

CIRCULAR DATED 4 APRIL 2019

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Hanwell Holdings Limited (the “**Company**”), you should immediately forward this Circular and the enclosed Notice of Extraordinary General Meeting and Proxy Form to the purchaser, transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.



HANWELL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197400888M)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE CAPITAL REDUCTION AND CASH DISTRIBUTION

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 23 April 2019 at 11.00 a.m.

Date and time of Extraordinary General Meeting : 26 April 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM to be convened on the same day and at the same venue)

Place of Extraordinary General Meeting : 348 Jalan Boon Lay, Singapore 619529

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TABLE OF CONTENTS

CONTENTS	PAGE
DEFINITIONS	2
CIRCULAR TO SHAREHOLDERS	6
1. INTRODUCTION	6
2. THE CAPITAL REDUCTION AND CASH DISTRIBUTION	7
3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS	15
4. DIRECTORS' RECOMMENDATION	16
5. EXTRAORDINARY GENERAL MEETING	16
6. ACTIONS TO BE TAKEN BY SHAREHOLDERS	16
7. DIRECTORS' RESPONSIBILITY STATEMENT	17
8. DOCUMENTS AVAILABLE FOR INSPECTION	17
NOTICE OF EXTRAORDINARY GENERAL MEETING	N-1
PROXY FORM	

DEFINITIONS

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

“ACRA”	:	The Accounting and Corporate Regulatory Authority of Singapore
“AGM”	:	An annual general meeting of the Company
“Board”	:	The board of Directors of the Company
“Books Closure Date”	:	A date to be determined by the Board and announced by the Company on which the Transfer Books and the Register of Members will be closed for the purpose of determining the entitlements of Entitled Shareholders in connection with the Cash Distribution
“Capital Reduction”	:	The proposed capital reduction exercise to be carried out by the Company pursuant to Sections 78A and 78C of the Companies Act, as well as under regulation 47(2) of the Constitution, for the purpose of effecting the Cash Distribution
“Cash Distribution”	:	The proposed cash distribution by the Company to the Shareholders of S\$0.03614 in cash for each Share as at the Books Closure Date pursuant to the Capital Reduction, amounting to an aggregate cash distribution of S\$20,000,445.10
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 4 April 2019
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as may be amended, modified or supplemented from time to time
“Company”	:	Hanwell Holdings Limited
“Constitution”	:	The constitution of the Company, as may be amended, modified or supplemented from time to time
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“Effective Date”	:	The date on which the Capital Reduction becomes effective

DEFINITIONS

“EGM”	:	The extraordinary general meeting of the Company to be convened on 26 April 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM to be convened on the same day and at the same venue)
“Entitled Shareholders”	:	Has the meaning ascribed to it in paragraph 2.8.1(a) of this Circular
“EPS”	:	Earnings per Share
“Expected Payment Date”	:	Has the meaning ascribed to it in paragraph 2.8.3(a) of this Circular
“FY2018”	:	Financial year ended on 31 December 2018
“Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	21 March 2019, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the SGX-ST, as may be amended, modified or supplemented from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“NAV”	:	Net asset value
“NCI”	:	Non-controlling interest
“Notice of EGM”	:	The notice of the EGM as set out on pages N-1 to N-2 of this Circular
“Proxy Form”	:	The proxy form in respect of the EGM as set out in this Circular
“Register of Members”	:	The register of members of the Company
“Securities Account”	:	The securities account maintained by a Depositor with CDP
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	The share registrar of the Company

DEFINITIONS

“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with the Shares
“Shares”	:	Ordinary shares in the share capital of the Company
“Solvency Statement”	:	Has the meaning ascribed to it in paragraph 2.3.1 of this Circular
“Special Resolution”	:	The special resolution relating to the Capital Reduction and Cash Distribution as set out in the Notice of EGM
“Substantial Shareholder”	:	A person (which includes a corporation) who has an interest or interests in one or more voting shares in the 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
“Transfer Books”	:	The share transfer books of the Company
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“%”	:	percentage or per centum

The terms **“Depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

References to persons shall include corporations.

References to **“paragraph”** are to the paragraphs of this Circular unless otherwise stated.

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

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 Listing Manual, or any relevant laws of the Republic of Singapore or any statutory modification thereof and used in this Circular shall have the same meaning assigned to it under the Companies Act, the Listing Manual, or any relevant laws of the Republic of Singapore or any statutory modification thereof, as the case may be.

