

POH TIONG CHOON LOGISTICS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 196900049H)

Directors:

Poh Choon Ann (Chairman and Chief Executive Officer)
Poh Khim Hong (Finance Director and Chief Financial Officer)
Poh Kay Yong (Executive Director)
Poh Key Boon (Executive Director)
Poh Kay Ping (Non-Independent, Non-Executive Director)
Lew Syn Pau (Lead Independent, Non-Executive Director)
Dr. Hong Hai (Independent, Non-Executive Director)

Registered Office:

48 Pandan Road
Singapore 609289

15 April 2015

**To: The Shareholders of
Poh Tiong Choon Logistics Limited**

Dear Sir/Madam,

PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

1. INTRODUCTION

- 1.1 **Annual General Meeting.** The Directors are convening the AGM to be held on **30 April 2015** to seek Shareholders' approval for, *inter alia*, the proposed renewal of a general and unconditional mandate for the purchase or acquisition by the Company of its issued Shares, as further explained in paragraph 2 below.
- 1.2 **Letter to Shareholders.** The purpose of this Letter is to provide Shareholders with information relating to the proposed Renewal of Share Purchase Mandate (as defined below in paragraph 2.1) to be tabled at the AGM.
- 1.3 **SGX-ST.** The SGX-ST assumes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.
- 1.4 **Definitions.** Terms used in this Letter shall have the meaning as defined in the Appendix to this Letter.
- 1.5 If you are in any doubt in relation to this Letter as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.
- 1.6 If you have sold or transferred all your shares in the capital of the Company, please forward this Letter to the purchaser or 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.

2. THE PROPOSED RENEWAL OF SHARE PURCHASE MANDATE

- 2.1 **The Proposed Renewal of Share Purchase Mandate.** It is a requirement under the Companies Act that a company which wishes to purchase or otherwise acquire its own shares should obtain the approval of its shareholders to do so at a general meeting of its shareholders. It is also a requirement under the Listing Manual that an issuer which wishes to purchase its own shares has to obtain approval from its shareholders to do so at a general meeting of its shareholders. In this regard, the Company had obtained the approval

of the Shareholders for the adoption of the Share Purchase Mandate that would enable the Company to purchase or acquire up to 10 per cent. of its issued Shares at its 45th Annual General Meeting held on 30 April 2014 (the “**2014 Mandate**”). The rationale for, the authority and limits on, and the financial effects of, the 2014 Mandate were set out in the Company’s Letter to Shareholders dated 15 April 2014. The 2014 Mandate will expire on the date of the forthcoming AGM, being 30 April 2015. Accordingly, approval is now being sought from Shareholders at the forthcoming AGM for the renewal of the 2014 Mandate (“**Renewal of Share Purchase Mandate**”).

In this regard, a resolution will be proposed as an Ordinary Resolution pursuant to which authority will be given to the Directors to exercise all the powers of the Company to purchase or otherwise acquire its issued Shares on the terms of the Share Purchase Mandate. Please refer to (a) the Notice of AGM dated 15 April 2015, accompanying the Annual Report 2014 of the Company, convening the 46th AGM to be held on 30 April 2015 and (b) Ordinary Resolution No. 9 under the heading “Special Business” set out in the Notice of AGM.

- 2.2 **Rationale for Renewal of Share Purchase Mandate.** Approval for the Renewal of Share Purchase Mandate authorising the Company to purchase or acquire its issued Shares would give the Company the flexibility to undertake share purchases or acquisitions of up to the 10 per cent. limit 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 purchase or acquisition of its issued Shares is as follows:

- (a) in managing the business of the Group, the management team strives to increase Shareholders’ value by improving, *inter alia*, the return on equity of the Group. Share purchase is one of the ways through which the return on equity of the Group may be enhanced; and
- (b) the Share Purchase Mandate is an expedient, effective and cost-efficient way for the Company to return surplus cash over and above its ordinary capital requirements, if any, which is in excess of the financial and possible investment needs of the Group to its Shareholders. In addition, the Share Purchase Mandate will allow the Company to have greater flexibility over, *inter alia*, the Company’s share capital structure and its dividend policy.

