



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 49th Annual General Meeting of Tuan Sing Holdings Limited (the "**Company**") will be held at NTUC Centre, 1 Marina Boulevard, Room 701 Level 7, One Marina Boulevard, Singapore 018989 on Wednesday, 24 April 2019 at 9.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December ("**FY**") 2018 and the Independent Auditor's Report thereon. **Ordinary Resolution 1**
2. To declare a first and final one-tier tax exempt dividend of 0.6 cent per ordinary share and a special one-tier tax exempt dividend of 0.3 cent per ordinary share for FY 2018. **Ordinary Resolution 2**
3. To approve the payment of S\$574,000 as Directors' fees for FY 2018. (FY 2017: S\$583,233) **Ordinary Resolution 3**
4. To re-elect the following Directors, each of whom retires for election pursuant to Article 105 of the Constitution of the Company and who, being eligible, offer themselves for re-election: **Ordinary Resolution 4**
 - (a) Mr William Nursalim alias William Liem **Ordinary Resolution 5**
 - (b) Mr David Lee Kay Tuan **Ordinary Resolution 6**
5. To re-appoint Deloitte & Touche LLP as the Auditors of the Company and to authorise the Directors of the Company ("**Directors**") to fix their remuneration. **Ordinary Resolution 6**

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modifications, the following resolutions, which will be proposed as Ordinary Resolutions:

6. **Authority to allot and issue shares up to ten per centum (10%) of the issued shares** **Ordinary Resolution 7**
 That pursuant to Section 161 of the Companies Act, Cap. 50 (the "**Companies Act**") and the listing rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:
 - (a) (i) issue shares of the Company ("**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, 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 upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and
 - (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:
 - (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 10 per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with paragraph (2) below);
 - (2) (subject to such manner of calculation and adjustment as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent bonus issue and consolidation or subdivision of shares;
 - (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
 - (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
7. **Authority to allot and issue shares pursuant to the Tuan Sing Holdings Limited Scrip Dividend Scheme** **Ordinary Resolution 8**
 That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors to allot and issue from time to time such number of shares in the capital of the Company as may be required to be allotted and issued pursuant to the Tuan Sing Holdings Limited Scrip Dividend Scheme.
8. **The Proposed Renewal of Share Purchase Mandate** **Ordinary Resolution 9**
 That:
 - (a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire ordinary shares of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (i) market purchase(s) of Shares (each an "**On-Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); and/or
 - (ii) off-market purchase(s) of Shares (each an "**Off-Market Purchase**") effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,
 and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");
 - (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
 - (i) the date on which the next Annual General Meeting of the Company is held; or
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held; or
 - (iii) the date on which the purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;
 - (c) in this Resolution:

"**Average Closing Price**" means the average of the last dealt prices (excluding any transaction that the SGX-ST requires to be excluded for this purpose) of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST immediately preceding the date of the On-Market Purchase by the Company or the date of the making of the offer pursuant to the Off-Market Purchase, as the case may be, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period;

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

"**Maximum Limit**" means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST) as at that date); and

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

 - (i) in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and
 - (ii) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares; and
 - (d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

By Order of the Board

Julie Koh Ngin Joo
Group Company Secretary

26 March 2019
Singapore

Meeting Notes:

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such member's 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 proxy.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
- "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.
2. A proxy need not be a member of the Company.
 3. An instrument appointing a proxy must be deposited at the registered office of the Company at 9 Oxley Rise, #03-02 The Oxley, Singapore 238697 not less than 72 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.

EXPLANATORY NOTES ON BUSINESSSES TO BE TRANACTED:

- Ordinary Resolution 1** – is to receive and adopt the Directors' Statement and the Audited Financial Statements for FY 2018 and the Independent Auditor's Report thereon which can be found under "Statutory Reports and Accounts" section in the Company's 2018 Annual Report.
- Ordinary Resolution 2** – is to approve a first and final one-tier tax exempt dividend of 0.6 cent per ordinary share and a special one-tier tax exempt dividend of 0.3 cent per ordinary share in respect of FY 2018 (the "**Proposed Dividends**"). The Tuan Sing Holdings Limited Scrip Dividend Scheme is applicable if the Proposed Dividends is approved.
- Under the Tuan Sing Holdings Limited Scrip Dividend Scheme, shareholders entitled to dividends may elect to receive either cash or an allotment of ordinary shares of the Company, credited as fully paid, in lieu of cash amount of the Proposed Dividends. Shareholders who elect to receive the Proposed Dividends in scrip, the issue price for the new shares to be allotted shall be set at not more than 10% discount to the average of the last dealt prices of Tuan Sing shares for each market day from the ex-dividend date to the book closure date.
- Ordinary Resolution 3** – is to approve the payment of Directors' fees of S\$574,000 for FY 2018, for services rendered by the Directors on the Board as well as on various Board Committees. The framework for the proposed Directors' fees is set out under the "Corporate Governance Report" section in the Company's 2018 Annual Report.
- Ordinary Resolution 4** – Mr William Nursalim alias William Liem will, upon re-election, continue to serve as the Chief Executive Officer of the Company. He is considered a Non-Independent and Executive Director.
- Ordinary Resolution 5** – Mr David Lee Kay Tuan will, upon re-election, continue to serve as a member of the Audit and Risk Committee. He is considered a Non-Independent and Non-Executive Director.
- In relation to Ordinary Resolutions 4 and 5, please refer to the "Directors' Profile" section in the Company's 2018 Annual Report for more information on the Directors seeking re-election at the Annual General Meeting.
- Ordinary Resolution 6** – is to re-appoint Deloitte & Touche LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. The Company has complied with Rule 713(1) of the SGX-ST Listing Manual by ensuring that the audit partner is not in charge of more than five consecutive years of audits. The current audit partner, Mr Richard Loi was appointed in April 2015.
- Ordinary Resolution 7** – is to empower the Directors to issue shares in the capital of the Company up to an amount not exceeding in aggregate 10% of the issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings). For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares will be calculated based on the issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time that this Resolution is passed after adjusting for any subsequent consolidation or subdivision of shares.
- Ordinary Resolution 8** – is to authorise the Directors to issue shares in the Company pursuant to the Tuan Sing Holdings Limited Scrip Dividend Scheme to participating shareholders who, in respect of that qualifying dividend, have elected to receive scrip in lieu of the cash amount of that qualifying dividend.
- Ordinary Resolution 9** – is to renew the mandate to allow the Company to purchase or otherwise acquire its issued ordinary shares, on the terms and subject to the conditions set out in the Resolution.