DEFINITIONS

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

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

CIRCULAR TO SHAREHOLDERS

HANWELL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197400888M)

Board of Directors:

Dr Allan Yap
(Executive Chairman)
Dr John Chen Seow Phun
(Deputy Chairman, Non-Executive and Independent Director)
Dr Tang Cheuk Chee
(Executive Director)
Mr Goi Kok Ming (Wei Guoming)
(Non-Executive Director)
Mr Lee Po On
(Non-Executive and Independent Director)
Mr Kong WeiLi
(Non-Executive and Independent Director)
Mr Siu Wai Kam
(Non-Executive and Independent Director)
Mr Goh Yang Jun, Jasper
(Non-Executive and Independent Director)

Registered Office:

348 Jalan Boon Lay
Singapore 619529

4 April 2019

To: The Shareholders of Hanwell Holdings Limited

Dear Sir/Madam,

THE CAPITAL REDUCTION AND CASH DISTRIBUTION**1. INTRODUCTION**

- 1.1 The Board refers to the announcement by the Company on 10 January 2019 in relation to the Capital Reduction and Cash Distribution.
- 1.2 The purpose of this Circular is to provide Shareholders with the relevant information pertaining to the Capital Reduction and Cash Distribution, and to seek Shareholders' approval for the Special Resolution relating to the same.
- 1.3 This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than the Shareholders) or for any other purpose.
- 1.4 The SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.

CIRCULAR TO SHAREHOLDERS

2. THE CAPITAL REDUCTION AND CASH DISTRIBUTION

2.1 Introduction

- 2.1.1 The Company is proposing to undertake the Capital Reduction to return to Shareholders surplus capital in excess of its needs by way of the Cash Distribution pursuant to Sections 78A and 78C of the Companies Act.
- 2.1.2 Section 78C of the Companies Act requires that a public company proposing to undertake a capital reduction exercise should, *inter alia*, obtain the approval of its shareholders at a general meeting by way of a special resolution to be tabled at such general meeting.
- 2.1.3 The purpose of the Capital Reduction is to return to the Shareholders surplus capital of the Company in excess of its needs by way of the Cash Distribution by the Company of S\$0.03614 for each Share held by Shareholders.
- 2.1.4 The Company will make the Cash Distribution of the sum of S\$20,000,445.10 (based on S\$0.03614 per Share) (excluding treasury shares), based on the issued and paid-up share capital of the Company of S\$200,099,207.29 comprising 553,415,746 Shares (which excludes 17,581,000 treasury shares) as at the Latest Practicable Date, subject to the conditions in paragraph 2.5 below having been satisfied.
- 2.1.5 The actual amount to be returned to Shareholders will be based on the issued and paid-up share capital of the Company as at the Books Closure Date.
- 2.1.6 The aggregate amount to be paid to Shareholders will be adjusted by rounding down fractions of a cent to the nearest cent, where applicable.

The Capital Reduction and Cash Distribution will not result in a cancellation of Shares, or a change in the number of Shares issued by the Company immediately after the Capital Reduction and Cash Distribution.

2.2 Rationale of the Capital Reduction and Cash Distribution

- 2.2.1 The Directors are of the view that the Capital Reduction is in the best interests of the Company as the Cash Distribution amount comprises the paid-up capital in excess of the immediate requirements of the Company. If effected, the Capital Reduction and Cash Distribution would result in the Company having a more efficient capital structure, thereby improving Shareholders' return on equity. In determining the level of capital to be returned to Shareholders, the Company has ensured that it retains sufficient capital for business and operational needs.
- 2.2.2 Further, the Directors had explored various investment opportunities for the Company, but as there are currently no such suitable investment opportunities for the Company, the Directors have recommended the Capital Reduction to return cash in excess of its immediate requirements to the Shareholders whilst maintaining sufficient flexibility to position itself to take advantage of business opportunities which may arise in the near or medium term and to adequately cater for its growth and investment needs. The Company will continue to review any suitable investment opportunities which may arise from time to time. As and when such suitable opportunities arise, the Company will fund new investments by way of internal resources or if required, by external sources of funding, such as through the proceeds from equity and/or debt.