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the said 10 per cent. limit during the duration referred to in paragraph 2.3.2 below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10 per cent. limit as authorised and the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate will be made only as and when the Directors consider it to be in the best interests of the Company and/or Shareholders and in circumstances which they believe will not adversely affect the working capital requirements or the financial condition of the Company or the Group, or result in the Company being delisted from the SGX-ST. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Purchase Mandate, the number of 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 purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate are summarised below:

2.3.1 *Maximum Number of Shares*

As at the Latest Practicable Date, the total number of issued Shares comprised 214,473,300 Shares.

The Company will only purchase or acquire Shares which are issued and fully paid-up. The total number of Shares which may be purchased or acquired pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10 per cent. of the total number of issued Shares as at the date of the forthcoming AGM at which the Renewal of Share Purchase Mandate is approved unless the Company has effected a reduction of the total number of issued Shares of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued share capital of the Company shall be taken to be the amount of the issued share capital of the Company as altered after such capital reduction. Any Shares which are held as treasury shares will be disregarded for the purposes of computing the 10 per cent. limit.

Purely for illustrative purposes, on the basis of 214,473,300 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the AGM and that the Company does not reduce its share capital, not more than 21,447,330 Shares (representing 10 per cent. of the total number of issued Shares as at that date, excluding any Shares held as treasury shares) may be purchased or acquired by the Company pursuant to the proposed Share Purchase Mandate during the duration referred to in paragraph 2.3.2 below.

2.3.2 *Duration of Authority*

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

- (a) the date on which the next Annual General Meeting of the Company is held or required by law to be held, whichever is the earlier;
- (b) the date on which the purchases or acquisitions of Shares pursuant to the proposed Share Purchase Mandate 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.

The authority conferred on the Directors by the Share Purchase Mandate to purchase or acquire Shares may be renewed at the next Annual General Meeting of the Company or at an Extraordinary General Meeting of the Company to be convened immediately after the conclusion or adjournment of the next Annual General Meeting of the Company. When seeking the approval of the Shareholders for the Renewal of Share Purchase Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the Share

Purchase Mandate made during the previous 12 months, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such purchases or acquisitions of Shares, where relevant, and the total consideration paid for such purchases or acquisitions.

2.3.3 *Manner of Purchases or Acquisitions of Shares*

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

- (a) an on-market purchase ("**Market Purchase**"), transacted on the SGX-ST or any other stock exchange on which the Shares may for the time being be listed and quoted through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) an off-market purchase ("**Off-Market Purchase**") in accordance with any equal access scheme(s) pursuant to Section 76C of the Companies Act.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual, the Companies Act and the Memorandum and Articles, 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 must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (A) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; (B) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid (if applicable); and (C) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, Rule 885 of the Listing Manual provides that if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will have to issue an offer document to all Shareholders containing at least the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed purchase or acquisition of Shares;
- (4) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (5) whether the purchases or acquisitions of Shares, if made, would have any effect on the listing of the Shares on the SGX-ST;

- (6) details of any purchases or acquisitions of Shares made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions of Shares, where relevant, and the total consideration paid for the purchases or acquisitions of Shares; and
- (7) whether the Shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

2.3.4 *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. However, the purchase price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares must not exceed:

- (a) in the case of a Market Purchase, 105 per cent. of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 120 per cent. of the Average Closing Price of the Shares,

in either case, excluding related expenses of the purchase or acquisition (the **“Maximum Price”**).

For the above purposes:

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

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

- 2.4 **Status of Purchased Shares.** Under Section 76B of the Companies Act, a Share which is purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to the Share will expire on cancellation unless such Share is held by the Company as a treasury share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares. At the time of each purchase of Shares by the Company, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company at that time. All Shares purchased or acquired by the Company (save for Shares held as treasury shares) will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase or acquisition.