The Company may use its internal sources of funds or external borrowings or a combination of both to finance the purchase or acquisition of its ordinary shares. The amount of financing required for the Company to purchase or acquire its ordinary shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of ordinary shares purchased or acquired, whether the purchase or acquisition is made out of profits or capital, the price at which such ordinary shares were purchased or acquired and whether the shares purchased or acquired are held as treasury shares or cancelled.

The financial effects of the purchase or acquisition of such ordinary shares by the Company pursuant to the proposed Share Purchase Mandate on the audited financial statements of the Company and the Group for FY 2018, based on certain assumptions, are set out in paragraph 2.7 of the Letter to Shareholders dated 26 March 2019 ("**Letter**"). The Letter can be downloaded from the following website: <http://www.tuansing.com/InvestorRelations/2019LettertoShareholders.pdf>.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the attendance and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the proxy lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over 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.

NOTICE OF BOOK CLOSURE AND DIVIDEND PAYMENT DATES

NOTICE IS HEREBY GIVEN THAT subject to shareholders of Tuan Sing Holdings Limited ("**the Company**") approving the proposed payment of the first and final one-tier tax exempt dividend of 0.6 cent per ordinary share and a special one-tier tax exempt dividend of 0.3 cent per ordinary shares (the "**Proposed Dividends**") at the 49th Annual General Meeting to be held on 24 April 2019, the share transfer books and register of members of the Company will be closed on Tuesday, 7 May 2019 to Wednesday, 8 May 2019 (both dates inclusive) for the preparation of dividend warrants.

Duly completed instruments of transfer received by the Company's share registrar in Singapore, B.A.C.S. Private Limited at 8 Robinson Road #03-00 ASO Building, Singapore 048544 up to 5.00 p.m. on Monday, 6 May 2019 will be registered to determine shareholders' entitlements to the Proposed Dividends.

Shareholders (being depositors) whose securities accounts with the The Central Depository (Pte) Limited are credited with shares in the capital of the Company as at 5.00 p.m. on 6 May 2019 will be entitled to the Proposed Dividends.

Shareholders with registered address outside Singapore and who have not provided to the Company or CDP, address in Singapore for the service of notices and documents by Wednesday, 24 April 2019, will not participate in the Tuan Sing Holdings Limited Scrip Dividend Scheme which is applicable to the Proposed Dividends.

The Proposed Dividends, if approved by shareholders, will be paid on 26 June 2019.

LETTER TO SHAREHOLDERS



TUAN SING HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

Registration No.: 196900130M

Directors:

Ong Beng Kheong (*Chairman*)
William Nursalim alias William Liem (*Chief Executive Officer*)
Choo Teow Huat Albert
Cheng Hong Kok
David Lee Kay Tuan
Michelle Liem Mei Fung
Neo Ban Chuan

Registered Office:

9 Oxley Rise
#03-02 The Oxley
Singapore 238697

26 March 2019

To: The Shareholders of Tuan Sing Holdings Limited (the “Company”)

Dear Sir/Madam

1. INTRODUCTION

1.1 Background. We refer to:

- (a) the Notice of the 49th Annual General Meeting (“**AGM**”) of the Company dated 26 March 2019 (the “**Notice**”), accompanying the annual report for the financial year ended 31 December 2018, convening the 49th AGM of the Company to be held on 24 April 2019 (the “**2019 AGM**”); and
- (b) Ordinary Resolution No. 9 relating to the proposed renewal of the Share Purchase Mandate (as defined in paragraph 2.1 below), as proposed in the Notice.

1.2 Letter to Shareholders. The purpose of this Letter is to provide shareholders of the Company (“**Shareholders**”) with information relating to Ordinary Resolution No. 9 (set out in paragraphs 2.1 to 2.13), proposed in the Notice (the “**Proposal**”).

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

1.4 Advice to Shareholders. Shareholders who are in any doubt as to the course of action they should take should consult their solicitor, accountant, stockbroker, bank manager, or other professional advisers immediately.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 Background. At the 48th Annual General Meeting of the Company held on 19 April 2018 (the “**2018 AGM**”), Shareholders had approved the renewal of the mandate (the “**Share Purchase Mandate**”) to enable the Company to purchase or otherwise acquire ordinary shares of the Company (“**Shares**”). The rationale for, the authority and limitations on, and the financial effects of, the Share Purchase Mandate were set out in the Letter to Shareholders dated 21 March 2018 (the “**2018 Letter**”) and Ordinary Resolution No. 10 set out in the Notice of the 2018 AGM.

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The Share Purchase Mandate was expressed to take effect on the date of the passing of Ordinary Resolution No. 10 at the 2018 AGM and will expire on the date of the forthcoming 2019 AGM to be held on 24 April 2019. Accordingly, Shareholders' approval is being sought for the renewal of the Share Purchase Mandate at the 2019 AGM.

