehensive income, representing net profit		1,330,009	169,414

The accompanying notes form an integral part of these financial statements.

Chiu Teng 8 Pte. Ltd.
Statement of Financial Position
As at 30 June 2017

	Note	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
ASSETS			
Current assets			
Cash and bank balances	10	3,472,009	3,144,428
Trade receivables	11	2,968,360	4,114,094
Development properties	12	8,032,190	13,675,663
Total assets		14,472,559	20,934,185
LIABILITIES			
Current liabilities			
Trade and other payables	13	550,799	1,056,546
Provisions	14	-	249,323
Current income tax liabilities		1,508,435	2,545,000
		2,059,234	3,850,869
Total liabilities		2,059,234	3,850,869
NET ASSETS		12,413,325	17,083,316
EQUITY			
Share capital	15	1,000,000	1,000,000
Retained profits*		11,413,325	16,083,316
Total equity		12,413,325	17,083,316

*Retained profits of the Company are fully distributable

The accompanying notes form an integral part of these financial statements.

Chiu Teng 8 Pte. Ltd.
Statement of Changes in Equity
For the Six-month Period ended 30 June 2017

	Share capital $	Retained profits $	Total equity $
(Unaudited)			
30 June 2017			
Beginning of financial period	1,000,000	16,083,316	17,083,316
Total comprehensive income for the financial period	-	1,330,009	1,330,009
Dividends paid (Note 16)	-	(6,000,000)	(6,000,000)
End of financial period	1,000,000	11,413,325	12,413,325
(Unaudited)			
30 June 2016			
Beginning of financial period	1,000,000	20,430,654	21,430,654
Total comprehensive income for the financial period	-	169,414	169,414
Dividends paid (Note 16)	-	(5,000,000)	(5,000,000)
End of financial period	1,000,000	15,606,058	16,606,058

The accompanying notes form an integral part of these financial statements.

Chiu Teng 8 Pte. Ltd.
Statement of Cash Flows
For the Six-month Period ended 30 June 2017

		(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Cash flows from operating activities			
Net profit		1,330,009	169,414
Adjustments for:			
- Interest income	7	(5,771)	-
- Interest expense	8	-	203,836
- Income tax expense	9	230,000	6,573
Operating cash flow before working capital changes		1,554,238	379,823
Changes in working capital:			
- Trade receivables		1,145,734	15,559,151
- Development properties		5,643,473	3,499,468
- Provisions		(249,323)	-
- Trade and other payables		(422,421)	(1,010,146)
Cash generated from operations		7,671,701	18,428,296
Interest received		5,771	-
Income tax paid		(1,266,565)	(827,065)
Net cash provided by operating activities		6,410,907	17,601,231
Cash flows from financing activities			
Repayment of shareholder's loans		-	(20,000,000)
Loan from a related party		-	3,000,000
Dividends paid	16	(6,000,000)	(2,000,000)
Net cash used in financing activities		(6,000,000)	(19,000,000)
Net increase/(decrease) in cash and cash equivalents		410,907	(1,398,769)
Cash and cash equivalents			
Beginning of financial period		3,031,558	4,235,591
End of financial period	10	3,442,465	2,836,822

The accompanying notes form an integral part of these financial statements.

Chiu Teng 8 Pte. Ltd.
Notes to the Interim Financial Statements
For the Six-month Period ended 30 June 2017

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 General information

Chiu Teng 8 Pte. Ltd. ("the Company") is a limited liability company incorporated and domiciled in Singapore.

The registered address and principal place of business of the Company is located at 114 Lavender Street, #18-01 CT Hub 2, Singapore 639144.

The principal activity of the Company is that of real estate development.

The Company's immediate holding corporation is CTE Resources Pte. Ltd., a company incorporated and domiciled in Singapore.

2 Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2017

On 1 January 2017, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial period ended 30 June 2017. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Company and had no material effect on the amounts reported for the six-month period ended 30 June 2017 or prior financial years.

2 Summary of significant accounting policies (continued)

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable and is presented net of goods and services tax, rebates and discounts.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activities are met as follows:

(a) Sale of development properties under construction

Where development property is under construction and agreement has been reached to sell such property when construction is complete, the management considers whether the contract comprise a contract to construct a property when the contract is judged to be for the sale of a completed property, revenue is recognised when the significant risks and rewards of ownership of the real estate have been transferred to the buyer, generally upon completion of the construction of the property. Properties are considered complete upon the issuance of the Temporary Occupation Permits ("TOP") by Building Construction Authority ("BCA").

Sale of development properties under construction in respect of sale and purchase agreements are entered into prior to completion of construction will be deferred and presented as deferred income within "Trade and other payables" on the statement of financial position (Note 13) and will be recognised as revenue upon the issuance of TOP.

(b) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

2.3 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the development of properties. This includes those costs on borrowings acquired specifically for the development of properties as well as those in relation to general borrowings used to finance the development of properties.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the properties under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.4 Financial assets

(a) Classification

The Company classifies its financial assets as loans and receivables. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

2 Summary of significant accounting policies (continued)

2.4 Financial assets (continued)

(a) Classification (continued)

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those that are expected to be realised later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are presented as "Trade receivables" (Note 11) and "Cash and bank balances" (Note 10) on the statement of financial position.

(b) Recognition and Derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

(c) Initial Measurement

Financial assets are initially recognised at fair value plus transaction costs.

(d) Subsequent Measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

(e) Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a Company of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and Receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2 Summary of significant accounting policies (continued)

2.5 Development properties

Development properties are properties acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Company's own use, rental or capital appreciation. Development properties are held as inventories and are stated at lower of cost and the estimated net realisable value. Net realisable value of development properties is the estimated selling price in the ordinary course of business based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimates costs necessary to make the sale. Where necessary, write-down is made for development properties when it is anticipated that the net realisable value has fallen below cost.

The cost of properties under development includes cost of land and construction costs, related overhead expenditure, and financing charges and other net costs incurred during the period of development. Borrowing costs payable on loans funding the development properties are also capitalised, on a specific identification basis as part of the cost of the development properties until the completion of development. When it is probable that the cost of development properties will exceed sale proceed of the development properties, the expected loss is recognised as an expense immediately. The development properties in progress have operating cycles longer than one year. Revenue recognition on properties under development is described in Note 2.2(a) to the financial statements. The costs of development properties recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Expenses incurred in selling of the property will be deferred and presented as deferred expenses within "Trade receivables" on the statement of financial position (Note 11) until the issuance of TOP.

Completed properties held for sale are stated at the lower of cost and net realisable value. Cost includes cost of land and construction costs, related overhead expenditure, and financing charges and other net costs incurred during the period of development. A write-down is made for development properties is made when it is anticipated that the net realisable value has fallen below cost. Revenue recognition on completed properties held for sale is described in Note 2.2(a) to the financial statements.

2.6 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.7 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2 Summary of significant accounting policies (continued)

2.8 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.9 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the reporting date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Company accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2 Summary of significant accounting policies (continued)

2.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.11 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined contribution

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The Company's contributions are recognised as employee compensation expenses when they are due.

2.12 Functional and presentation currency

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

2.13 Cash and cash equivalents

For the purpose of the presentation in the statement of cash flows, cash and cash equivalents include cash and bank balances, deposits with financial institutions which are subject to an insignificant risk of changes in value.

2.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.15 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

(a) Estimation of net realisable value for development properties

Development properties are stated at the lower of cost and net realisable value.

The Company assesses at each reporting date the net realisable value of development properties by reference to sales prices of comparable properties, timing of sale launches, location of property, expected net selling prices and development expenditure. Market conditions may, however, change which may affect the future selling prices on the remaining unsold units of the development properties and accordingly, the carrying amount of development properties for sale may have to be written down in future periods.

Management has assessed that no write down in the carrying amount of the development properties is required to be made in the financial statements for the financial period ended 30 June 2017.

The carrying amount of the development properties is disclosed in Note 12 to the financial statements.

(b) Provison for stamp duty and renovation rebates

The Company has granted stamp duty rebates and renovation rebates, as part of marketing activities, to purchasers of the development properties at 421 Tagore Industrial Avenue. The amount is pre-agreed during the signing of option to purchase. The rebates will be paid out upon the fulfillment of the conditions stated in the Letter of Offer.

In determining the provisions, consideration is given to the timing of these expected future costs. Management has based it on the average period to complete the construction of the development properties which is estimated to be within 2 years at the point of agreement.

Full provision is made on the rebates on a discounted basis, which represents the present value of the future cash payments of the rebates. The carrying amounts of the provisions are disclosed in Note 14 to the financial statements.

Provision made on 30 June 2017 and 31 December 2016 is not discounted to present value as the impact is not significant.

Chiu Teng 8 Pte. Ltd.
Notes to the Interim Financial Statements
For the Six-month Period ended 30 June 2017

4 Revenue

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Sale of development properties	7,521,892	4,279,716

5 Expenses by nature

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Accounting fee	15,000	15,000
Cost of development properties	5,643,473	3,510,705
Employee compensation (Note 6)	8,898	23,371
Management fee	6,000	6,000
Selling and marketing	158,480	97,383
Rental expense for sales office	84,525	84,525
Professional fee	-	55,265
Property tax	17,161	47,843
Upkeep of development properties	33,256	54,086
Others	861	5,949
Total costs of sales, selling and distribution and administrative expenses	5,967,654	3,900,127

6 Employee compensation

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Salaries	7,600	19,950
Employer's contribution to defined contribution plans including Central Provident Fund	1,292	3,392
Other	6	29
	8,898	23,371

Chiu Teng 8 Pte. Ltd.
Notes to the Interim Financial Statements
For the Six-month Period ended 30 June 2017

7 Other income

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Interest income on bank balances	5,771	-
Late payment charges from customers	-	234
	5,771	234

8 Finance expenses

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Interest expense on:		
- Loan from shareholders	-	203,836

9 Income taxes

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Tax expense attributable to profit is made up of:		
Profit for the financial period:		
- Current income tax	230,000	6,573

9 Income taxes (continued)

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Profit before income tax	1,560,009	175,987
Tax calculated at tax rate of 17%	265,201	29,918
Effects of:		
- corporate income tax rebate	(10,000)	(6,573)
- statutory tax exemption	(25,925)	(16,772)
- others	724	-
	230,000	6,573

10 Cash and bank balances

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Cash at bank	3,437,510	3,026,603
Cash at bank – project account	4,955	4,955
Restricted cash	29,544	112,870
	3,472,009	3,144,428

As at 30 June 2017 and 31 December 2016, the Company holds a bank account which is reserved for the purpose of funding maintenance expenses of the properties located at 421 Tagore Industrial Avenue. The balance is classified as restricted cash as the Company does not have access to the funds (Note 13).