CIRCULAR TO SHAREHOLDERS

2.3 Solvency Statement

- 2.3.1 In determining the Cash Distribution to Shareholders, the Directors have ensured that the Company has retained sufficient capital to support its existing operations and pay its debts, if any. Pursuant to this and in compliance with Section 78C of the Companies Act, the Directors will each make a solvency statement (the “**Solvency Statement**”) confirming that:
- (a) as regards the Company’s situation at the date of the Solvency Statement, there is no ground on which the Company could be found to be unable to pay its debts;
 - (b) the Company will be able to pay its debts as and when they fall due during the period of twelve (12) months immediately following the date of the Solvency Statement; and
 - (c) the value of the Company’s assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the Capital Reduction become less than the value of its liabilities (including contingent liabilities).
- 2.3.2 Copies of the Solvency Statements will be available for inspection at the EGM, as well as at the registered office of the Company for a period of six (6) weeks beginning with the date of the EGM.

2.4 Details of the Capital Reduction and Cash Distribution

- 2.4.1 The Capital Reduction and Cash Distribution will be effected in the following manner:
- (a) reducing the issued and paid-up share capital of the Company by S\$20,000,445.10 from S\$200,099,207.29 (as at the Latest Practicable Date) to S\$180,098,762.19; and
 - (b) distributing the sum of S\$20,000,445.10 (S\$0.03614 per Share) based on the issued and paid-up share capital of the Company of S\$200,099,207.29 comprising 553,415,746 Shares (which excludes 17,581,000 treasury shares) as at the Latest Practicable Date to Shareholders.
- 2.4.2 As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$200,099,207.29. Upon the completion of the Capital Reduction, the Company will have an issued and paid-up share capital of S\$180,098,762.19.

CIRCULAR TO SHAREHOLDERS

2.4.3 Illustration

The following illustration sets out the position of a Shareholder who holds 100 fully paid-up Shares as at the Books Closure Date:

	Shareholder
<u>Position before the Capital Reduction</u>	
Number of Shares currently held	100
<u>Position after the Capital Reduction</u>	
Amount of cash received further to the Cash Distribution	S\$3.614
Number of Shares held after the Cash Distribution	100

In summary, Shareholders will receive S\$3.614 in cash for every 100 Shares (or S\$0.03614 in cash for each Share) held as at the Books Closure Date. As stated in paragraph 2.1.6 above, the amount will be adjusted by rounding down fractions of a cent to the nearest cent. For the avoidance of doubt, a Shareholder who holds 100 Shares will receive S\$3.61. Shareholders holding odd lots of Shares (i.e. lots other than board lots of 100 Shares) will receive S\$0.03614 in cash for each Share held by them or on their behalf as at the Books Closure Date. The shareholding of each Shareholder in the Company shall remain unchanged immediately after the Capital Reduction and Cash Distribution.

2.5 Conditions of the Capital Reduction

2.5.1 The Capital Reduction is subject to, *inter alia*, the following conditions:

- (a) the Directors complying with the relevant solvency requirements set out in the Companies Act, including making the Solvency Statements as set out in paragraph 2.3 above;
- (b) the Company obtaining Shareholders' approval for the Special Resolution at the EGM, to be approved by a majority of not less than three-fourths of the Shareholders present and voting at the EGM, of which not less than twenty-one (21) days' notice of the EGM shall have been given;
- (c) the Company complying with the relevant publicity requirements as prescribed in the Companies Act, including but not limited to, lodging the reduction information (containing, amongst others, the amount of the Company's share capital that is thereby reduced) with ACRA within eight (8) days beginning with the date of the EGM;
- (d) no creditor of the Company having made an application for the cancellation of the Special Resolution during the period of six (6) weeks beginning with the date of the EGM, and, if such application was made, the withdrawal of such application or the dismissal thereof by the High Court of Singapore;
- (e) the lodgement with ACRA of copies of the Solvency Statements made by the Directors, and the Special Resolution, within fifteen (15) days beginning with the date of the EGM; and

CIRCULAR TO SHAREHOLDERS

- (f) the lodgement with ACRA of the relevant documents, including but not limited to, a statement from the Directors confirming that the solvency requirements and publicity requirements have been met, after the end of the period of six (6) weeks but before the end of the period of eight (8) weeks beginning with the date of the EGM.