2.2 Rationale for the Share Purchase Mandate. The Share Purchase Mandate will provide the Company with the flexibility to undertake share purchases or acquisitions up to the 10% limit as described in paragraph 2.3.1 below at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. The rationale for the Company to undertake the Share Purchase (as defined below) is as follows:

- (a) in managing the business of the Company and its subsidiaries (collectively, the "**Group**"), management strives to increase Shareholders' value by improving, *inter alia*, the return on equity (the "**ROE**") of the Group. In addition to growth and expansion of the business, purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate (the "**Share Purchase**") may be considered as one of the ways through which the ROE of the Group may be enhanced;
- (b) the Share Purchase Mandate will provide the Company with greater flexibility in managing its funds and maximising returns to Shareholders. To the extent that the Company has surplus funds which are in excess of its financial requirements, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of the excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner by way of purchasing its issued Shares at prices which are viewed as favourable;
- (c) Share Purchase may help mitigate short-term market volatility (by way of stabilising the supply and demand of its issued Shares), off-set the effects of short-term speculation, support the fundamental value of the issued Shares and bolster Shareholders' confidence;
- (d) all things being equal, the Share Purchase will result in a lower number of issued Shares being used for the purpose of computing earnings per Share ("**EPS**") and net tangible asset ("**NTA**") per Share, if the purchased Shares are subsequently cancelled or during the period such Shares are held as treasury shares. Therefore, Share Purchase under the Share Purchase Mandate will improve the Company's EPS and NTA per Share, which in turn is expected to have a positive impact on the fundamental value of its issued Shares; and
- (e) if the purchased Shares are held as treasury shares, the Company may have the opportunity to realise a potential gain if those Shares are sold at a higher price than the purchase price.

While the Share Purchase Mandate would authorise Share Purchase of up to a 10% limit during the period (as referred to in paragraph 2.3.2 below) when the Share Purchase Mandate is in force, Shareholders should note that Share Purchase pursuant to the Share Purchase Mandate may not be carried out to the full 10% limit as authorised, and the purchase or acquisition of Shares would be made only as and when the Directors consider it to be in the best interests of the Company and in circumstances which they believe will not result in any material adverse effect to the financial condition of the Company or the Group as a whole, or result in the Company being delisted from the SGX-ST.

LETTER TO SHAREHOLDERS

The Directors will use their best efforts to ensure that after a Share Purchase, the number of issued Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

2.3 Authority and Limits on the Share Purchase Mandate. The authority and limitations placed on Share Purchases by the Company under the proposed Share Purchase Mandate, if renewed at the 2019 AGM, are the same as were previously approved by Shareholders at the 2018 AGM and are summarised below:

2.3.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. In accordance with Rule 882 of the Listing Manual of the SGX-ST (the “**Listing Manual**”), the total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares of the Company as at the date of the forthcoming 2019 AGM at which the proposed renewal of the Share Purchase Mandate is being approved. Any Shares which are held as treasury shares and subsidiary holdings (as defined in the Listing Manual)¹ will be disregarded for purposes of computing the 10% limit.

As at 12 March 2019 (the “**Latest Practicable Date**”), the Company had 4,383,400 treasury shares and no subsidiary holdings.

For illustrative purposes only, on the basis of **1,186,404,962** Shares in issue (excluding treasury shares and subsidiary holdings, if any) as at the Latest Practicable Date and assuming that on or prior to the 2019 AGM: (i) no further Shares are issued, (ii) no further Shares are purchased or acquired by the Company, and no further Shares purchased or acquired by the Company are held as treasury shares, and (iii) no Shares are held as subsidiary holdings, not more than **118,640,496** Shares (representing 10% of the total number of issued Shares of the Company as at that date (disregarding treasury shares and subsidiary holdings)) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate during the duration referred to in paragraph 2.3.2 below.

2.3.2 Duration of Authority

Share Purchases may be made, at any time and from time to time, on and from the date of the 2019 AGM, at which the proposed renewal of the Share Purchase Mandate is to be approved, up to:

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

whichever is the earliest.

¹ “Subsidiary holdings” is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Act.

LETTER TO SHAREHOLDERS

The authority conferred on the Directors by the Share Purchase Mandate to purchase or acquire Shares, if renewed at the 2019 AGM, may be renewed at the next AGM or at an extraordinary general meeting of the Company to be held immediately after the conclusion or adjournment of the next AGM.

2.3.3 *Manner of Share Purchase*

- (a) Share Purchase may be made by way of:
 - (i) on-market purchases (“**On-Market Purchases**”) effected on the SGX-ST, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
 - (ii) off-market purchases (“**Off-Market Purchases**”) effected otherwise than on a stock exchange, in accordance with an equal access scheme.
- (b) The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act (Cap. 50) (the “**Act**”) as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase effected in accordance with an equal access scheme must, however, satisfy all the following conditions:
 - (i) offers under the scheme shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
 - (ii) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and
 - (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.
- (c) In addition, the Listing Manual provides that, in making an Off-Market Purchase in accordance with an equal access scheme, the Company must issue an offer document to all Shareholders containing at least the following information:
 - (i) the terms and conditions of the offer;
 - (ii) the period and procedures for acceptances;
 - (iii) the reasons for the proposed Share Purchase;
 - (iv) the consequences, if any, of the Share Purchase that will arise under the Singapore Code on Take-overs and Mergers (the “**Take-over Code**”) or other applicable take-over rules;
 - (v) whether the Share Purchase, if made, could affect the listing of Shares on the SGX-ST; and

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- (vi) details of any Share Purchase made by the Company in the previous twelve months (whether On-Market Purchase or Off-Market Purchase), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such Share Purchase, where relevant, and the total consideration paid for such Share Purchase; and
- (vii) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 *Maximum Purchase Price*

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors or a committee of Directors that may be constituted for the purposes of effecting Share Purchase by the Company. However, the purchase price to be paid for the Shares pursuant to the Share Purchase Mandate must not exceed:

- (a) in the case of an On-Market Purchase, 105% of the Average Closing Price (as defined below) of the Shares; and
- (b) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares,

(the “**Maximum Price**”) in either case, excluding related expenses of the Share Purchase.

For the above purposes:

“**Average Closing Price**” means the average of the last dealt prices (excluding any transaction that the SGX-ST requires to be excluded for this purpose) of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST immediately preceding the date of the On-Market Purchase by the Company or the date of the making of the offer pursuant to the Off-Market Purchase, as the case may be, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period; and

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

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- 2.4 Source of Funds.** The Company may only apply funds for the Share Purchases as provided in the Constitution and in accordance with the applicable laws in Singapore. The Company may not purchase its Shares for a consideration other than in cash or, in the case of an On-Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

The Company intends to use its internal sources of funds or external borrowings or a combination of both to finance its Share Purchase. In making a Share Purchase, the Directors will principally consider the availability of internal resources. The Directors will only make Share Purchase in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group.