10 Cash and bank balances (continued)

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

	(Unaudited) 30 June 2017 $	(Unaudited) 30 June 2016 $
Cash and bank balances	3,472,009	3,119,977
Less: restricted cash	(29,544)	(283,155)
Cash and cash equivalents as per statement of cash flows	3,442,465	2,836,822

11 Trade receivables

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Trade receivables – Unbilled receivables (non-related parties)	2,968,360	4,114,094

12 Development properties

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Properties held for sale	8,032,190	13,675,663

At 30 June 2017, the development properties held by the Company is as follows:

Location	Description	Tenure	Issuance date of Temporary Occupation Permit ("TOP")	Issuance date of Certificate of Statutory Completion ("CSC")	Site area (sq.m)	Gross floor area (sq.m)
421 Taglore Industry Avenue	4 storey multi user industry building	Freehold	17 June 2015	02 September 2015	13,314	26,628

13 Trade and other payables

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Trade payables		
- Non-related parties	9,458	56,368
- Related parties	15,073	21,280
- Retention payables – Related parties	-	71,423
	24,531	149,071
Accrued operating expenses	154,712	234,589
Other payables – Non-related parties	342,012	560,016
Reserve fund for maintenance expenses (Note 10)	29,544	112,870
	550,799	1,056,546

14 Provisions

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Stamp duty rebates (Note(a))	-	-
Renovation rebates (Note(b))	-	249,323
	-	249,323

Stamp duty rebates and renovation rebates have been granted to purchasers of the development properties at 421 Tagore Industrial Avenue upon the signing of the option to purchase ("OTP"). The provisions were based on the amount stated on the OTP and it will be paid out upon the fulfillment of the conditions stated in the OTP. Provisions are recognised at the reporting date for expected amounts of rebates payable to purchasers based on management's past experience and likelihood of the fulfillment of the conditions.

14 Provisions (continued)

(a) Movement in the provision of stamp duty rebates are as follows:

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Beginning of financial year	-	6,000
Provisions written back	-	(6,000)
End of financial year	-	-

(b) Movement in the provision of renovation rebates are as follows:

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Beginning of financial year	249,323	87,782
Provisions made	258,464	249,323
Provisions utilised	(507,787)	-
Provisions written back	-	(87,782)
End of financial year	-	249,323

15 Share capital

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Beginning and end of financial period/year		
- 1,000,000 ordinary shares	1,000,000	1,000,000

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

16 Dividends

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Ordinary dividends		
Interim one-tier tax-exempt dividends	6,000,000	5,000,000

During the financial period ended 30 June 2017, one-tier tax exempt interim dividends amounting to $6,000,000 was paid to the Company's shareholders in respect of the financial period ended 30 June 2017.

On 5 July 2017, the board of directors called for a resolution to rescind the interim dividend amounting to $6,000,000, previously paid out on 29 May 2017. These financial statements do not reflect the rescindment of the dividend which will be accounted for in shareholders' equity as a restoration of retained profits in the financial year ending 31 December 2017.

17 Financial risk management

Financial risk factors

The Company's activities expose it to market risk (including currency risk and cash flow and fair value interest rate risks), credit risk, liquidity risk and capital risk. The Company's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Company's financial performance. As at 30 June 2017, the Company does not hold or issue derivative financial instrument for trading purposes.

Risk management is integral to the whole business of the Company. Financial risk management is carried out by the Board of Directors. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

17 Financial risk management (continued)

(a) Market risk

(i) Currency risk

The Company's business operations are not exposed to significant currency risk as it has no significant transactions and balances denominated in foreign currencies.

(ii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Company's exposure to cash flow interest rate risks arises mainly from bank borrowings at variable rates. The Company manages its interest rate risk by keeping bank borrowings to the minimum required to sustain the operations of the Company.

The Company's borrowings at variable rates are denominated mainly in SGD. If the SGD interest rates had increased/decreased by 1% with all other variables including tax rate being held constant, the impact to profit after tax as a result of higher/lower interest expenses on these borrowings are not significant.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are cash and bank balances and trade receivables. For trade receivables, the Company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

Cash and bank balances are placed with banks and financial institutions which are regulated with high credit-ratings assigned by international credit-rating agencies.

As at 30 June 2017 and 31 December 2016, the trade receivables are corporate companies and comprise 2 debtors and 1 debtor that individually represented 46% - 54% and 100% of trade receivables in the respective financial period/year ended.

As the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position. None of the Company's financial assets are past due and/or impaired.

17 Financial risk management (continued)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At the reporting date, assets held by the Company for managing liquidity risk included cash as disclosed in Note 10 to the financial statements.

The Company's policy in managing liquidity risk is to maintain sufficient cash and cash equivalents and adequate amount of committed credit facilities to enable the Company to meet its operating commitments.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year $
(Unaudited)	
30 June 2017	
Trade and other payables	521,255
(Audited)	
31 December 2016	
Trade and other payables	943,676

(d) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The Company's strategy is to maintain a gearing ratio not higher than 1. The Company is not required by the banks to maintain certain gearing ratio.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less cash and bank balances. Total capital is calculated as net debt plus equity.

17 Financial risk management (continued)

(d) Capital risk (continued)

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Net debt	(1,412,755)	706,441
Total equity	12,413,325	17,083,316
Total capital	11,000,550	17,789,757
Gearing ratio	N.M.	0.04

N.M.: Denotes not meaningful

The Company is not subject to any externally imposed capital requirements for the financial period/year ended 30 June 2017 and 31 December 2016 respectively.

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments is disclosed on the face of the statement of financial positions, except for the following:

	(Unaudited) 30 June 2017 $	(Audited) 31 December 2016 $
Loans and receivables	6,410,825	7,145,652
Financial liabilities at amortised cost	521,255	943,676

18 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Purchases of goods and services

	(Unaudited) For the six-month period ended 30 June 2017 $	(Unaudited) For the six-month period ended 30 June 2016 $
Expenses paid/payable to related parties		
- Rental expenses	84,525	84,525
- Management fee	6,000	6,000
- Accounting fee	15,000	15,000
- Staff salaries recharged	8,898	23,371
Interest payable/paid to shareholders	-	203,836

18 Related party transactions (continued)

(a) Purchases of goods and services (continued)

Related parties comprise mainly of companies which are controlled or significantly influenced by the Company's key personnel and their close family members.

Outstanding balance at 30 June 2017 and 31 December 2016, arising from the sales and purchases of goods and services are unsecured and payable within 12 months from reporting date and are disclosed in Note 13 to the financial statements.

(b) Key management personnel compensation

There are no key management personnel compensation incurred for the six-month period ended 30 June 2017 and 30 June 2016 respectively.

19 New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 July 2017 or later periods and which the Company has not early adopted:

Effective for annual periods beginning on or after 1 January 2018

- FRS 109 Financial Instruments

The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI.

The Company does not expect the new guidance to have a significant impact on the classification of its financial assets.

For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designed at fair value through profit or loss. There will be no impact on the Company's accounting for financial liabilities as the Company does not have any such liabilities.

In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Management anticipates that the initial application of the new FRS 109 will result in changes to the accounting policies relating to the impairment provisions of financial asset. Management will consider whether a lifetime or 12-month expected credit losses on financial assets should be recognised, which is dependent on whether there has been a significant increase in the credit risk of the assets from initial recognition to the date of initial application of FRS 109. Additional disclosures will also be made. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Company's financial statements in the period of initial application as management has yet to complete its detailed assessment.

19 New or revised accounting standards and interpretations (continued)

Effective for annual periods beginning on or after 1 January 2018 (continued)

- Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers

  This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

  Step 1: Identify the contract(s) with a customer
  Step 2: Identify the performance obligations in the contract
  Step 3: Determine the transaction price
  Step 4: Allocate the transaction price to the performance obligations in the contract
  Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

  FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

  At this stage, the Company is not able to estimate the impact of the new rules on the Company's financial statements. The Company will make more detailed assessment of the impact over the next twelve months.

19 New or revised accounting standards and interpretations (continued)

Effective for annual periods beginning on or after 1 January 2019

- FRS 116 Leases

  FRS 116 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

  The standard will affect primarily the accounting for the Company's operating leases. However, the Company has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Company's profit and classification of cash flows.

  Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

Effective date: to be determined*

- Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore (ASC) in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Company in the period of their initial adoption.

20 Authorisation of financial statements

These financial statements for the six-month period ended 30 June 2017 have been prepared for inclusion in the Circular of Changjiang Fertilizer Holdings Limited and were authorised for issue by the Board of Directors of the Company on 15 November 2017.