2.6 Effective Date of the Capital Reduction

- 2.6.1 As set out in paragraph 2.5 above, the Capital Reduction is subject to the satisfaction of, *inter alia*, the conditions set out therein.
- 2.6.2 After Shareholders' approval has been obtained for the Capital Reduction at the EGM, the Company will lodge with ACRA, amongst others, a notice containing the text of the Special Resolution. If no creditor of the Company objects to, and applies to the High Court of Singapore to cancel the Special Resolution, the Company will lodge the further requisite documents with ACRA as provided under Section 78E(2) of the Companies Act after the end of the period of six (6) weeks but before the end of the period of eight (8) weeks beginning with the date of the EGM. Upon the lodgement, the Capital Reduction will take effect.
- 2.6.3 If, however, a creditor of the Company objects to, and makes an application to the High Court of Singapore for the cancellation of, the Special Resolution within the period of six (6) weeks beginning with the date of the EGM, the Capital Reduction will only take effect if the creditor's application is withdrawn or dismissed by the High Court of Singapore.
- 2.6.4 The Company will make further announcements on the Capital Reduction as appropriate or when there are developments on the same including the Effective Date.

2.7 Financial Effects of the Capital Reduction and Cash Distribution

2.7.1 Assumptions

- (a) For illustrative purposes only, and based on the audited consolidated financial statements of the Company for FY2018, the pro forma financial effects of the Capital Reduction and Cash Distribution on the Company are as set out below. Shareholders should note that the pro forma financial effects are for illustrative purposes only and are not indicative or a projection of the results and financial position of the Company following the Capital Reduction and Cash Distribution.
- (b) The pro forma financial effects are calculated on the assumption that:
 - (i) The Capital Reduction and Cash Distribution were completed on 31 December 2018.
 - (ii) The aggregate amount of cash required for the Cash Distribution will be generated through the Company's available liquid cash sources on hand.
 - (iii) The estimated transaction costs of approximately S\$60,000 have been taken into account in the computation of the financial effects.

CIRCULAR TO SHAREHOLDERS

2.7.2 Share Capital

The Capital Reduction and Cash Distribution will not have any impact on the number of Shares held by Shareholders after the Capital Reduction and Cash Distribution. The pro forma financial effects of the Capital Reduction and Cash Distribution on the issued share capital of the Company based on the audited consolidated financial statements of the Company for FY2018 are as follows:

	Before the Capital Reduction and Cash Distribution	After the Capital Reduction and Cash Distribution
No. of Shares (including treasury shares)	570,996,746	570,996,746
No. of Shares (excluding treasury shares)	553,415,746	553,415,746
Amount of share capital (S\$)	200,099,207.29	180,098,762.19

2.7.3 EPS

The Capital Reduction and Cash Distribution will have no impact on the EPS of the Company.

2.7.4 NAV

The pro forma financial effects of the Capital Reduction and Cash Distribution on the NAV of the Company based on the audited consolidated financial statements of the Company for FY2018 are as follows:

	Before the Capital Reduction and Cash Distribution	After the Capital Reduction and Cash Distribution
NAV (S\$)	287,466,804	267,406,359
No. of Shares (excluding treasury shares)	553,415,746	553,415,746
NAV per Share (S\$)	0.52	0.48

CIRCULAR TO SHAREHOLDERS

2.7.5 Gearing

The pro forma financial effects of the Capital Reduction and Cash Distribution on the gearing ratio of the Company based on the audited consolidated financial statements of the Company for FY2018 are as follows:

	Before the Capital Reduction and Cash Distribution	After the Capital Reduction and Cash Distribution
Borrowings	87,168,869	87,168,869
NAV (S\$)	287,466,804	267,406,359
Gearing (%)	30.32	32.60

2.7.6 Return on Equity

The pro forma financial effects of the Capital Reduction and Cash Distribution on the return on equity of the Company based on the audited consolidated financial statements of the Company for FY2018 are as follows:

	Before the Capital Reduction and Cash Distribution	After the Capital Reduction and Cash Distribution
Profit attributable to Shareholders (S\$) – exclude NCI	13,433,910	13,373,910
Profit attributable to Shareholders (S\$) – include NCI	22,227,265	22,167,265
Return on equity (%) – exclude NCI	4.67	5.00
Return on equity (%) – include NCI	6.36	6.73

There is a reduction in profits before and after the Capital Reduction and Cash Distribution of about S\$35,000 to be incurred arising from professional fees and other administrative expenses in relation to the Capital Reduction and Cash Distribution, with an additional provision of S\$25,000 as buffer.