- 2.5 Status of Purchased Shares.** Under Section 76B(5) of the Act, Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to those Shares will expire on such cancellation), unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company that are cancelled and not held as treasury shares.

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

2.6.1 *Maximum Holdings*

The number of Shares that may be held as treasury shares² cannot at any time exceed 10% of the total number of issued Shares.

2.6.2 *Voting and Other Rights*

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

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

² For these purposes, "treasury shares" shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Act.

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2.6.3 *Disposal and Cancellation*

Where Shares purchased or acquired by the Company are held as treasury shares, the Company may at any time but subject always to the Take-over Code:

- (a) sell the treasury shares (or any of them) for cash;
- (b) transfer the treasury shares (or any of them) for the purposes of or pursuant to any share scheme, whether for the Company's employees, directors or other persons;
- (c) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares (or any of them); or
- (e) sell, transfer or otherwise use the treasury shares (or any of them) for such other purposes as may be prescribed by the Minister for Finance.

In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued Shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after such sale, transfer, cancellation and/or use, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.7 Financial Effects. The financial effects on the Group and the Company arising from the Share Purchases which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the source of funds out of which the Company may use to pay the purchase price, the purchase price paid for such Shares and the amount (if any) borrowed by the Company to fund the Share Purchase and whether the Shares purchased or acquired are cancelled or held as treasury shares.

The Company's total number of issued Shares will be diminished by the aggregate number of Shares purchased by the Company and which are cancelled. The NTA of the Group will be reduced by the aggregate purchase price paid by the Company for the purchased Shares.

Under the Act, Share Purchases by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent. Where the consideration paid by the Company for the Share Purchase is made out of profits, such consideration (including brokerage, commission, goods and services tax and other related expenses) will correspondingly reduce the amount of profits available for the distribution of dividends by the Company. Where the consideration paid by the Company for the Share Purchase is made out of capital, the amount of profits available for the distribution of dividends by the Company will not be reduced.

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The Directors do not propose to exercise the Share Purchase Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group. Share Purchase will only be effected after considering relevant factors such as working capital requirement, availability of financial resources, expansion and investment plans of the Group and prevailing market conditions. The Share Purchase Mandate will be exercised with a view to enhancing the EPS and/or the NTA value per Share.

For illustrative purposes only, the financial effects of the Share Purchase Mandate on the Group and the Company as set out below are based on the following assumptions:

- (a) that the Share Purchase comprised 118,640,496 Shares, representing the maximum 10% limit allowed under the Share Purchase Mandate of 1,186,404,962 Shares in issue as at the Latest Practicable Date and assuming no further Shares were issued on or prior to the AGM;
- (b) that the Share Purchase took place at the beginning of the financial year on 1 January 2018 and the Shares purchased were (A) held as treasury shares; or (B) cancelled;
- (c) that such Share Purchase was made wholly out of profits and financed solely by either internal resources of fund or external borrowings, as the case may be. If such Share Purchase was financed by external borrowings only, the estimated interest rate payable would be 5% per annum;
- (d) that, in the case of On-Market Purchases, assuming the Company purchases or acquires 118,640,496 Shares, the maximum amount of funds required for such Share Purchase (excluding brokerage, commission, goods and services tax and other related expenses) based on the Maximum Price of S\$0.4032 for one Share (being the price equivalent to 105% of the Average Closing Price of the Shares at S\$0.3840 for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date) would amount to approximately S\$47,836,000;
- (e) that, in the case of Off-Market Purchases, assuming the Company purchases or acquires 118,640,496 Shares, the maximum amount of funds required for such Share Purchase (excluding brokerage, commission, goods and services tax and other related expenses) based on the Maximum Price of S\$0.4224 for one Share (being the price equivalent to 110% of the Average Closing Price of the Shares at S\$0.3840 for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date) would amount to approximately S\$50,114,000; and
- (f) that, at the Company level, existing cash resource is to be used up before the inter-company or external borrowings, as the case may be, are activated.

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Pro-forma financial effects on the Group and the Company as at 31 December 2018

For illustrative purposes, the pro forma financial effects of the Share Purchase Mandate on the latest audited consolidated financial information of the Group and the Company for the financial year ended 31 December 2018 (“FY2018”) based on various scenarios are set out below:

Scenario 1

Assuming On-Market Purchase is made entirely out of profits, financed solely by either internal resources or external borrowings (as the case may be) and:

1(A) the purchased Shares are held as treasury shares

	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Internal resources	External borrowings		Internal resources	External borrowings
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
1(A) As at 31 December 2018						
Share capital	173,945	173,945	173,945	173,945	173,945	173,945
Revenue reserve	673,566	673,566	671,174	324,548	324,548	322,156
Other reserves	247,464	247,464	247,464	101,264	101,264	101,264
Treasury shares	(1,523)	(49,359)	(49,359)	(1,523)	(49,359)	(49,359)
Equity attributable to Shareholders of the Company	1,093,452	1,045,616	1,043,224	598,234	550,398	548,006
Non-controlling interests	15,012	15,012	15,012	–	–	–
Total equity	1,108,464	1,060,628	1,058,236	598,234	550,398	548,006
Cash and bank balances	133,007	85,171	130,615	25,165	–	22,773
Total borrowings	1,630,441	1,630,441	1,678,277	229,080	229,080	276,916
Current assets	626,785	578,949	624,393	425,824	400,659	423,432
Current liabilities ⁽¹⁾	1,015,205	1,015,205	1,015,205	412,752	435,423	412,752
NTA ⁽²⁾	1,090,794	1,042,958	1,040,566	598,234	550,398	548,006
Profit attributable to Shareholders of the Company ⁽³⁾	134,376	134,376	131,984	11,881	11,881	9,489
Number of issued Shares (‘000)	1,186,405	1,067,765	1,067,765	1,186,405	1,067,765	1,067,765
Weighted average number of issued Shares (‘000)	1,188,806	1,070,166	1,070,166	1,188,806	1,070,166	1,070,166
Financial Ratios						
NTA ⁽²⁾ per share (cents)	91.9	97.7	97.5	50.4	51.4	51.3
EPS ⁽³⁾⁽⁴⁾ (cents)	11.3	12.6	12.3	1.0	1.1	0.9
Gross gearing ⁽⁵⁾ (times)	1.47	1.54	1.59	0.38	0.42	0.51
Net gearing ⁽⁵⁾ (times)	1.35	1.46	1.46	0.34	0.42	0.46
Current ratio ⁽⁶⁾ (times)	0.62	0.57	0.62	1.03	0.92	1.03
ROE ⁽⁷⁾ (%)	12.9	13.2	13.0	2.0	2.1	1.7