- 2.5 **Treasury Shares.** Under the Companies 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 Companies Act are summarised below:

2.5.1 *Maximum Holdings*

The number of Shares held as treasury shares cannot at any time exceed 10 per cent. of the total number of issued Shares.

2.5.2 *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 Companies Act, the Company shall be treated as having no right to vote 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 smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.5.3 *Disposal and Cancellation*

Where Shares are held as treasury shares, the Company may at any time:

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

2.5.4 *Purchased Shares: Cancelled or Held in Treasury*

Although the Companies Act permits the Company to hold the Shares purchased or acquired as treasury shares, the Articles prescribe that the Company must cancel these Shares. Accordingly, unless and until the Articles are amended, the Company would have to cancel any Shares that are purchased or acquired and cannot hold them as treasury shares. However, the Board reserves the discretion to hold any Shares purchased or acquired as treasury shares if and when the Articles are amended.

- 2.6 **Reporting Requirements.** Within 30 days of the passing of a Shareholders' resolution to approve the purchases or acquisitions of Shares by the Company, the Company shall lodge a copy of such resolution with the Registrar of Companies.

The Directors shall notify the Registrar of Companies within 30 days of a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification shall include (a) the date of the purchase or acquisition; (b) the total number of Shares purchased or acquired by the Company; (c) the number of Shares cancelled; (d) the number of Shares held as treasury shares; (e) the Company's issued share capital before the purchase or acquisition; (f) the Company's issued share capital after the purchase or acquisition; (g) the amount of consideration paid by the Company for the purchase or acquisition of the Shares; (h) whether the Shares were purchased or acquired out of the profits or the capital of the Company; and (i) such other particulars as may be required in the prescribed form.

Rule 886 of the Listing Manual specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its Shares not later than 9.00 a.m.:

- (i) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer for the Off-Market Purchase.

The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

The Company, upon undertaking any sale, transfer, cancellation and/or use of treasury shares, will comply with Rule 704(28) of the Listing Manual, which provides that an issuer must make an immediate announcement thereof, stating the following:

- (A) date of the sale, transfer, cancellation and/or use;
- (B) purpose of such sale, transfer, cancellation and/or use;
- (C) number of treasury shares sold, transferred, cancelled and/or used;
- (D) number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (E) percentage of the number of treasury shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (F) value of the treasury shares if they are used for a sale or transfer, or cancelled.

The Board shall lodge with the Registrar of Companies within 30 days of the cancellation or disposal of treasury shares the notice of the cancellation or disposal of treasury shares in the prescribed form with such particulars as may be required in the form, together with payment of the prescribed fee.

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

The Companies Act permits the Company to also purchase or acquire its own Shares out of capital, as well as from its distributable profits, provided that:

- (a) the Company is able to pay its debts in full at the time it purchases or acquires the Shares and will be able to pay its debts as they fall due in the normal course of business in the 12 months immediately following the purchase; and
- (b) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the purchase or acquisition of Shares, become less than the value of its liabilities (including contingent liabilities), having regard to the most recent financial statements of the Company and all other circumstances that the Directors or management of the Company know or ought to know affect or may affect the value of the Company's assets or estimates of liabilities (including contingent liabilities) that are reasonable in the circumstances.

The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance the Company's purchase or acquisition of the Shares.

- 2.8 **Financial Effects.** The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the number of Shares purchased or acquired and the price paid for such Shares.

The Company's total issued share capital will be diminished by the total number of Shares purchased or acquired by the Company. The NTA of the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

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 or financial condition of the Company or the Group. The purchase or acquisition of the Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions. The proposed Share Purchase Mandate will be exercised with a view to enhance the earnings of the Group and/or the NTA value per Share.