CIRCULAR TO SHAREHOLDERS

2.8 Administrative Procedures for the Capital Reduction and Cash Distribution

The following paragraphs set out the administrative procedures for the Capital Reduction and Cash Distribution:

2.8.1 Books Closure Date

- (a) Persons registered in the Register of Members and Depositors whose Securities Accounts are credited with Shares as at the Books Closure Date will be considered for purposes of the Cash Distribution, on the basis of such number of Shares registered in their names or standing to the credit of their Securities Accounts as at the Books Closure Date (the “**Entitled Shareholders**”). On the Expected Payment Date, the Entitled Shareholders will receive a sum of S\$0.03614 for each Share held by them as at the Books Closure Date to be determined.
- (b) Subject to the satisfaction of the conditions set out in paragraph 2.5, the Company will make further announcements in due course as soon as reasonably practicable to notify Shareholders of:
 - (i) The Books Closure Date;
 - (ii) The Effective Date; and
 - (iii) The Expected Payment Date.

2.8.2 Deposit of Scrip Shares with CDP

Entitled Shareholders who hold Shares registered in their own names in the Register of Members and who wish to deposit their Shares with CDP prior to the Books Closure Date must deliver the existing share certificates in respect of their Shares, together with the duly executed instruments of transfer in favour of CDP, at least twelve (12) Market Days prior to the Books Closure Date, in order for their Securities Accounts to be credited with the relevant Shares by the Books Closure Date.

2.8.3 Payment pursuant to the Cash Distribution

(a) Entitled Shareholders holding Scrip Shares

Shareholders whose Shares are registered in the Register of Members as at the Books Closure Date will have the cheques for payment of their entitlements under the Cash Distribution despatched to them by ordinary post at their own risk addressed to their respective addresses in the Register of Members on the payment date to be announced in due course (the “**Expected Payment Date**”). The Company shall not be liable for any loss in transmission.

CIRCULAR TO SHAREHOLDERS

(b) Entitled Shareholders who are Depositors

Shareholders who are Depositors and who have Shares standing to the credit of their Securities Accounts as at the Books Closure Date will have the cheques for payment of their entitlements under the Cash Distribution despatched to them by CDP by ordinary post at their own risk on the Expected Payment Date. Neither the Company nor CDP shall be responsible or liable for any loss in transmission. Alternatively, such Depositors will have payment of their entitlements under the Cash Distribution made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions on the Expected Payment Date.

2.9 Taxation

Shareholders should note that the following statements are not to be regarded as advice on the tax position of any Shareholder or any tax implications arising from the Capital Reduction and Cash Distribution. Shareholders who are in doubt as to their respective tax positions or any such tax implications or who may be subject to tax in a jurisdiction outside Singapore should consult their own tax advisers or other professional advisers.

- 2.9.1 For Singapore income tax purposes, payments made by a Singapore resident company to shareholders pursuant to share capital reductions are generally classified as either a return of capital (which is a capital gain not subject to tax) or a receipt of dividends (which is tax-exempt under the one-tier corporate tax system). As such, for Singapore income tax purposes, any gains from such transactions are generally not taxable unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by the shareholders.
- 2.9.2 In relation to the Cash Distribution to be made to Shareholders pursuant to the Capital Reduction, as the amounts to be paid to Shareholders pursuant to the Cash Distribution will be paid out of the reduction of the existing issued and paid-up share capital of the Company, the Cash Distribution should generally be regarded as a return of capital, and is therefore not taxable in Singapore for Shareholders, unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by Shareholders.

CIRCULAR TO SHAREHOLDERS

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

3.1 As at the Latest Practicable Date, the interests of Directors and Substantial Shareholders in the share capital of the Company, as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders respectively, are as set out below:

3.1.1 Directors

	Direct		Deemed	
	Number of Shares	% of total issued Shares ⁽¹⁾	Number of Shares	% of total issued Shares ⁽¹⁾
Directors				
Allan Yap ⁽²⁾	1,000,000	0.18	97,947,500	17.70
Tang Cheuk Chee ⁽³⁾	49,449,500	8.94	49,498,000	8.94

Notes:

- (1) As a percentage of the issued share capital of the Company comprising 553,415,746 Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Allan Yap is deemed to be interested in 97,947,500 Shares held by his spouse, Tang Cheuk Chee in the capital of the Company.
- (3) Tang Cheuk Chee is deemed to be interested in 48,498,000 Shares collectively held by Sino Diamond International Co., Ltd. and Widelead International Limited by virtue of Section 7(4) of the Companies Act and 1,000,000 Shares held by her spouse, Allan Yap in the capital of the Company.