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1(B) the purchased Shares are cancelled

	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Internal resources	External borrowings		Internal resources	External borrowings
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
1(B) As at 31 December 2018						
Share capital	173,945	173,945	173,945	173,945	173,945	173,945
Revenue reserve	673,566	625,730	623,338	324,548	276,712	274,320
Other reserves	247,464	247,464	247,464	101,264	101,264	101,264
Treasury shares	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)
Equity attributable to Shareholders of the Company	1,093,452	1,045,616	1,043,224	598,234	550,398	548,006
Non-controlling interests	15,012	15,012	15,012	–	–	–
Total equity	1,108,464	1,060,628	1,058,236	598,234	550,398	548,006
Cash and bank balances	133,007	85,171	130,615	25,165	–	22,773
Total borrowings	1,630,441	1,630,441	1,678,227	229,080	229,080	276,916
Current assets	626,785	578,949	624,393	425,824	400,659	423,432
Current liabilities ⁽¹⁾	1,015,205	1,015,205	1,015,205	412,752	435,423	412,752
NTA ⁽²⁾	1,090,794	1,042,958	1,040,566	598,234	550,398	548,006
Profit attributable to Shareholders of the Company ⁽³⁾	134,376	134,376	131,984	11,881	11,881	9,489
Number of issued Shares (‘000)	1,186,405	1,067,765	1,067,765	1,186,405	1,067,765	1,067,765
Weighted average number of issued Shares (‘000)	1,188,806	1,070,166	1,070,166	1,188,806	1,070,166	1,070,166
Financial Ratios						
NTA ⁽²⁾ per share (cents)	91.9	97.7	97.5	50.4	51.5	51.3
EPS ⁽³⁾⁽⁴⁾ (cents)	11.3	12.6	12.3	1.0	1.1	0.9
Gross gearing ⁽⁵⁾ (times)	1.47	1.54	1.59	0.38	0.42	0.51
Net gearing ⁽⁵⁾ (times)	1.35	1.46	1.46	0.34	0.42	0.46
Current ratio ⁽⁶⁾ (times)	0.62	0.57	0.62	1.03	0.92	1.03
ROE ⁽⁷⁾ (%)	12.9	13.2	13.0	2.0	2.1	1.7

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Scenario 2

Assuming Off-Market Purchase is made entirely out of profits, financed solely by either internal resources or external borrowings (as the case may be) and:

2(A) the purchased Shares are held as treasury shares

	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Internal resources	External borrowings		Internal resources	External borrowings
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2(A) As at 31 December 2018						
Share capital	173,945	173,945	173,945	173,945	173,945	173,945
Revenue reserve	673,566	673,566	671,060	324,548	324,548	322,042
Other reserves	247,464	247,464	247,464	101,264	101,264	101,264
Treasury shares	(1,523)	(51,637)	(51,637)	(1,523)	(51,637)	(51,637)
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Equity attributable to Shareholders of the Company	1,093,452	1,043,338	1,040,832	598,234	548,120	545,614
Non-controlling interests	15,012	15,012	15,012	–	–	–
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Total equity	1,108,464	1,058,350	1,055,844	598,234	548,120	545,614
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Cash and bank balances	133,007	82,893	130,501	25,165	–	22,659
Total borrowings	1,630,441	1,630,441	1,680,555	229,080	229,080	279,194
Current assets	626,785	576,671	624,279	425,824	400,659	423,318
Current liabilities ⁽¹⁾	1,015,205	1,015,205	1,015,205	412,752	437,701	412,752
NTA ⁽²⁾	1,090,794	1,040,680	1,038,174	598,234	548,120	545,614
Profit attributable to Shareholders of the Company ⁽³⁾	134,376	134,376	131,870	11,881	11,881	9,375
Number of issued Shares ('000)	1,186,405	1,067,765	1,067,765	1,186,405	1,067,765	1,067,765
Weighted average number of issued Shares ('000)	1,188,806	1,070,166	1,070,166	1,188,806	1,070,166	1,070,166
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Financial Ratios						
NTA ⁽²⁾ per share (cents)	91.9	97.5	97.2	50.4	51.3	51.1
EPS ⁽³⁾⁽⁴⁾ (cents)	11.3	12.6	12.3	1.0	1.1	0.9
Gross gearing ⁽⁵⁾ (times)	1.47	1.54	1.59	0.38	0.42	0.51
Net gearing ⁽⁵⁾ (times)	1.35	1.46	1.47	0.34	0.42	0.47
Current ratio ⁽⁶⁾ (times)	0.62	0.57	0.61	1.03	0.92	1.03
ROE ⁽⁷⁾ (%)	12.9	13.2	13.0	2.0	2.1	1.6

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2(B) the purchased Shares are cancelled