APPENDIX M: REPORT ON UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION OF THE ENLARGED GROUP FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016 AND THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

The Board of Directors
Changjiang Fertilizer Holdings Limited
10 Collyer Quay
#27-00 Ocean Financial Centre
Singapore 049315

Report on the compilation of unaudited pro forma consolidated financial information of Changjiang Fertilizer Holdings Limited and the Target Companies for the financial years ended 31 December 2014, 2015 and 2016 and the six-month period ended 30 June 2017 included in the circular to shareholders of Changjiang Fertilizer Holdings Limited

This report has been prepared for inclusion in the circular to shareholders (the "Circular") of Changjiang Fertilizer Holdings Limited ("Changjiang" or the "Company") in connection with the proposed acquisition of the entire issued and paid-up share capital of Chiu Teng 8 Pte. Ltd. ("CT8") and WBH Investments Pte. Ltd. ("WBH") (collectively, the "Target Companies") (the "Proposed Acquisition") and should not be used for any other purpose.

We have completed our assurance engagement to report on the compilation of unaudited pro forma consolidated financial information of the Company and the Target Companies (collectively, the "Enlarged Group") in connection with the Company's Proposed Acquisition.

The unaudited pro forma consolidated financial information consists of the unaudited pro forma consolidated statements of financial position as at 31 December 2016 and 30 June 2017, the unaudited pro forma consolidated statements of comprehensive income for the financial years ended 31 December 2014, 2015 and 2016 and the six-month period ended 30 June 2017, the unaudited pro forma consolidated statements of cash flow for the financial year ended 31 December 2016 and the six-month period ended 30 June 2017, and related notes as set out on pages M-5 to M-29 of the Circular issued by the Company. The applicable criteria on the basis of which Directors of the Company have compiled the unaudited pro forma consolidated financial information are described in Note 4 of the unaudited pro forma consolidated financial information.

The unaudited pro forma consolidated financial information has been compiled by the Directors of the Company to illustrate the impact of the Proposed Acquisition based on the Criteria described in Note 4 of the unaudited pro forma consolidated financial information to show what:

(i) The unaudited pro forma consolidated statements of comprehensive income of the Enlarged Group for the financial years ended 31 December 2014, 2015 and 2016 and the six-month period ended 30 June 2017 would have been if the Proposed Acquisition occurred on 1 January 2014;

(ii) The unaudited pro forma consolidated statements of financial position of the Enlarged Group as at 31 December 2016 and as at 30 June 2017 would have been if the Proposed Acquisition occurred on 31 December 2016 and 30 June 2017 respectively; and

(iii) The unaudited pro forma consolidated statements of cash flows of the Enlarged Group for the financial year ended 31 December 2016 and the six-month period ended 30 June 2017 would have been if the Proposed Acquisition occurred on 1 January 2016.

The dates on which the Proposed Acquisition described above are assumed to have been undertaken, are herein collectively referred to as the "Relevant Dates".

As part of this process, information about the unaudited pro forma consolidated financial information in respect of Changjiang, CT8 and WBH has been extracted by Directors of the Company from the following:

(a) Audited financial statements of Changjiang for the financial years ended 31 December 2014, 2015 and 2016 on which an audit report had been issued with modified opinion for the respective financial year as described in Note 4 of the unaudited pro forma consolidated financial information;

(b) Audited financial statements of CT8 and WBH for the financial years ended 31 December 2014, 2015 and 2016, on which an audit report has been issued and included in the Circular;

(c) Unaudited management account of Changjiang for the six-month period ended 30 June 2017; and

(d) Unaudited financial statements of CT8 and WBH for the six-month period ended 30 June 2017 on which a review report has been issued and included in the Circular.

Directors' responsibility for the Unaudited Pro forma Consolidated Financial Information

The Directors of the Company are responsible for compiling the unaudited pro forma consolidated financial information on the basis of the applicable criteria as described in Note 4 of the unaudited pro forma consolidated financial information.

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Reporting Accountant's responsibilities

Our responsibility is to express an opinion about whether the unaudited pro forma consolidated financial information has been compiled, in all material respects, by the Directors of the Company on the basis as described in Note 4 of the unaudited pro forma consolidated financial information.

We conducted our engagement in accordance with Singapore Standard on Assurance Engagements ("SSAE") 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Institute of Singapore Chartered Accountants. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether Directors of the Company have compiled, in all material respects, the unaudited pro forma consolidated financial information on the basis as described in Note 4 of the unaudited pro forma consolidated financial information.

The purpose of unaudited pro forma consolidated financial information included in the Circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at each of the Relevant Dates would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma consolidated financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by Directors of the Company in the compilation of the unaudited pro forma consolidated financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and

- The unaudited pro forma consolidated financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the Reporting Auditor's judgement, having regard to the reporting accountant's understanding of the nature of the event or transaction in respect of which the unaudited pro forma consolidated financial information has been compiled and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma consolidated financial information of the Enlarged Group.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

The unaudited pro forma consolidated financial information has been compiled:

(i) in a manner consistent with the accounting policies adopted by the Enlarged Group, which are in accordance with Singapore Financial Reporting Standards; and

(ii) on the basis that the applicable criteria stated in Note 4 of the unaudited pro forma consolidated financial information is appropriate.

In our opinion, each material adjustment made to the information used in the preparation of the unaudited pro forma consolidated financial information is appropriate for the purpose of preparing such unaudited financial information.

Nexia TS Public Accounting Corporation
Public Accountants and Certified Public Accountants

Director-in-charge: Meriana Ang Mei Ling

Singapore

15 November 2017

CHANGJIANG FERTILIZER HOLDINGS LIMITED AND THE TARGET COMPANIES

UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016 AND THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

	Financial years ended 31 December			Six-month period ended 30 June	
	2014	2015	2016	2017	2016
	$	$	$	$	$
Sales	1,148,255	170,751,096	16,779,927	8,003,864	4,690,476
Cost of sales	–	(139,857,378)	(14,007,127)	(5,643,473)	(3,510,705)
Gross profit	1,148,255	30,893,718	2,772,800	2,360,391	1,179,771
Other income	3,156,115	15,953	188	12,932	234
Expenses					
– Selling and distribution	(472,447)	(3,530,944)	(697,708)	(243,005)	(180,908)
– Administrative	(10,168,977)	(2,376,681)	(2,002,083)	(744,837)	(905,744)
– Finance	(365,561)	(1,381,632)	(325,111)	(50,781)	(273,667)
(Loss)/profit before income tax	(6,702,615)	23,620,414	(251,914)	1,334,700	(180,314)
Income tax credit/(expense)	6,031	(4,312,242)	(135,416)	(268,693)	(25,174)
Total comprehensive (loss)/income, representing net (loss)/profit	(6,696,584)	19,308,172	(387,330)	1,066,007	(205,488)
(Loss)/earnings per share attributable to equity holders of the Company (cents)	(0.24)	0.70	(0.01)	0.04	(0.01)

CHANGJIANG FERTILIZER HOLDINGS LIMITED AND THE TARGET COMPANIES

UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 AND 30 JUNE 2017

	31 December 2016 $	30 June 2017 $
ASSETS		
Current assets		
Cash and bank balances	3,208,213	9,671,731
Trade receivables	4,163,307	3,000,679
Development properties	13,675,663	8,032,190
	21,047,183	20,704,600
Non-current assets		
Investment properties	12,166,000	12,166,000
Development properties	3,866,760	3,866,760
	16,032,760	16,032,760
Total assets	37,079,943	36,737,360
LIABILITIES		
Current liabilities		
Trade and other payables	21,101,685	21,013,077
Borrowings	546,824	498,660
Provisions	249,323	–
Current income tax liabilities	2,582,598	1,571,156
	24,480,430	23,082,893
Non-current liabilities		
Borrowings	4,004,173	3,765,503
Total liabilities	28,484,603	26,848,396
NET ASSETS	8,595,340	9,888,964
EQUITY		
Capital and reserves attributable to the equity holders of the Company		
Share capital	7,946,232	7,946,232
Reverse acquisition reserve	(10,597,277)	(10,597,277)
Retained profits	11,246,385	12,540,009
Total equity	8,595,340	9,888,964

CHANGJIANG FERTILIZER HOLDINGS LIMITED AND THE TARGET COMPANIES

UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 AND THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

	Financial year ended 31 December 2016 $	Six-month period ended 30 June 2017 $
Cash flow from operating activities		
Net (loss)/profit	(5,744,371)	1,066,007
Adjustments for:		
– Share-based payment arising from reverse acquisition	6,713,124	–
– Professional fees settled through issuance of new shares	680,000	–
– Bargain purchase on acquisition of a subsidiary corporation	(614,490)	–
– Waiver of amounts owing to directors and former controlling shareholder	(2,541,593)	–
– Depreciation of investment properties	455,236	227,617
– Interest income	–	(5,771)
– Interest expense	325,111	50,781
– Income tax expense	135,416	268,693
Operating cash flow before working capital changes	(591,567)	1,607,327
Changes in working capital:		
– Trade receivables	11,430,241	1,162,628
– Development properties	13,866,127	5,643,473
– Provisions	155,541	(249,323)
– Trade and other payables	1,362,750	(5,282)
Cash generated from operations	26,223,092	8,158,823
Interest received	–	5,771
Income tax paid	(1,668,630)	(1,280,135)
Net cash provided by operating activities	24,554,462	6,884,459
Cash flows from investing activities		
Acquisition of subsidiary corporations, net of cash acquired	45,980	–
Net cash provided by investing activities	45,980	–
Cash flows from financing activities		
Repayment of shareholder's loans	(20,000,000)	–
Dividends paid	(5,000,000)	–
Repayment of bank borrowings	(463,743)	(238,670)
Interest paid	(325,111)	(50,781)
Net cash used in financing activities	(25,788,854)	(289,451)

CHANGJIANG FERTILIZER HOLDINGS LIMITED AND THE TARGET COMPANIES

UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 AND THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

	Financial year ended 31 December 2016 $	Six-month period ended 30 June 2017 $
Net (decrease)/increase in cash and cash equivalents	(1,188,412)	6,595,008
Cash and cash equivalents at beginning of the financial year/period	4,235,591	3,047,179
Cash and cash equivalents at end of the financial year/period	3,047,179	9,642,187
Cash and cash equivalents comprise:		
Cash and bank balances (as per statements of financial position)	3,208,213	9,671,731
Less: Restricted cash	(112,870)	(29,544)
Less: Bank overdraft	(48,164)	–
	3,047,179	9,642,187

Reconciliation of liabilities arising from financing activities

	1 January 2017 $	Principal and interest payments $	Non-cash changes $	30 June 2017 $
			Interest expense	
Bank borrowings	4,502,833	(289,451)	50,781	4,264,163

CHANGJIANG FERTILIZER HOLDINGS LIMITED AND THE TARGET COMPANIES

NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION OF THE ENLARGED GROUP FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016 AND THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

These selective notes form an integral part of and should be read in conjunction with the accompanying unaudited pro forma consolidated financial information of the Enlarged Group.