For illustrative purposes only, the financial effects of the Renewal of Share Purchase Mandate on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2014 are based on the assumptions set out below:

- (a) based on 214,473,300 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the AGM, not more than 21,447,330 Shares (representing 10 per cent. of the total number of issued Shares as at that date, excluding any Shares held as treasury shares) may be purchased or acquired by the Company pursuant to the proposed Share Purchase Mandate; and

- (b) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires the 21,447,330 Shares at the Maximum Price of S\$0.620 for one (1) Share (being the price equivalent to five (5) per cent. above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 21,447,330 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$13,297,000.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires the 21,447,330 Shares at the Maximum Price of S\$0.708 for one (1) Share (being the price equivalent to 20 per cent. above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 21,447,330 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$15,185,000.

For illustrative purposes only, and based on the assumptions set out in sub-paragraphs (a) and (b) above and assuming that (i) such purchase or acquisition of Shares is financed solely by internal sources of funds; (ii) the Share Purchase Mandate had been effective on 1 January 2014; and (iii) the Company had purchased or acquired the 21,447,330 Shares (representing 10 per cent. of its total number of issued Shares, excluding any Shares held as treasury shares at the Latest Practicable Date) on 1 January 2014, the financial effects of the:

- (A) purchase or acquisition of the 21,447,330 Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of profits and held as treasury shares;
- (B) purchase or acquisition of the 21,447,330 Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of capital and held as treasury shares;
- (C) purchase or acquisition of the 21,447,330 Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of profits and cancelled; and
- (D) purchase or acquisition of the 21,447,330 Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of capital and cancelled,

on the audited financial statements of the Company and the Group for the financial year ended 31 December 2014 are set out below:

(1) **Purchases made entirely out of profits and held as treasury shares**

Market Purchases

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 31 December 2014				
Share Capital	30,244	30,244	30,244	30,244
Capital Reserves	178	178	0	0
Revenue Reserves	42,228	42,228	27,126	27,126
Treasury Shares	0	(13,297)	0	(13,297)
Total Shareholders' Equity	72,650	59,353	57,370	44,073
NTA	72,283	58,986	57,370	44,073
Current Assets	46,504	33,207	51,654	38,357
Current Liabilities	39,988	39,988	41,915	41,915
Total Borrowings	22,630	22,630	15,113	15,113
Cash and Cash Equivalents	20,905	7,608	17,719	4,422
Net Debt	1,725	15,022	(2,606)	10,691
Number of Shares ('000)	214,473.3	193,025.97 ⁽¹⁾	214,473.3	193,025.97 ⁽¹⁾

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
Financial Ratios				
NTA per Share (S\$)	0.34	0.31	0.27	0.23
Net Debt Gearing (times)	0.02	0.25	(0.05)	0.24
Current Ratio (times) ⁽²⁾	1.16	0.83	1.23	0.92
Earnings per Share (cents)	3.86	4.23	2.80	3.05

Notes:

(1) Computed based on 214,473,300 Shares in issue as at the Latest Practicable Date.

(2) Current Ratio equals Current Assets divided by Current Liabilities.

Off-Market Purchases

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 31 December 2014				
Share Capital	30,244	30,244	30,244	30,244
Capital Reserves	178	178	0	0
Revenue Reserves	42,228	42,228	27,126	27,126
Treasury Shares	0	(15,185)	0	(15,185)
Total Shareholders' Equity	72,650	57,465	57,370	42,185
NTA	72,283	57,098	57,370	42,185
Current Assets	46,504	31,319	51,654	36,469
Current Liabilities	39,988	39,988	41,915	41,915
Total Borrowings	22,630	22,630	15,113	15,113
Cash and Cash Equivalents	20,905	5,720	17,719	2,534
Net Debt	1,725	16,910	(2,606)	12,579
Number of Shares ('000)	214,473.3	193,025.97 ⁽¹⁾	214,473.3	193,025.97 ⁽¹⁾

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<u>Financial Ratios</u>				
NTA per Share (S\$)	0.34	0.30	0.27	0.22
Net Debt Gearing (times)	0.02	0.29	(0.05)	0.30
Current Ratio (times) ⁽²⁾	1.16	0.78	1.23	0.87
Earnings per Share (cents)	3.86	4.22	2.80	3.04

Notes:

- (1) Computed based on 214,473,300 Shares in issue as at the Latest Practicable Date.
- (2) Current Ratio equals Current Assets divided by Current Liabilities.