	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Internal resources	External borrowings		Internal resources	External borrowings
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2(B) As at 31 December 2018						
Share capital	173,945	173,945	173,945	173,945	173,945	173,945
Revenue reserve	673,566	623,452	620,946	324,548	274,434	271,928
Other reserves	247,464	247,464	247,464	101,264	101,264	101,264
Treasury shares	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)	(1,523)
Equity attributable to Shareholders of the Company	1,093,452	1,043,338	1,040,832	598,234	548,120	545,614
Non-controlling interests	15,012	15,012	15,012	-	-	-
Total equity	1,108,464	1,058,350	1,055,844	598,234	548,120	545,614
Cash and bank balances	133,007	82,893	130,501	25,165	-	22,659
Total borrowings	1,630,441	1,630,441	1,680,555	229,080	229,080	279,194
Current assets	626,785	576,671	624,279	425,824	400,659	423,318
Current liabilities ⁽¹⁾	1,015,205	1,015,205	1,015,205	412,752	437,701	412,752
NTA ⁽²⁾	1,090,794	1,040,680	1,038,174	598,234	548,120	545,614
Profit attributable to Shareholders of the Company ⁽³⁾	134,376	134,376	131,870	11,881	11,881	9,375
Number of issued Shares (‘000)	1,186,405	1,067,765	1,067,765	1,186,405	1,067,765	1,067,765
Weighted average number of issued Shares (‘000)	1,188,806	1,070,166	1,070,166	1,188,806	1,070,166	1,070,166
Financial Ratios						
NTA ⁽²⁾ per share (cents)	91.9	97.5	97.2	50.4	51.3	51.1
EPS ⁽³⁾⁽⁴⁾ (cents)	11.3	12.6	12.3	1.0	1.1	0.9
Gross gearing ⁽⁵⁾ (times)	1.47	1.54	1.59	0.38	0.42	0.51
Net gearing ⁽⁵⁾ (times)	1.35	1.46	1.47	0.34	0.42	0.47
Current ratio ⁽⁶⁾ (times)	0.62	0.57	0.61	1.03	0.92	1.03
ROE ⁽⁷⁾ (%)	12.9	13.2	13.0	2.0	2.1	1.6

Notes to the above tables:

- (1) External borrowings used for the Share Purchase are not included in current liabilities as the borrowings used are assumed to pertain to long term liabilities.
- (2) NTA equals to total equity less non-controlling interests. NTA per Share is calculated based on NTA divided by number of Shares issued excluding treasury shares at year end.
- (3) Profit attributable to Shareholders and EPS after the Share Purchase using solely external borrowings have been adjusted by the estimated interest expense to be charged during the year.
- (4) EPS is calculated based on the profit attributable to Shareholders and weighted average number of Shares issued excluding treasury shares during the year.
- (5) Gross gearing is defined as total borrowings divided by total equity. Net gearing is defined as total borrowings (net of cash held) divided by total equity.
- (6) Current ratio equals to current assets divided by current liabilities.
- (7) ROE means the profit attributable to Shareholders over average equity attributable to Shareholders of the Company during the year.

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Shareholders should note that the pro forma financial effects set out above are solely for illustration purposes and are based on the assumptions set out above in this paragraph 2.7. In particular, it is important to note that the above pro forma financial analysis is based on the Group's and the Company's historical numbers for FY2018, and does not necessarily represent the Group's and the Company's future financial performance.

The Company will take into account both financial and non-financial factors (for example, share market conditions and the performance of the Shares) in assessing the relative impact of a Share Purchase before execution. It should be noted that the Company may not necessarily purchase or acquire or be able to purchase or acquire the issued Shares pursuant to the Share Purchase Mandate to the full extent mandated. In addition, the Company may cancel all or part of the Shares purchased or may hold all or part of the Shares purchased as treasury shares.

2.8 Taxation. Shareholders who are in doubt as to their respective tax positions or any tax implications of the Share Purchase Mandate, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.9 Reporting Requirements. The Listing Manual specifies that a listed company shall report all Share Purchases to the SGX-ST not later than 9.00 a.m.:

- (a) in the case of an On-Market Purchase, on the market day following the day on which the On-Market Purchase was made; and
- (b) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptance of the offer for the Share Purchase.

The notification to the SGX-ST (which must be in the form prescribed by Appendix 8.3.1 to the Listing Manual) of such Share Purchases shall include, *inter alia*, details of the date of the purchase, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as treasury shares, the purchase price per Share or the highest and lowest prices paid for such Shares, as applicable, the total consideration (including stamp duties and clearing charges, etc) paid or payable for the Shares, the number of Shares purchased as at the date of announcement (on a cumulative basis), the number of issued Shares excluding treasury shares and the number of treasury shares and the number of subsidiary holdings held after the purchase.

Within thirty days of the passing of a Shareholders' resolution to approve or renew the Share Purchase Mandate, the Company shall lodge a copy of such resolution with the Registrar of Companies appointed under the Act (the "**Registrar**").

The Directors shall lodge with the Registrar a notice of Share Purchase in the prescribed form within thirty days of any Share Purchase. Such notification shall include the date of the purchases or acquisitions, the number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of purchased Shares held as treasury shares, the Company's issued share capital before and after the Share Purchase, the amount of consideration paid by the Company for the Share Purchase, whether the Shares were purchased or acquired out of the profits or the capital of the Company and such other particulars as may be required in the prescribed form.

Within thirty days of the cancellation or disposal of treasury shares in accordance with the Act, the Directors shall lodge with the Registrar a prescribed notice of the cancellation or disposal of treasury shares with such particulars as may be required in the prescribed form, together with payment of the prescribed fee.

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- 2.10 No Purchases During Price Sensitive Developments.** While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any Share Purchase at any time after a price sensitive development has occurred or has been the subject of a consideration and/or decision of the Directors until the price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares during the period commencing two weeks immediately preceding the announcement of the Company’s financial statements for each of the first three quarters of the financial year, and one month immediately preceding the announcement of the Company’s full year financial statements, as the case may be, and ending on the date of announcement of the relevant results.
- 2.11 Listing Status on the SGX-ST.** Rule 723 of the Listing Manual requires a listed company to ensure that at least 10% of any class of its listed securities (excluding treasury shares, preference shares and convertible equity securities) must be held by the public at all times. The “public”, as defined under the Listing Manual, are persons other than: (a) the directors, chief executive officer, substantial shareholders or controlling shareholders of the Company or its subsidiaries, as well as (b) the associates of such persons.