1. General information

Changjiang Fertilizer Holdings Limited is a limited liability company incorporated and domiciled in Singapore. The Company listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 13 October 2009. The principal activity of the Company is that of investment holding.

The address of the Company's registered office is the office of 10 Collyer Quay #27-00 Ocean Financial Centre Singapore 049315.

The principal activities of its subsidiary corporations of the Enlarged Group are disclosed in Note 3.

2. Proposed acquisition

(a) WBH Investments Pte. Ltd. ("WBH") acquisition

On 11 April 2016, the Company entered into Sale and Purchase Agreement ("SPA") to acquire the entire issued and paid-up share capital of WBH comprising 100,000 issued and paid-up ordinary shares which are currently held by Chiu Teng Enterprises Pte. Ltd. ("CTE"), Wang & Lee Investments Pte. Ltd. ("WLI") and YMK Realty Pte. Ltd. ("YMK") (collectively, the "WBH Vendors") for a total consideration of $13,844,400.

On 13 June 2016, the Company and the WBH Vendors entered into a supplemental SPA to amend certain terms of the SPA which were affected as a result of the Company entering into the Chiu Teng 8 Pte. Ltd. SPA with CTE Resources Pte. Ltd. ("CTE Resources"). The Company and the WBH Vendors subsequently entered into amendment letters on 22 September 2016 and 25 April 2017 to extend the long-stop date of the WBH SPA to 31 December 2017.

On 24 July 2017, the Company and the WBH Vendors entered into a further amendment letter, under which the WBH Consideration was reduced from S$13,844,400 to S$7,047,806.

Prior to the completion of the WBH acquisition, WBH will undergo restructuring whereby YMK's shares will be transferred to CTE such that CTE will be the legal and beneficial owner of 70.0% of the issued and paid up share capital of WBH and WLI will be the legal and beneficial owner of the remaining 30.0% of the issued and paid up share capital of WBH.

2. Proposed acquisition (cont'd)

(a) WBH Investments Pte. Ltd. ("WBH") acquisition (cont'd)

As a result of the above, the consideration for acquisition of WBH shall comprises 493,346,422 of the Company's new shares at S$0.005 each, to be allotted and issued to CTE and WLI based on their respective interests in WBH, amounting to $2,466,732 and deferred cash consideration of $4,581,074 to be paid not later than 14 days after the date of completion of WBH acquisition.

The deferred consideration amount is arrived at $4,581,074, and made on the bases set out below:

- WBH has maintained and shall maintain the current passing rental of approximately S$6.00 per square foot per month for the net leasable area of 1,550 square meters (equivalent to 16,680 square feet) of WBH's property;
- WBH does not shall not hold any significant assets save for WBH's investment properties;
- all outstanding shareholders' loan(s) owed by WBH shall be waived by the WBH Vendors and assigned to the Company;
- save for the New Loan[(1)], WBH shall not have outstanding, nor agree to create or incur any loan capital, borrowings or indebtedness in the nature of borrowings; and
- the business and affairs of WBH (including the incurrence of expenses) shall be managed properly and efficiently in good faith and in a business-like manner and consistent with best practices of companies carrying on similar businesses or owning property of a similar nature.

(1) New Loan pertains to a bank loan obtained by WBH and secured on the WBH's property.

2. Proposed acquisition (cont'd)

(b) Chiu Teng 8 Pte. Ltd. ("CT8") acquisition

On 13 June 2016, the Company entered into Sale and Purchase Agreement ("SPA") with CTE Resources to acquire its shareholding of 500,000 ordinary shares of CT8, representing 50.0% of the issued and paid-up share capital of CT8 for a total consideration of $9,674,288.

The Company and CTE Resources have also entered into supplemental amendment letters on 22 September 2016, 25 April 2017 and 24 July 2017 to amongst others, extend the long-stop date of the CT8 SPA to 31 December 2017.

On 24 July 2017, the above consideration was amended by an amendment letter to $8,710,396.

As a result of the above, the consideration of CT8 shall comprises 522,623,730 of the Company's new shares at $0.005 each, amounting to $2,613,119, to be allotted and issued to CTE Resources or its nominee(s) and deferred cash consideration of $6,097,277 to be paid not later than 14 days after the date of completion of CT8 acquisition.

The deferred consideration amount is arrived at $6,097,277, and made on the bases set out below:

- the net asset value of CT8 as reflected in its unaudited management accounts and audited financial statements as at 31 December 2016;

- the business and affairs of CT8 (including the incurrence of expenses) shall be managed properly and efficiently in good faith and in a business-like manner and consistent with best practices of companies carrying on similar businesses or owning property of a similar nature; and

- there are no material errors, misstatements, inaccuracies or inconsistencies in the Audited Accounts and/or the unaudited management accounts of CT8 for the period commencing on 1 January 2016 and ending on the last day of the calendar month immediately preceding the completion date of CT8 acquisition as prepared by the management of CT8.

2. Proposed acquisition (cont'd)

(b) Chiu Teng 8 Pte. Ltd. ("CT8") acquisition (cont'd)

On 24 July 2017, the Company entered into a second SPA with CTE, the second tranche vendor of CT8, CTE to acquire the remaining 50.0% of the issued and paid-up share capital of CT8 for a total consideration of $8,710,396.

The consideration comprises 842,079,100 the Company's shares at $0.005 each, amounting to $4,210,396, to be allotted and issued to CTE or its nominee(s) and deferred cash consideration of $4,500,000 to be paid not later than 14 days after the date of completion of CT8 acquisition.

The deferred consideration amount is capped at $4,500,000, and will be adjusted if the conditions similar to the first tranche SPA as listed above are not met.

The acquisition of CT8 and WBH shall take place concurrently and shall be termed as "Proposed Acquisition". The Proposed Acquisition, if undertaken and completed, is expected to result in a very substantial acquisition or reverse take-over of the Company pursuant to Rule 1015 of the Singapore Exchange Securities Trading Limited ("SGX-ST")'s Listing Manual.

The Proposed Acquisition is also subject to the completion of the disposal of the existing subsidiary corporations located in the People's Republic of China ("PRC") held by Changjiang before 31 December 2017.

(c) Kempas Land acquisition

On 1 October 2017, Tree Top Realty Sdn Bhd, a subsidiary corporation of the Company entered into Sale and Purchase Agreement ("SPA") with Regal Sapphire Sdn Bhd ("Kempas Vendor"), a company owned by Ruben Emir Gnanalingam Bin Abdullah and Shaline Gnanalingam ("Kempas Shareholders") for the purchase of the Kempas Land, a vacant freehold land held under Lot 3037, GRN 80620, Mukim Tebrau, District of Johor Bahru, State of Johor, Malaysia for a consideration of RM12,000,000 (approximately $3,866,760).

The Kempas Vendor is the registered and beneficial owner of the Kempas Land.

3. Enlarged Group

Upon completion of the Proposed Acquisition, the Company will have the following interests:

Name of companies	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by the Company %
Chiu Teng 8 Pte. Ltd.	Real estate development	Singapore	100
WBH Investments Pte. Ltd.	Leasing of commercial real estate	Singapore	100
Tree Top Realty Sdn Bhd[(1)]	Real estate development and investment	Malaysia	100

(1) The subsidiary corporation was incorporated on 15 September 2017.

4 Basis of Presentation of the Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group

4.1 The unaudited pro forma consolidated financial information of the Enlarged Group is presented in Singapore dollar ($ or "SGD"). The unaudited pro forma consolidated financial information of the Enlarged Group has been prepared for illustrative purpose only and is prepared based on certain assumptions after making certain adjustments to show what:

(a) the unaudited pro forma consolidated financial position of the Enlarged Group as at 31 December 2016 and 30 June 2017 would have been if the Proposed Acquisition had occurred on 31 December 2016 and 30 June 2017 respectively;

(b) the unaudited pro forma consolidated financial results of the Enlarged Group for the financial years ended 31 December 2014, 2015 and 2016 and the six-month period ended 30 June 2017 would have been if the Proposed Acquisition had occurred on 1 January 2014; and

(c) the unaudited pro forma consolidated cash flows of the Enlarged Group for the financial year ended 31 December 2016 and the six-month period ended 30 June 2017 would have been if the Proposed Acquisition had occurred on 1 January 2016.

4 Basis of Presentation of the Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group (cont'd)

4.2 The unaudited pro forma consolidated financial information of the Enlarged Group, because of its nature may not give a true picture of the Enlarged Group's financial position, financial results or cash flows of the Enlarged Group, and is not necessarily indicative of the results of the operations and cash flows or the related effects on the financial positions that would have been attained had the Enlarged Group actually existed earlier.