3.1.2 Substantial Shareholders

	Direct		Deemed	
	Number of Shares	% of total issued Shares ⁽¹⁾	Number of Shares	% of total issued Shares ⁽¹⁾
Substantial Shareholders				
Violet Profit Holdings Limited	134,112,551	24.23	—	—
Ku Yun-Sen ⁽²⁾	—	—	134,112,551	24.23
Goi Seng Hui	94,354,704	17.05	—	—
Tang Cheuk Chee ⁽³⁾	49,449,500	8.94	49,498,000	8.94
Allan Yap ⁽⁴⁾	1,000,000	0.18	97,947,500	17.70

Notes:

- (1) As a percentage of the issued share capital of the Company comprising 553,415,746 Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Ku Yun-Sen is deemed to be interested in 134,112,551 Shares held by Violet Profit Holdings Limited in the capital of the Company, by virtue of Section 7(4) of the Companies Act.
- (3) Tang Cheuk Chee is deemed to be interested in 48,498,000 Shares collectively held by Sino Diamond International Co., Ltd. and Widelead International Limited by virtue of Section 7(4) of the Companies Act and 1,000,000 Shares held by her spouse, Allan Yap in the capital of the Company.
- (4) Allan Yap is deemed to be interested in 97,947,500 Shares held by his spouse, Tang Cheuk Chee in the capital of the Company.

CIRCULAR TO SHAREHOLDERS

- 3.2 There are no Shareholders who hold less than 5% of the issued and paid-up capital of the Company, and who are related to the Directors and/or Substantial Shareholders.
- 3.3 None of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Capital Reduction and Cash Distribution (other than through their shareholdings in the Company, if any as disclosed above).

4. DIRECTORS' RECOMMENDATION

- 4.1 The Directors are of the opinion that the Capital Reduction and Cash Distribution is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Special Resolution relating to the Capital Reduction and Cash Distribution to be proposed at the EGM.
- 4.2 In giving the above recommendation, the Directors have not had regard to the investment objectives, financial situation, tax position, risk profiles, or unique needs of any individual Shareholder. As different Shareholders have different investment objectives and considerations, the Directors recommend that any individual Shareholder who may require specific advice in relation to his investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser, or other professional adviser immediately.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-2 of this Circular, will be held on 26 April 2019 at 348 Jalan Boon Lay, Singapore 619529, at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM to be convened on the same day and at the same venue) for the purpose of considering and, if thought fit, passing with or without modifications, the Special Resolution set out in the Notice of EGM.

6. ACTIONS TO BE TAKEN BY SHAREHOLDERS

6.1 Appointment of Proxies

- 6.1.1 Shareholders who are unable to attend the EGM and who wish to appoint a proxy/proxies to attend and vote on their behalf will find enclosed with this Circular the Proxy Form, which they are requested to complete, sign, and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the office of the Share Registrar at M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, not less than seventy-two (72) hours before the time appointed for the holding of the EGM.
- 6.1.2 The completion and return of the Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy/proxies if he finds that he is able to do so. In such an event, the Proxy Form will be deemed to be revoked.

6.2 Depositors

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least seventy-two (72) hours before the time fixed for the EGM.

CIRCULAR TO SHAREHOLDERS

7. DIRECTORS' RESPONSIBILITY STATEMENT

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

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 348 Jalan Boon Lay, Singapore 619529 during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) The Constitution of the Company; and
- (b) The annual report of the Company for FY2018.

Yours faithfully,

Dr Allan Yap
Executive Chairman
Hanwell Holdings Limited

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NOTICE OF EXTRAORDINARY GENERAL MEETING

HANWELL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197400888M)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of Hanwell Holdings Limited (the “**Company**”) will be held at 348 Jalan Boon Lay, Singapore 619529 on Friday 26 April 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be convened on the same day and at the same venue) for the purpose of considering and, if thought fit, passing with or without modifications, the following special resolution:

SPECIAL RESOLUTION: THE CAPITAL REDUCTION AND CASH DISTRIBUTION

That:

- (a) the issued and paid-up share capital of the Company be reduced by S\$20,000,445.10 from S\$200,099,207.29 (as at the Latest Practicable Date) to S\$180,098,762.19 and returning the sum of S\$20,000,445.10 to the Shareholders, being registered holders of the Shares other than the Company, except that where the registered holder is The Central Depository (Pte) Limited, the term “Shareholders” shall mean the Depositors (other than the Company) as defined under the Companies Act, on the basis of S\$0.03614 for each issued ordinary share in the capital of the Company held by a Shareholder or on his/her behalf as at the Books Closure Date to be determined by the Directors; and
- (b) the Directors and each of them be and are hereby authorised to do all acts and things (including, without limitation, executing all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit notices, forms and documents with or to the relevant authorities) as they or each of them deem desirable, necessary or expedient to give effect to the Capital Reduction and Cash Distribution contemplated by this Special Resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company.