Based on the Register of Directors’ Shareholdings maintained by the Company and its subsidiaries, the Register of Substantial Shareholders maintained by the Company and information received by the Company, as at the Latest Practicable Date, approximately 486,281,233 Shares, representing 40.99% of the total number of issued Shares (excluding treasury shares) are in the hands of the public.

Accordingly, the Company is of the view that there is a sufficient number of issued Shares held in the hands of the public which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full 10% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity. While the Share Purchase Mandate would authorise Share Purchases up to a maximum limit of 10%, Shareholders should note that Share Purchase may not be carried out up to the full 10% limit as authorised, or at all.

In undertaking any Share Purchase, the Directors will use their best efforts to ensure that, notwithstanding such Share Purchase, a sufficient float held by the public will be maintained so that the Share Purchase will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

- 2.12 Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any Share Purchase are set out below:

2.12.1 *Obligation to Make a Take-over Offer*

If, as a result of any Share Purchase, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, depending on the number of Shares purchased by the Company and the Company’s total number of issued Shares at that time, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

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2.12.2 *Persons Acting in Concert*

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

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the companies referred to above for the purchase of voting rights; and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

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

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

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

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the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

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

As at the Latest Practicable Date, the following Directors, who are also directors of Nuri Holdings (S) Pte Ltd, have an aggregate interest (direct and deemed) in **628,814,529** Shares, representing approximately **53.00%** of the issued Shares (excluding treasury shares):

- (a) Ms Michelle Liem Mei Fung, who is deemed to be a substantial shareholder of the Company by virtue of her interests in Nuri Holdings (S) Pte Ltd which has a direct interest in **628,814,529** Shares representing approximately 53.00% of the issued Shares (excluding treasury shares);
- (b) her brother, Mr William Nursalim alias William Liem, who is deemed to be a substantial shareholder of the Company by virtue of his interests in Nuri Holdings (S) Pte Ltd, which has a direct interest in **628,814,529** Shares representing approximately 53.00% of the issued Shares (excluding treasury shares); and
- (c) her spouse, Mr David Lee Kay Tuan, who holds a direct interest in 250,000 Shares, representing approximately **0.021%** of the issued Shares (excluding treasury shares),

(together, the "**Relevant Directors**").

Save for the Relevant Directors, none of the Directors are directors of Nuri Holdings (S) Pte Ltd or parties acting in concert with Nuri Holdings (S) Pte Ltd.

Since the shareholding interests of the Relevant Directors and Nuri Holdings (S) Pte Ltd as at the Latest Practicable Date exceed 50% (prior to the purchase by the Company of 10% of the issued Shares pursuant to the Share Purchase Mandate), none of the Relevant Directors or Nuri Holdings (S) Pte Ltd would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the Share Purchase by the Company of up to the maximum limit of 10% of its issued Shares as at the Latest Practicable Date.

Save as disclosed above, the Directors are not aware of any facts or factors which suggest or imply that any particular persons and/or Shareholders are, or may be regarded as, parties acting in concert such that their respective interests in the Shares should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a Share Purchase.

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Shareholders and their concert parties will be subject to the provisions of Rule 14 of the Take-over Code if they acquire any Shares after the Company's Share Purchase(s). For the purpose of the Take-over Code, an increase in the percentage of voting rights as a result of the Share Purchase will be taken into account in determining whether a Shareholder and persons acting in concert with him have increased their voting rights by more than 1% in any period of six months.

If the Company decides to cease the purchase of Shares before it has purchased in full such number of Shares authorised by its Shareholders at the latest annual general meeting, the Company will promptly inform its Shareholders of such cessation. This will assist Shareholders to determine if they can buy any more Shares without incurring an obligation under Rule 14 of the Take-over Code.

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

2.13 Details of Share Purchase in the Last Twelve Months.

As at the Latest Practicable Date, the Company had purchased or acquired an aggregate of 4,933,400 Shares by way of On-Market Purchases pursuant to the Share Purchase Mandate approved by Shareholders at the 2018 AGM. The **average price paid was S\$0.3514 per Share** and the total consideration paid for the purchases was **S\$1,734,000** excluding commission, brokerage and goods and services tax.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

3.1 Directors' Interests. The interests of the Directors in the Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date, are set out below:

Name	Direct interest		Deemed interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Ong Beng Kheong	2,200	0.0002	–	–
Michelle Liem Mei Fung	–	–	628,814,529 ⁽²⁾	53.00
William Nursalim alias William Liem	–	–	628,814,529 ⁽²⁾	53.00
David Lee Kay Tuan	250,000	0.0210	–	–

Notes:

(1) Percentage is calculated based on the total number of 1,186,404,962 issued ordinary shares, excluding treasury shares of the Company

(2) By virtue of interest in Nuri Holdings (S) Pte Ltd.

LETTER TO SHAREHOLDERS

3.2 Substantial Shareholders' Interests. The interests of the substantial shareholders in the Shares, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Nuri Holdings (S) Pte Ltd	628,814,529	53.00	–	–	628,814,529	53.00
Michelle Liem Mei Fung	–	–	628,814,529 ⁽²⁾	53.00	628,814,529	53.00
William Nursalim alias William Liem	–	–	628,814,529 ⁽²⁾	53.00	628,814,529	53.00
Dr Tan Enk Ee	–	–	628,814,529 ⁽²⁾	53.00	628,814,529	53.00
Koh Wee Meng	69,457,000	5.83	1,600,000 ⁽³⁾	0.13	71,057,000	5.97

Notes:

- (1) Percentage is calculated based on the total number of 1,186,404,962 issued ordinary shares, excluding treasury shares of the Company as at 12 March 2019.
- (2) By virtue of interest in Nuri Holdings (S) Pte Ltd.
- (3) Mr Koh Wee Meng, spouse of Mdm Lim Wan Looi, is deemed to be interested in Mdm Lim Wan Looi's direct interest of **0.13** per cent.