4.3 The unaudited pro forma consolidated financial information of the Enlarged Group for the financial years ended 31 December 2014, 2015 and 2016 and the six-months period ended 30 June 2017 have been compiled based on the following:

(a) The audited consolidated financial statements of Changjiang Fertilizer Holdings Limited (the "Company") and its subsidiary corporations (collectively, the "Group") for the financial years ended 31 December 2014, 2015 and 2016 which were prepared in accordance with Singapore Financial Reporting Standards and audited by Nexia TS, Public Accountants and Certified Public Accountants ("Nexia TS"), in accordance with Singapore Standards on Auditing;

The auditor's reports on the financial statements of the Group for the financial years ended 31 December 2014, 2015 and 2016 contained a disclaimer opinion in relation to the following:–

(i) Appropriateness of going concern assumption of the Group and of the Company;

(ii) Limitation of scope on the audit of the Group's People Republic of China ("PRC") subsidiary corporations (the "disposal group"); and

(iii) Realisation of the Group's assets of disposal group classified as held-for-sale.

Because of the significance of the matters described above, Nexia TS was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Consequently, an opinion was not expressed on the financial statements of the Group for the financial years ended 31 December 2014, 2015 and 2016.

(b) The audited financial statements of CT8 and WBH (collectively the "Target Companies") for the financial years ended 31 December 2014, 2015 and 2016, which were prepared in accordance with Singapore Financial Reporting Standards and audited by Nexia TS, in accordance with Singapore Standards on Auditing for the purpose of inclusion in the Circular. The auditor's reports on the financial statements of the Target Companies for the financial years ended 31 December 2014, 2015 and 2016 were not subject to any modification;

4 Basis of Presentation of the Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group (cont'd)

(c) The unaudited management accounts of the Company for the six-month period ended 30 June 2017; and

(d) The financial statements of Target Companies for the six-month period ended 30 June 2017, which were reviewed by Nexia TS under Singapore Standard on Review Engagements 2410, *Review of Interim Financial Information performed by the Independent Auditor of the Entity* ("SSRE 2410"), as promulgated by the Institute of Singapore Chartered Accountants for the purpose of inclusion in the Circular. The auditor's review reports on the financial statements of the Target Companies for the six-month period ended 30 June 2017 were not subject to any modification.

4.4 The unaudited pro forma consolidated financial statements are prepared using uniform accounting policies, for like transactions and other event in similar circumstances, as set out in the respective financial statements in the Circular.

4.5 CT8 acquisition described in Note 2(b) would result in the dilution of the shareholding of the current shareholders of the Company from 100% to 21%. As such, CT8 acquisition will be accounted for as reverse acquisition.

4.6 The issue of new shares for the acquisition of CT8 would result in the shareholders of CT8 obtaining majority interest in the enlarged share capital of the Company, in which it is deemed that CT8, the legal subsidiary (accounting acquirer) acquire Changjiang Fertilizer Holding Limited, the legal acquirer (accounting acquiree). In view that the Company has ceased its operations since financial year ended 2013 and classified all its operating assets under held for sale, and its activities are limited to managing its cash balances and meeting its obligations, the Company is not considered as a business by definition of FRS 103 *Business Combination*. As such, the reverse acquisition transaction by CT8 is not considered as a business combination under FRS 103. Instead, the transaction is considered to be a capital transaction of the legal acquiree and is equivalent to the issuance of shares by the legal subsidiary for the net monetary assets of the listed shell, accompanied by a recapitalisation. The unaudited pro forma consolidated financial information of the Enlarged Group presented for the financial years ended 31 December 2014, 2015 and 2016 and for the six-month period ended 30 June 2017 have been prepared using reverse acquisition accounting for the proposed acquisition of CT8 as set out in FRS 102 *Share-based payment*.

4 Basis of Presentation of the Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group (cont'd)

Under reverse acquisition accounting:

(a) the accounting acquirer (legal subsidiary) will be CT8 and the accounting acquiree (legal parent) will be the Company;

(b) the assets and liabilities of CT8 are recognised and measured at their pre-acquisition carrying amounts;

(c) the assets and liabilities of the Company are recognised and measured at their acquisition-date fair value;

(d) the retained profits and other equity balances are those of CT8 immediately before the reverse acquisition;

(e) the amount recognised as issued equity interests in the unaudited pro forma consolidated financial information of the Enlarged Group is determined by adding the issued equity interest of CT8 outstanding immediately before the reverse acquisition to the fair value of the reverse acquisition of the Enlarged Group. However, the equity structure in the consolidated financial information (i.e. the number and type of equity instruments issued) reflects the equity structure of the legal parent (accounting acquiree), including the equity instruments issued by the Company to effect the reserve acquisition;

(f) the unaudited pro forma consolidated statements of comprehensive income reflects the full financial year/period results of Target Companies together with the post-acquisition results of the Company;

4 Basis of Presentation of the Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group (cont'd)

(g) the fair value of the new shares issued to acquire the Company is assumed to be $1,799,500, which is determined based on the share price of $0.005 (the Company's latest share transaction price) and 359,900,000 issued and fully paid ordinary shares (excluding treasury shares). It is assumed that the fair value of identifiable net liabilities of the Company to be equivalent to the book value of the Company as at 31 December 2016 and 30 June 2017. This may differ from the fair values of the net liabilities/assets of the Company as at the acquisition date as the carrying values of the net liabilities/assets exclude the effect of fair value adjustments to the assets, liabilities and contingent liabilities arising from the Proposed Acquisition. The aggregate consideration shall be fully satisfied on completion of the Proposed Acquisition, by issuance and allotment of consideration shares of the Enlarged Group. This may differ from actual cost of reverse acquisition as the actual cost of reverse acquisition will depend on the share price of the Company at the date of the actual transfer of shares at the completion of the Proposed Acquisition. The eventual amounts of any excess/shortfall of the equity interest issued by CT8 over the fair value of the identifiable net liabilities/assets of the Company to be recognised in profit or loss could be materially different from the amount derived based on the assumption used; and

(h) The deferred cash consideration for CT8 acquisition is assumed to be unpaid as at 31 December 2016 and 30 June 2017 and is accounted for as distribution to equity holders of CT8 under reverse acquisition reserve.

4.7 The proposed acquisition of WBH is accounted for by applying the acquisition method in accordance to FRS 103. The fair value of 493,346,422 new shares issued to acquire WBH is assumed to be $2,466,732 which is based on the Company's latest share transaction price. The fair value of the identifiable net assets of WBH as at 31 December 2016 and 30 June 2017 is adjusted for the fair value of investment properties of $12,166,000, determined based on a valuation report from an independent valuer, Dennis Wee Realty Pte Ltd, dated 16 June 2017. Management has estimated a bargain purchase on acquisition amounting to $297,897 and $614,490 as at 31 December 2016 and 30 June 2017 respectively. This may differ from actual bargain purchase as the carrying values of the net liabilities/assets exclude the effect of fair value adjustments to the assets, liabilities and contingent liabilities arising from the proposed acquisition of WBH.

4 Basis of Presentation of the Unaudited Pro Forma Consolidated Financial Information of the Enlarged Group (cont'd)

4.8 The financial effects from the proposed disposal of disposal group is disregarded as the Company is of the view that it would not be meaningful to include the disposal group from the preparation of the unaudited pro forma consolidated financial information of the Enlarged Group as the definitive agreements for the proposed disposal will be entered into prior to the Proposed Acquisition. Accordingly, all transactions relating to the disposal group accounted for in the Company's statements of comprehensive income for the financial years ended 31 December 2014, 2015 and 2016 and six-month period ended 30 June 2017 are adjusted.

4.9 The acquisition-related costs relating to the Proposed Acquisition of approximately $1,800,000 are assumed to be incurred, of which amounts of $680,000 are deemed to be settled by issuance of 136,000,000 new shares in the Company. This may differ from the actual cost at the completion of the Proposed Acquisition.

4.10 The Company is proposing, subject to the approval of shareholders, to issue new shares on Proposed Acquisition at an issue price of $0.005 per additional shares for the following purposes:

(a) Up to 100,000,000 new shares to Daniel Long Chee Tim (Acting Chief Executive Officer and Executive Director) for converting up to $500,000 of interest-free loans which he personally extended and will continue to extend to the Company for the purposes of assisting the Company to pay its operating and other expenses that have to be incurred prior to Completion Date; and

(b) Up to 300,000,000 new shares to Ng Chee Beng for converting a $1,500,000 interest-free loan that it has personally extended to the Company for the purpose of assisting the Company to pay its operating and other expenses that have to be incurred prior to Completion Date.

The maximum number of new shares is assumed to be issued as at 31 December 2016 and 30 June 2017 respectively.

CHANGJIANG FERTILIZER HOLDINGS LIMITED AND THE TARGET COMPANIES

NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION OF THE ENLARGED GROUP FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2014, 2015 AND 2016 AND THE SIX-MONTH PERIOD ENDED 30 JUNE 2017

5. Statement of Adjustments

The following adjustments have been made in arriving at the unaudited financial information

Unaudited Pro Forma Consolidated Statement of Comprehensive Income for the financial year ended 31 December 2014

	Summation of financial information of Enlarged Group before adjustment		Pro forma adjustments for Enlarged Group	Unaudited Pro Forma Consolidated Statement of Comprehensive Income
	$		$	$
Revenue	1,148,255			1,148,255
Cost of sales	–			–
Gross profit	1,148,255			1,148,255
Other income	32	(c)	614,490	3,156,115
		(h)	2,541,593	
Expenses				
– Selling and distribution	(472,447)			(472,447)
– Administrative	(39,868,820)	(a)	(6,713,124)	(10,168,977)
		(b)	(1,800,000)	
		(g)	38,212,967	
– Finance	(365,561)			(365,561)
Loss before income tax	(39,558,541)			(6,702,615)
Income tax credit	6,031			6,031
Total comprehensive loss, representing net loss	(39,552,510)			(6,696,584)

5. Statement of Adjustments (cont'd)

Unaudited Pro Forma Consolidated Statement of Comprehensive Income for the financial year ended 31 December 2015