(2) **Purchases made entirely out of capital and held as treasury shares**

Market Purchases

	<u>Group</u>		<u>Company</u>	
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As at 31 December 2014				
Share Capital	30,244	30,244	30,244	30,244
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Current Assets	46,504	33,207	51,654	38,357
Current Liabilities	39,988	39,988	41,915	41,915
Total Borrowings	22,630	22,630	15,113	15,113
Cash and Cash Equivalents	20,905	7,608	17,719	4,422
Net Debt	1,725	15,022	(2,606)	10,691
Number of Shares ('000)	214,473.3	193,025.97 ⁽¹⁾	214,473.3	193,025.97 ⁽¹⁾

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	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
Financial Ratios				
NTA per Share (S\$)	0.34	0.31	0.27	0.23
Net Debt Gearing (times)	0.02	0.25	(0.05)	0.24
Current Ratio (times) ⁽²⁾	1.16	0.83	1.23	0.92
Earnings per Share (cents)	3.86	4.23	2.80	3.05

Notes:

(1) Computed based on 214,473,300 Shares in issue as at the Latest Practicable Date.

(2) Current Ratio equals Current Assets divided by Current Liabilities.

Off-Market Purchases

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
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<u>Financial Ratios</u>				
NTA per Share (S\$)	0.34	0.30	0.27	0.22
Net Debt Gearing (times)	0.02	0.29	(0.05)	0.30
Current Ratio (times) ⁽²⁾	1.16	0.78	1.23	0.87
Earnings per Share (cents)	3.86	4.22	2.80	3.04

Notes:

- (1) Computed based on 214,473,300 Shares in issue as at the Latest Practicable Date.
- (2) Current Ratio equals Current Assets divided by Current Liabilities.

(3) Purchases made entirely out of profits and cancelled

Market Purchases

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 31 December 2014				
Share Capital	30,244	30,244	30,244	30,244
Capital Reserves	178	178	0	0
Revenue Reserves	42,228	28,931	27,126	13,829
Treasury Shares	0	0	0	0
Total Shareholders' Equity	72,650	59,353	57,370	44,073
NTA	72,283	58,986	57,370	44,073
Current Assets	46,504	33,207	51,654	38,357
Current Liabilities	39,988	39,988	41,915	41,915
Total Borrowings	22,630	22,630	15,113	15,113
Cash and Cash Equivalents	20,905	7,608	17,719	4,422
Net Debt	1,725	15,022	(2,606)	10,691
Number of Shares ('000)	214,473.3	193,025.97 ⁽¹⁾	214,473.3	193,025.97 ⁽¹⁾

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<u>Financial Ratios</u>				
NTA per Share (S\$)	0.34	0.31	0.27	0.23
Net Debt Gearing (times)	0.02	0.25	(0.05)	0.24
Current Ratio (times) ⁽²⁾	1.16	0.83	1.23	0.92
Earnings per Share (cents)	3.86	4.23	2.80	3.05

Notes:

(1) Computed based on 214,473,300 Shares in issue as at the Latest Practicable Date.

(2) Current Ratio equals Current Assets divided by Current Liabilities.