*All capitalised terms in the resolution above and defined in the circular to the shareholders of the Company dated 4 April 2019 (the “**Circular**”) shall, unless otherwise defined in this Notice, bear the respective meanings ascribed thereto in the Circular.*

By Order of the Board

Chew Kok Liang
Company Secretary
Singapore

4 April 2019

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (a) A member of the Company (other than a Relevant Intermediary*) 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.
- (b) Where a member (other than a Relevant Intermediary*) appoints two (2) proxies, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the instrument appointing the proxies.
- (c) A Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (which number and class of shares shall be specified).
- (d) A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. The appointment of proxy must be executed under seal or the hand of its duly authorised officer or attorney in writing.
- (e) The instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar, **M & C Services Private Limited, at 112 Robinson Road #05-01 Singapore 068902, not less than seventy-two (72) hours before the time appointed for holding the EGM.**

* A Relevant Intermediary is:

- (a) A banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) A person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
- (c) The Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that the Central Provident Fund Act (Cap. 36) providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

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, 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.

HANWELL HOLDINGS LIMITED

Company Registration Number: 197400888M
(Incorporated in the Republic of Singapore)

PROXY FORM FOR EGM

(PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS FORM)

IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investors") and/or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the EGM in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the EGM.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We* _____ NRIC/Passport/Co Reg No.:* _____
of _____ (Address)
being a member/members* of Hanwell 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 of the Company (the "EGM") as my/our proxy/proxies* to attend and vote for me/us* on my/our* behalf at the EGM to be held at 348 Jalan Boon Lay Singapore 619529 on Friday, 26 April 2019 at 11.00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be convened on the same day and at the same venue) and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote "for" or "against" the Special Resolution 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 thereof, the proxy/proxies* will vote or abstain from voting at his/her/their* discretion. **If no person is named in the above boxes, the Chairman of the EGM shall be my/our* proxy to vote for or against the Special Resolution to be proposed at the EGM as indicated hereunder, for me/us* and on my/our* behalf at the EGM and at any adjournment thereof.**

(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.)

Special Resolution	No. of votes "For"	No. of votes "Against"
To approve the Capital Reduction and Cash Distribution		

Dated this _____ day of _____ 2019

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

*Delete where inapplicable

IMPORTANT: PLEASE READ NOTES ON THE REVERSE SIDE



Notes:

1. Please insert the total number of Shares in the Company (the “**Shares**”) held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, 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 entered against your name in the Depository Register and registered in your name in the Register of Members. 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 member of the Company (other than a Relevant Intermediary*), entitled to attend and vote at a meeting of the Company is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where such member (other than a Relevant Intermediary*) appoints two (2) proxies, the appointments 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.
3. A Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number or class of shares shall be specified).
4. Subject to note 8, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM 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 EGM.
5. The instrument appointing a proxy or proxies must be deposited at the office of the Company’s Share Registrar, **M & C Services Private Limited, at 112 Robinson Road #05-01 Singapore 068902, not less than seventy-two (72) hours before the time appointed for holding the EGM.**
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
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 EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
8. An investor who holds shares under the Central Provident Fund Investment Scheme (“**CPF Investors**”) and/or the Supplementary Retirement Scheme (“**SRS Investors**”) (as may be applicable) may attend and cast his vote(s) at the EGM in person. CPF and SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the EGM.
9. Unless a lesser number of shares is specified by the member on the form itself, the instrument appointing a proxy/proxies shall be deemed to relate to all the shares held by the member in the account for which this form was issued.

* A Relevant Intermediary is:

- (a) A banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) A person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
- (c) The Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

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 EGM dated 4 April 2019.

General

The Company shall be entitled 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 member, being the appointor, is not shown to have Shares entered against his/her/their name(s) in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.