	Summation of financial information of Enlarged Group before adjustment	Pro forma adjustments for Enlarged Group	Unaudited Pro Forma Consolidated Statement of Comprehensive Income
	$	$	$
Revenue	170,751,096		170,751,096
Cost of sales	(139,857,378)		(139,857,378)
Gross profit	30,893,718		30,893,718
Other income	15,953		15,953
Expenses			
– Selling and distribution	(3,530,944)		(3,530,944)
– Administrative	(2,376,681)		(2,376,681)
– Finance	(1,381,632)		(1,381,632)
Profit before income tax	23,620,414		23,620,414
Income tax expense	(4,312,242)		(4,312,242)
Total comprehensive income, representing net profit	19,308,172		19,308,172

5. Statement of Adjustments (cont'd)

Unaudited Pro Forma Consolidated Statement of Comprehensive Income for the financial year ended 31 December 2016

	Summation of financial information of Enlarged Group before adjustment		Pro forma adjustments for Enlarged Group	Unaudited Pro Forma Consolidated Statement of Comprehensive Income
	$		$	$
Revenue	16,779,927			16,779,927
Cost of sales	(14,007,127)			(14,007,127)
Gross profit	2,772,800			2,772,800
Other income	188			188
Expenses				
– Selling and distribution	(697,708)			(697,708)
– Administrative	(2,454,568)	(b)	452,485	(2,002,083)
– Finance	(325,111)			(325,111)
Loss before income tax	(704,399)			(251,914)
Income tax expense	(135,416)			(135,416)
Total comprehensive loss, representing net loss	(839,815)			(387,330)

5. Statement of Adjustments (cont'd)

Unaudited Pro Forma Consolidated Statement of Comprehensive Income for the six-month period ended 30 June 2017

	Summation of financial information of Enlarged Group before adjustment		Pro forma adjustments for Enlarged Group	Unaudited Pro Forma Consolidated Statement of Comprehensive Income
	$		$	$
Revenue	8,003,864			8,003,864
Cost of sales	(5,643,473)			(5,643,473)
Gross profit	2,360,391			2,360,391
Other income	12,932			12,932
Expenses				
– Selling and distribution	(243,005)			(243,005)
– Administrative	(776,077)	(b)	31,240	(744,837)
– Finance	(50,781)			(50,781)
Profit before income tax	1,303,460			1,334,700
Income tax expense	(268,693)			(268,693)
Total comprehensive income, representing net profit	1,034,767			1,066,007

5. Statement of Adjustments (cont'd)

Unaudited Pro Forma Consolidated Statement of Comprehensive Income for the six-month period ended 30 June 2016

	Summation of financial information of Enlarged Group before adjustment	Pro forma adjustments for Enlarged Group	Unaudited Pro Forma Consolidated Statement of Comprehensive Income
	$	$	$
Revenue	4,690,476		4,690,476
Cost of sales	(3,510,705)		(3,510,705)
Gross profit	1,179,771		1,179,771
Other income	234		234
Expenses			
– Selling and distribution	(180,908)		(180,908)
– Administrative	(905,744)		(905,744)
– Finance	(273,667)		(273,667)
Loss before income tax	(180,314)		(180,314)
Income tax expense	(25,174)		(25,174)
Total comprehensive loss, representing net loss	(205,488)		(205,488)

5. Statement of Adjustments (cont'd)

Unaudited Pro Forma Consolidated Statement of Financial Position as at 31 December 2016

	Summation of financial information of Enlarged Group before adjustment $		Pro forma adjustments for Enlarged Group $	Unaudited Pro Forma Consolidated Statement of Financial Position $
ASSETS				
Current assets				
Cash and bank balances	3,208,213			3,208,213
Trade receivables	4,163,307			4,163,307
Development properties	13,675,663			13,675,663
	21,047,183			21,047,183
Non-current assets				
Investment properties	9,787,566	(c)	2,378,434	12,166,000
Development properties	–	(f)	3,866,760	3,866,760
	9,787,566			16,032,760
Total assets	30,834,749			37,079,943
LIABILITIES				
Current liabilities				
Trade and other payables	10,180,652	(a)	10,597,277	21,101,685
		(b)	667,515	
		(c)	331,074	
		(d)	(2,000,000)	
		(f)	3,866,760	
		(h)	(2,541,593)	
Borrowings	546,824			546,824
Provisions	249,323			249,323
Current income tax liabilities	2,582,598			2,582,598
	13,559,397			24,480,430
Non-current liability				
Borrowings	4,004,173			4,004,173
Total liabilities	17,563,570			28,484,603
NET ASSETS	13,271,179			8,595,340
EQUITY				
Share capital	45,471,772	(a)	(42,572,272)	7,946,232
		(b)	680,000	
		(c)	2,366,732	
		(d)	2,000,000	
Treasury shares	(22,500)	(a)	22,500	–
Reverse acquisition reserve	–	(a)	(10,597,277)	(10,597,277)
(Accumulated losses)/retained profits	(32,178,093)	(a)	42,549,772	11,246,385
		(b)	(1,347,515)	
		(c)	(319,372)	
		(h)	2,541,593	
Total equity	13,271,179			8,595,340

5. Statement of Adjustments (cont'd)

Unaudited Pro Forma Consolidated Statement of Financial Position as at 30 June 2017

	Summation of financial information of Enlarged Group before adjustment $		Pro forma adjustments for Enlarged Group $	Unaudited Pro Forma Consolidated Statement of Financial Position $
ASSETS				
Current assets				
Cash and bank balances	3,671,731	(e)	6,000,000	9,671,731
Trade receivables	3,000,679			3,000,679
Development properties	8,032,190			8,032,190
	14,704,600			20,704,600
Non-current assets				
Investment properties	9,559,949	(c)	2,606,051	12,166,000
Development properties	–	(f)	3,866,760	3,866,760
	9,559,949			16,032,760
Total assets	24,264,549			36,737,360
LIABILITIES				
Current liabilities				
Trade and other payables	10,123,284	(a)	10,597,277	21,013,077
		(b)	636,275	
		(c)	331,074	
		(d)	(2,000,000)	
		(f)	3,866,760	
		(h)	(2,541,593)	
Borrowings	498,660			498,660
Current income tax liabilities	1,571,156			1,571,156
	12,193,100			23,082,893
Non-current liability				
Borrowings	3,765,503			3,765,503
Total liabilities	15,958,603			26,848,396
NET ASSETS	8,305,946			9,888,964
EQUITY				
Share capital	45,471,772	(a)	(42,572,272)	7,946,232
		(b)	680,000	
		(c)	2,366,732	
		(d)	2,000,000	
Treasury shares	(22,500)	(a)	22,500	–
Reverse acquisition reserve	–	(a)	(10,597,277)	(10,597,277)
(Accumulated losses)/retained profits	(37,143,326)	(a)	42,549,772	12,540,009
		(b)	(1,316,275)	
		(c)	(91,755)	
		(e)	6,000,000	
		(h)	2,541,593	
Total equity	8,305,946			9,888,964

5. Statement of Adjustments (cont'd)

Unaudited Pro Forma Consolidated Statement of Cash Flows for the financial year ended 31 December 2016

	Summation of financial information of Enlarged Group before adjustment $		Pro forma adjustments for Enlarged Group $	Unaudited Pro Forma Consolidated Statement of Cash Flows $
Cash flows from operating activities				
Net loss	(839,815)	(a)	(6,713,124)	(5,744,371)
		(b)	(1,347,515)	
		(c)	614,490	
		(h)	2,541,593	
Adjustments for:				
– Share-based payment arising from reverse acquisition	–	(a)	6,713,124	6,713,124
– Professional fees settled through issuance of new shares	–	(b)	680,000	680,000
– Bargain purchase on acquisition of a subsidiary corporation	–	(c)	(614,490)	(614,490)
– Waiver of amounts due to directors and former controlling shareholder	–	(h)	(2,541,593)	(2,541,593)
– Depreciation of investment properties	455,236			455,236
– Interest expense	325,111			325,111
– Income tax expense	135,416			135,416
Operating cash flow before working capital changes	75,948			(591,567)
Changes in working capital:				
– Trade receivables	11,430,241			11,430,241
– Development properties	13,866,127			13,866,127
– Provisions	155,541			155,541
– Trade and other payables	695,235	(b)	667,515	1,362,750
Cash generated from operations	26,223,092			26,223,092
Income tax paid	(1,668,630)			(1,668,630)
Net cash provided by operating activities	24,554,462			24,554,462
Cash flows from investing activities				
Acquisition of subsidiary corporations, net of cash acquired	–	(a)	121	45,980
		(c)	45,859	
Net cash used in investing activities	–			45,980
Cash flows from financing activities				
Repayment of shareholder's loans	(20,000,000)			(20,000,000)
Dividends paid	(5,000,000)			(5,000,000)
Repayment of bank borrowings	(463,743)			(463,743)
Interest paid	(325,111)			(325,111)
Net cash used in financing activities	(25,788,854)			(25,788,854)
Net decrease in cash and cash equivalents	(1,234,392)			(1,188,412)
Cash and cash equivalents				
Beginning of financial year	4,281,571	(a)	(121)	4,235,591
		(c)	(45,859)	
End of financial year	3,047,179			3,047,179

5. Statement of Adjustments (cont'd)

Unaudited Pro Forma Consolidated Statement of Cash Flows for the six-month ended 30 June 2017

	Summation of financial information of Enlarged Group before adjustment $		Pro forma adjustments for Enlarged Group $	Unaudited Pro Forma Consolidated Statement of Cash Flows $
Cash flows from operating activities				
Net profit	1,034,767	(b)	31,240	1,066,007
Adjustments for:				
– Depreciation of investment properties	227,617			227,617
– Interest income	(5,771)			(5,771)
– Interest expense	50,781			50,781
– Income tax expense	268,693			268,693
Operating cash flow before working capital changes	1,576,087			1,607,327
Changes in working capital:				
– Trade receivables	1,162,628			1,162,628
– Development properties	5,643,473			5,643,473
– Provisions	(249,323)			(249,323)
– Trade and other payables	25,958	(b)	(31,240)	(5,282)
Cash generated from operations	8,158,823			8,158,823
Interest received	5,771			5,771
Income tax paid	(1,280,135)			(1,280,135)
Net cash provided by operating activities	6,884,459			6,884,459
Cash flows from financing activities				
Dividends paid	(6,000,000)	(e)	6,000,000	–
Repayment of bank borrowings	(238,670)			(238,670)
Interest paid	(50,781)			(50,781)
Net cash used in financing activities	(6,289,451)			(289,451)
Net increase in cash and cash equivalents	595,008			6,595,008
Cash and cash equivalents				
Beginning of financial period	3,047,179			3,047,179
End of financial period	3,642,187			9,642,187

5. Statement of Adjustments (cont'd)

Details of pro forma adjustments made are as follows:

(a) Being adjustments to reflect the effects of reverse acquisition as described in Note 4.6.