4. DIRECTORS' RECOMMENDATION

The Directors, after having considered the rationale for the proposed renewal of the Share Purchase Mandate, are of the opinion that the same is in the interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of Ordinary Resolution No. 9, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate, to be proposed at the 2019 AGM.

5. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company during normal business hours on any weekday from the date of this Letter up to and including the date of the 2019 AGM:

- (a) the annual report of the Company containing the audited financial statements of the Group and the Company for FY2018; and
- (b) the Constitution of the Company.

LETTER TO SHAREHOLDERS

6. DIRECTORS' RESPONSIBILITY STATEMENT

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

Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.

For and on behalf of the
Board of Directors
Tuan Sing Holdings Limited

Ong Beng Kheong
Chairman

**TUAN SING HOLDINGS LIMITED**(Incorporated in the Republic of Singapore)
(Registration No.: 196900130M)**PROXY FORM****ANNUAL GENERAL MEETING****IMPORTANT**

1. Relevant intermediaries as defined in Section 181 of the Companies Act, Cap. 50 may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy Tuan Sing Holdings Limited shares, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 26 March 2019.

I/We _____ (Name), _____ (NRIC/Passport/Registration No.)
of _____ (Address),
being a member(s) of Tuan Sing Holdings Limited (the "Company") hereby appoint:

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

and/or (delete as appropriate)

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

or failing him/her, the Chairman of 49th Annual General Meeting of the Company ("Meeting") as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Meeting to be held at NTUC Centre, No. 1 Marina Boulevard, Room 701 Level 7, One Marina Boulevard, Singapore 018989 on Wednesday, 24 April 2019 at 9.00 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated below. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

Ordinary Business		For*	Against*
Ordinary Resolution 1	Adoption of Directors' Statement, Audited Financial Statements and Independent Auditor's Report		
Ordinary Resolution 2	Payment of a first and final dividend and a special dividend		
Ordinary Resolution 3	Approval of Directors' fees		
Ordinary Resolution 4	Re-election of Mr William Nursalim alias William Liem as Director		
Ordinary Resolution 5	Re-election of Mr David Lee Kay Tuan as Director		
Ordinary Resolution 6	Re-appointment of Deloitte & Touche LLP as Auditors and authorisation for Directors to fix their remuneration		
Special Business			
Ordinary Resolution 7	Authority to allot and issue shares (General Share Issue Mandate)		
Ordinary Resolution 8	Authority to allot and issue shares pursuant to the Tuan Sing Holdings Limited Scrip Dividend Scheme		
Ordinary Resolution 9	The Proposed Renewal of the Share Purchase Mandate		

*Note: Voting will be conducted by poll. 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 _____ 2019.

Shares in:	Total Number of Shares held
(a) Depository Register	
(b) Register of Members	

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's 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 proxy.
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
"Relevant intermediary" has the same meaning ascribed to it in Section 181 of the Companies Act, Cap. 50.
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 9 Oxley Rise, #03-02 The Oxley, Singapore 238697 not less than 72 hours before the time appointed for the Meeting.
5. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy or proxies, failing which the instrument may be treated as invalid.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Cap. 50.
8. The Company shall be entitled to reject an instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by the Central Depository (Pte) Limited to the Company.

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Please
Affix
Postage
Stamp

**The Group Company Secretary
TUAN SING HOLDINGS LIMITED
9 Oxley Rise
#03-02 The Oxley
Singapore 238697**

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TUAN SING HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Registration No. 196900130M)

REQUEST FORM

Dear Shareholders

For the financial year 2018 (“**FY2018**”), we are pleased to enclose printed copies of the following:

1. Group Financial Highlights;
2. Message to Shareholders;
3. Notice and Proxy Form for the Annual General Meeting to be held on 24 April 2019; and
4. Notice of Book Closure and Dividend Payment Dates.

Tuan Sing is committed to environmental sustainability. As such, we are discontinuing our practice of mailing our Annual Report for FY2018 (“**AR**”) and the Letter to Shareholders dated 26 March 2019 in relation to the proposed renewal of Share Purchase Mandate (the “**Letter**”) to shareholders. Instead, the full AR and the Letter will be available for download from the Company’s corporate website from 26 March 2019.

The full AR may be accessed at the URL-: <http://www.tuansing.com/InvestorRelations/FY2018AnnualReport.pdf>.

The Letter may be accessed at the URL-: <http://www.tuansing.com/InvestorRelations/2019LettertoShareholders.pdf>.

You will need an internet browser and PDF reader to view these documents.

The Company’s past years’ annual reports and circulars can also be downloaded from our website at <http://www.tuansing.com>

If you wish to receive printed copy of the AR and/or the Letter for this year, please complete the Request Form below and return it to us by 16 April 2019. All previous requests for printed Annual Reports will be disregarded.

By submitting the completed Request Form to us, you agree and acknowledge that we and/or our service provider may collect, use and disclose your personal data, as contained in your submitted Request Form or which is otherwise collected from you (or your authorised representative(s)), for the purpose of processing and effecting your request.

Yours faithfully

For and on behalf of

Tuan Sing Holdings Limited

Julie Koh Ngin Joo

Group Company Secretary

26 March 2019

To: Tuan Sing Holdings Limited

N.B. Please tick accordingly. Incomplete form will not be processed.

Please send me/us a printed copy of:

- the Annual Report for FY2018; and/or
- the Letter to Shareholders dated 26 March 2019.

Name(s) of Shareholder(s): _____

NRIC/Passport No./

CDP Securities

Co. Registration No.: _____

Account No.: 1681-_____

Mailing Address: _____

Signature: _____ Date: _____

Note: This Request Form is valid for 2018 Annual Report and Letter to Shareholders dated 26 March 2019 only.

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Do not staple. Glue all sides firmly.

Please
Affix
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Stamp

**The Group Company Secretary
TUAN SING HOLDINGS LIMITED
9 Oxley Rise
#03-02 The Oxley
Singapore 238697**

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