(b) Being adjustments to reflect payment for estimated professional fees and other expenses relating to the Proposed Acquisition of approximately $1,800,000 and to reverse out actual amounts of professional fees accounted for in the Company's financial information for the financial year ended 31 December 2016 and the six-month period ended 30 June 2017.

Of the total $1,800,000 professional fees, $680,000 will be settled in shares as described in Note 4.9.

(c) Being adjustments to reflect the effects of acquisition of WBH as described in Note 4.7.

(d) Being adjustments to reflect conversion of interest free loans to new shares of the Company as described in Note 4.10(a) and (b).

(e) Being adjustments to reinstate the $6,000,000 one-tier dividend paid out by CT8 in June 2017 as CT8 consideration was arrived based on the net asset value of CT8 as reflected in the audited financial statements of CT8 as at 31 December 2016. The dividend paid out was rescinded pursuant to resolution signed by directors of CT8 dated 5 July 2017.

(f) Being adjustments to reflect acquisition of Kempas Land as described in Note 2(c).

(g) Bring adjustments to reverse impairment losses on investments in disposal group of $38,212,967 accounted for in the Company's financial statements for the financial year ended 31 December 2014, as described in Note 4.8.

(h) Being adjustments to waiver of the shareholders loans and director fees owing to PRC directors, Zhu Xuecheng and Cai Jianhua and former controlling shareholder, Zhu Cheng Bao amounting to $2,541,593.

6. Earnings per Share

Basic earnings per share are calculated by dividing profit net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial years ended 2014, 2015 and 2016 and the six-month period ended 30 June 2016 and 2017. The number of ordinary shares outstanding is based on the number of ordinary shares of the Company as at 30 June 2017 as disclosed below for illustrative purpose.

(i) Computation of number of ordinary shares for purpose of the Proposed Acquisition

	Number of shares issued
Number of shares as at 30 June 2017	359,900,000
Issuance of ordinary shares in connection with the Proposed Acquisition	2,394,049,252
Total number of ordinary shares	2,753,949,252

(ii) The following tables reflect the (loss)/profit for the financial year/period attributable to owners of the Company and number of ordinary shares in the computation of basic and diluted (loss)/earnings per share for the financial years ended 31 December 2014, 2015 and 2016 and the six-month period ended 30 June 2017:

	Financial years ended 31 December			Six-month period ended 30 June	
	2014	2015	2016	2017	2016
(Loss)/Profit for the financial year/period attributable to owners of the Company ($)	(6,696,584)	19,308,172	(387,330)	1,066,007	(205,488)
Number of ordinary shares computed based on (i) above	2,753,949,252	2,753,949,252	2,753,949,252	2,753,949,252	2,753,949,252
Basic and diluted (loss)/earnings per ordinary share (cents)	(0.24)	0.70	(0.01)	0.04	(0.01)

The diluted (loss)/earnings per share are the same as basic (loss)/earnings per share because there are no potential dilutive instruments present at financial year/period end.

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CHANGJIANG FERTILIZER HOLDINGS LIMITED

(Company Registration Number 200713878D)
(Incorporated in Singapore on 30 July 2007)

NOTICE OF EXTRAORDINARY GENERAL MEETING

*Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular dated 15 November 2017 issued by the Company (the "**Circular**").*

NOTICE IS HEREBY GIVEN ("**Notice**") that an extraordinary general meeting ("**EGM**") of **CHANGJIANG FERTILIZER HOLDINGS LIMITED** (the "**Company**") will be held at 114 Lavender Street, #18-02, Singapore 338729 on 15 December 2017 at 10.30 a.m. for the following purposes:

Ordinary Resolution 1: Proposed WBH Acquisition

THAT subject to and contingent upon Resolutions 2, 4, 5, 9, 10 and 14 being passed:

(a) approval be and is hereby given to the Company for the WBH Acquisition on the terms and subject to the conditions of the WBH SPA, as amended from time to time; and

(b) authority be and is hereby given for the Directors of the Company to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be necessary or expedient for the purposes of giving effect to the WBH SPA or to give effect to this Resolution or the transactions contemplated by the WBH SPA.

Ordinary Resolution 2: Proposed CT8 Acquisition

THAT subject to and contingent upon Resolutions 1, 4, 5, 9, 10 and 14 being passed:

(a) approval be and is hereby given to the Company for the CT8 Acquisition on the terms and subject to the conditions of the CT8 SPA, as amended from time to time; and

(b) authority be and is hereby given for the Directors of the Company to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be necessary or expedient for the purposes of giving effect to the CT8 SPA or to give effect to this Resolution or the transactions contemplated by the CT8 SPA.

Ordinary Resolution 3: Proposed Kempas Acquisition

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9, 10 and 14 being passed and Completion:

(c) approval be and is hereby given to the Company for the Kempas Acquisition on the terms and subject to the conditions of the Kempas Agreement, as amended from time to time; and

(d) authority be and is hereby given for the Directors of the Company to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be necessary or expedient for the purposes of giving effect to the Kempas Agreement or to give effect to this Resolution or the transactions contemplated by the Kempas Agreement.

Ordinary Resolution 4: Proposed Share Issue

THAT subject to and contingent upon Resolutions 1, 2, 5, 9, 10 and 14 being passed, and pursuant to Section 161 of the Companies Act:

(a) the directors of the Company be and are hereby authorised to allot and issue an aggregate of 1,858,049,252 new Pre-Consolidation Shares at an issue price of S$0.005 each, or 46,451,231 Consolidated Shares at an issue price of S$0.20 each after the passing and completion of Resolution 9 in relation to the Proposed Share Consolidation, in satisfaction of the consideration for the Proposed WBH Acquisition and Proposed CT8 Acquisition; and

(b) the Directors of the Company and each of them be and are hereby authorised and empowered to complete and do all such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they may consider necessary, desirable or expedient to give effect to the matters contemplated by this Resolution 4.

Ordinary Resolution 5: Proposed Whitewash Resolution

THAT subject to and contingent upon Resolutions 1, 2, 4, 9, 10 and 14 and pursuant to the letter dated 5 October 2017 from the SIC, the Shareholders other than the Concert Parties Group and parties not being Independent Shareholders hereby resolve, on a poll, unconditionally and irrevocably to waive their rights under Rule 14 of the Singapore Code on Take-overs and Mergers to receive a mandatory general offer from the Obliged Parties for all the Shares not already owned, controlled or agreed to be acquired by the Concert Parties Group as a result of the CT8 Acquisition and WBH Acquisition.

Ordinary Resolution 6: Proposed Issue of Professional Advisers' Shares

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9, 10 and 14 being passed, the Directors of the Company be and are hereby authorised to allot and issue up to 136,000,000 new Pre-Consolidation Shares at the issue price of S$0.005, or 3,400,000 new Consolidated Shares at the issue price of S$0.20 after the passing and completion of Resolution 9 in relation to the Proposed Share Consolidation, to RHT Capital and WongPartnership LLP as satisfaction for any outstanding professional fees incurred by the Company.

Ordinary Resolution 7: Proposed Issue of Repayment Shares to Daniel Long

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9, 10 and 14 being passed, the Directors of the Company be and are hereby authorised to allot and issue up to 100,000,000 new Pre-Consolidation Shares at the issue price of S$0.005, or 2,500,000 new Consolidated Shares at the issue price of S$0.20 after the passing and completion of Resolution 9 in relation to the Proposed Share Consolidation, to Daniel Long in lieu of the repayment of up to S$500,000 owing to Daniel Long by the Company.

Ordinary Resolution 8: Proposed Issue of Repayment Shares to Ng Chee Beng

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9, 10 and 14 being passed, the Directors of the Company be and are hereby authorised to allot and issue up to 300,000,000 new Pre-Consolidation Shares at the issue price of S$0.005, or 7,500,000 new Consolidated Shares

at the issue price of S$0.20 after the passing and completion of Resolution 9 in relation to the Proposed Share Consolidation, to Ng Chee Beng in lieu of the repayment of up to S$1,500,000 in interest-free loans that Ng Chee Beng had extended to the Company.

Ordinary Resolution 9: Proposed Disposal

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 10 and 14 being passed:

(a) approval be and is hereby given to the Company for the disposal of the entire issued and paid-up share capital of JC Miluo, Changjiang Huafei, Huafei Hanshou and Tangjia Electric at a minimum consideration of RMB1.00 in accordance with and subject to the terms and conditions of the sale and purchase agreement entered into between the Company and the Bidder; and

(b) authority be and is hereby given for the Directors of the Company to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be necessary or expedient for the purposes of giving effect to this Resolution 9.

Ordinary Resolution 10: Proposed Share Consolidation

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9 and 14 being passed, the Directors of the Company be and are hereby authorised to consolidate every 40 existing ordinary shares to one (1) consolidated share in the capital of the Company.

Ordinary Resolution 11: Proposed Adoption of the Share Plan

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9, 10 and 14 being passed:

(a) a new share scheme to be known as the "Olive Tree Performance Share Plan" (the "**Share Plan**"), the details and rules hereof are set out in the Circular, under which awards ("**Awards**") of fully-paid Shares, their equivalent cash value or combinations thereof will be granted, free of payment, to selected employees of the Company, including Directors, and other selected participants, be and is hereby approved;

(b) the Directors be and are hereby authorised:

  (i) to establish and administer the Share Plan;

  (ii) to modify and/or amend the Share Plan from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Share Plan and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Share Plan; and

(c) the Directors be and are hereby authorised to offer and grant Awards in accordance with the provisions of the Share Plan and to allot and issue from time to time such number of fully-paid Shares as may be required to be issued pursuant to the vesting of the Awards under the Share Plan provided always that the aggregate number of Shares to be issued pursuant to the Share Plan and any other share incentive schemes or share plans adopted by the Company for the time being in force, shall not exceed fifteen per cent (15%) of the total

issued share capital of the Company from time to time and provided also that subject to such adjustments as may be made to the Share Plan as a result of any variation in the capital structure of the Company.

Ordinary Resolution 12: Proposed Appointment of the New Director

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9, 10 and 14 being passed, and subject further to the receipt by the Company of his consent to act, Daniel Ee be appointed as a Director of the Company with effect from the completion of the Proposed Acquisitions.

Ordinary Resolution 13: Proposed Share Issue Mandate

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9, 10 and 14 being passed:

(a) pursuant to section 161 of the Companies Act and Rule 806(2) of the Catalist Rules, the Directors of the Company be and are hereby empowered and authorised to:

(i) allot and issue Shares (whether by way of rights, bonus, or otherwise); and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued during the continuance of such authority or thereafter, including, but not limited to, the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and from time to time thereafter to such persons and on such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit; and issue Shares in pursuance of any Instruments made or granted by the Directors while such authority was in force (notwithstanding that such issue of Shares pursuant to the Instruments may occur after the expiration of the authority contained in this Resolution), provided that:

(A) the aggregate number of Shares issued pursuant to such authority (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority but excluding Shares which may be issued pursuant to any adjustments ("**Adjustments**") effected under any relevant Instrument, which Adjustment shall be made in compliance with the provisions of the Rules of Catalist for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company for the time being), shall not exceed 100.0% of the post-invitation issued share capital excluding treasury shares, and provided further that the aggregate number of Shares to be issued other than on a pro-rata basis to Shareholders (including Shares to be issued in pursuance of Instruments made or granted pursuant to such authority but excluding Shares which may be issued pursuant to any Adjustments effected under any relevant Instrument) shall not exceed 50.0% of the post-invitation issued share capital excluding treasury shares;

(B) in exercising such authority, the Company shall comply with the provisions of the Rules of Catalist for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(C) unless revoked or varied by the Company in general meeting by ordinary resolution, the authority shall continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is the earlier.

(b) For the purposes of this Resolution and pursuant to Rules 806(3) and 806(4) of the Catalist Rules, "post-invitation issued share capital" shall mean the total number of Shares (excluding treasury shares) immediately after the Completion, after adjusting for (aa) new Shares arising from the conversion or exercise of any convertible securities; (bb) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the Catalist Rules; and (cc) any subsequent bonus issue, consolidation or sub-division of Shares.

Special Resolution 14: Proposed Transfer

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9 and 10 being passed, and subject to compliance with applicable laws, regulatory requirements and approval by SGX-ST, the directors of the Company be and are hereby authorised to transfer the listing of the Company from the Mainboard to Catalist.

Special Resolution 15: Proposed Adoption of Amended and Restated Constitution

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9, 10 and 14 being passed, the Directors of the Company be and are hereby authorised to adopt the Amended and Restated Constitution of the Company with effect from the date of transfer of the Company's listing from the Mainboard to Catalist.

Special Resolution 16: Proposed Change of Name

THAT subject to and contingent upon Resolutions 1, 2, 4, 5, 9, 10 and 14 being passed:

(a) approval be and is hereby given for the proposed change of name of the Company from "Changjiang Fertilizer Holdings Limited" to "Olive Tree Estates Limited" with effect with completion of the Proposed Acquisitions and that the name "Changjiang Fertilizer Holdings Limited" be replaced by "Olive Tree Estates Limited" wherever the earlier name appears in the Company's Constitution; and

(b) each of the directors of the Company be and are hereby authorised to do all such things and execute all such documents as he may consider necessary or appropriate to give effect to this Resolution as he may think fit.

Shareholders should note that Resolutions 1, 2, 4, 5, 9, 10 and 14 are inter-conditional as these are condition precedents to the WBH SPA and CT8 SPA. This means that if any one of the resolutions is not approved, the other resolutions would not be duly passed. Resolutions 3, 6, 7, 8, 11, 12, 13, 15 and 16 are conditional on the passing of Resolutions 1, 2, 4, 5, 9, 10 and 14.

By Order of the Board

Daniel Long
Director
Singapore

15 November 2017

Explanatory Notes:

(1) A member entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

(2) The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 10 Collyer Quay #27-00 Ocean Financial Centre Singapore 049315 not less than 48 hours before the time appointed for holding the EGM.

(3) Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

(4) The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

Personal Data Privacy:

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

CHANGJIANG FERTILIZER HOLDINGS LIMITED

(Incorporated in the Republic of Singapore with limited liability)
(Company Registration Number: 200713878D)

IMPORTANT:

1. Relevant Intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore) may appoint more than two proxies to attend, speak and vote at the EGM.
2. For investors who have used their CPR/SRS monies to buy shares in Changjiang Fertilizer Holdings Limited, this circular is forwarded to them solely FOR INFORMATION ONLY.
3. This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF/SRS investors who hold ordinary shares through their CPF/SRS funds. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.

EXTRAORDINARY GENERAL MEETING
PROXY FORM

I/We _____ (Name) _____ (NRIC/Passport Number/ Company Registration Number) of _____ (Address), _____

being a shareholder/shareholders of Changjiang Fertilizer Holdings Limited (the "**Company**"), hereby appoint:

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

and/or*

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

or failing him/her/them*, the Chairman of the Extraordinary General Meeting ("**EGM**") or such other person the Chairman may designate, as my/our* proxy/proxies* to vote for me/us* on my/our* behalf at the EGM of the Company to be held at 114 Lavender Street, #18-01, Singapore 338729 on 15 December 2017 at 10.30 a.m. and at any adjournment or postponement thereof. I/We* direct my/our* proxy/proxies* to vote for or against the resolutions proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment or postponement thereof, the proxy/proxies* will vote or abstain from voting at his/her* discretion.

All capitalised terms used in this Proxy Form which are not defined herein shall have the meanings ascribed to them in the circular dated 15 November 2017 to the shareholders of the Company ("**Circular**").

Shareholders should note that Resolutions 1, 2, 4, 5, 9, 10 and 14 are inter-conditional. This means that if any one of these resolutions is not approved, the other resolutions would not be duly passed. Resolutions 3, 6, 7, 8, 11, 12, 13, 15 and 16 are conditional on the passing of Resolutions 1, 2, 4, 5, 9, 10 and 14.

Voting will be conducted by poll.

No.	**Resolutions relation to:**	**No. of votes for****	**No. of votes against****
As Ordinary Resolutions			
1.	Proposed WBH Acquisition		
2.	Proposed CT8 Acquisition		
3.	Proposed Kempas Acquisition		
4.	Proposed Share Issue		
5.	Proposed Whitewash Resolution		
6.	Proposed Issue of Professional Advisers' Shares		
7.	Proposed Issue of Repayment Shares to Daniel Long		
8.	Proposed Issue of Repayment Shares to Ng Chee Beng		
9.	Proposed Disposal		
10.	Proposed Share Consolidation		
11.	Proposed Adoption of Share Plan		
12.	Proposed Appointment of Daniel Ee as a New Director		
13.	Proposed Share Issue Mandate		
As Special Resolutions			
14.	Proposed Transfer to Catalist		
15.	Proposed Adoption of Amended and Restated Constitution of the Company		
16.	Proposed Change of Name		

* Delete accordingly.

** If you wish to exercise all your votes "for" or "against", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2017

Total number of Shares in:	**No. of Shares**
(a) CDP Register	
(b) Register of Members	

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

IMPORTANT: PLEASE READ NOTES TO 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 130A of the Companies Act (Chapter 50) of Singapore), you should insert the number of Shares. If you have Shares registered in your name in the Depository Register and Shares registered in your name in the Register of Shareholders, you should insert the aggregate number of Shares entered against your name in the Depository Register and the number of Shares registered in your name in the Register of Shareholders. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A Shareholder entitled to attend and vote at the EGM is entitled to appoint one (1) or more proxies to attend and vote in his stead.

3. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 10 Collyer Quay, #27-00 Ocean Financial Centre, Singapore 049315, not less than 48 hours before the time set for the EGM.

4. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney shall be notarised. The notarised letter or power of attorney together with the proxy form shall be deposited at the registered office of the Company at 10 Collyer Quay, #27-00 Ocean Financial Centre, Singapore 049315, failing which the instruments will be treated as invalid.

5. Where a number of proxies have been appointed, the instrument shall specify the proportion of votes as to be represented by each proxy. Where a Shareholder appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding to be represented by each proxy.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or its duly appointed attorney or a duly authorised officer.

7. Where a Shareholder is a legal person, its legal representative, or such other person authorised by a resolution of its board of directors or other decision-making body, shall act as its corporate representative in attending the EGM.

8. A proxy need not be a Shareholder of the Company.

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

10. The Company shall be titled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the Shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time fixed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Shareholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 15 November 2017.

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