Off-Market Purchases

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 31 December 2014				
Share Capital	30,244	30,244	30,244	30,244
Capital Reserves	178	178	0	0
Revenue Reserves	42,228	27,043	27,126	11,941
Treasury Shares	0	0	0	0
Total Shareholders' Equity	72,650	57,465	57,370	42,185
NTA	72,283	57,098	57,370	42,185
Current Assets	46,504	31,319	51,654	36,469
Current Liabilities	39,988	39,988	41,915	41,915
Total Borrowings	22,630	22,630	15,113	15,113
Cash and Cash Equivalents	20,905	5,720	17,719	2,534
Net Debt	1,725	16,910	(2,606)	12,579
Number of Shares ('000)	214,473.3	193,025.97 ⁽¹⁾	214,473.3	193,025.97 ⁽¹⁾

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<u>Financial Ratios</u>				
NTA per Share (S\$)	0.34	0.30	0.27	0.22
Net Debt Gearing (times)	0.02	0.29	(0.05)	0.30
Current Ratio (times) ⁽²⁾	1.16	0.78	1.23	0.87
Earnings per Share (cents)	3.86	4.22	2.80	3.04

Notes:

- (1) Computed based on 214,473,300 Shares in issue as at the Latest Practicable Date.
- (2) Current Ratio equals Current Assets divided by Current Liabilities.

(4) **Purchases made entirely out of capital and cancelled**

Market Purchases

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 31 December 2014				
Share Capital	30,244	16,947	30,244	16,947
Capital Reserves	178	178	0	0
Revenue Reserves	42,228	42,228	27,126	27,126
Treasury Shares	0	0	0	0
Total Shareholders' Equity	72,650	59,353	57,370	44,073
NTA	72,283	58,986	57,370	44,073
Current Assets	46,504	33,207	51,654	38,357
Current Liabilities	39,988	39,988	41,915	41,915
Total Borrowings	22,630	22,630	15,113	15,113
Cash and Cash Equivalents	20,905	7,608	17,719	4,422
Net Debt	1,725	15,022	(2,606)	10,691
Number of Shares ('000)	214,473.3	193,025.97 ⁽¹⁾	214,473.3	193,025.97 ⁽¹⁾

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<u>Financial Ratios</u>				
NTA per Share (S\$)	0.34	0.31	0.27	0.23
Net Debt Gearing (times)	0.02	0.25	(0.05)	0.24
Current Ratio (times) ⁽²⁾	1.16	0.83	1.23	0.92
Earnings per Share (cents)	3.86	4.23	2.80	3.05

Notes:

(1) Computed based on 214,473,300 Shares in issue as at the Latest Practicable Date.

(2) Current Ratio equals Current Assets divided by Current Liabilities.

Off-Market Purchases

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase S\$'000	After Share Purchase S\$'000	Before Share Purchase S\$'000	After Share Purchase S\$'000
As at 31 December 2014				
Share Capital	30,244	15,059	30,244	15,059
Capital Reserves	178	178	0	0
Revenue Reserves	42,228	42,228	27,126	27,126
Treasury Shares	0	0	0	0
Total Shareholders' Equity	72,650	57,465	57,370	42,185
NTA	72,283	57,098	57,370	42,185
Current Assets	46,504	31,319	51,654	36,469
Current Liabilities	39,988	39,988	41,915	41,915
Total Borrowings	22,630	22,630	15,113	15,113
Cash and Cash Equivalents	20,905	5,720	17,719	2,534
Net Debt	1,725	16,910	(2,606)	12,579
Number of Shares ('000)	214,473.3	193,025.97 ⁽¹⁾	214,473.3	193,025.97 ⁽¹⁾

	<u>Group</u>		<u>Company</u>	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<u>Financial Ratios</u>				
NTA per Share (S\$)	0.34	0.30	0.27	0.22
Net Debt Gearing (times)	0.02	0.29	(0.05)	0.30
Current Ratio (times) ⁽²⁾	1.16	0.78	1.23	0.87
Earnings per Share (cents)	3.86	4.22	2.80	3.04

Notes:

- (1) Computed based on 214,473,300 Shares in issue as at the Latest Practicable Date.
- (2) Current Ratio equals Current Assets divided by Current Liabilities.

Shareholders should note that the financial effects set out above are purely for illustrative purposes only. Although the proposed Share Purchase Mandate would authorise the Company to purchase or acquire up to 10 per cent. of the total number of issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10 per cent. of the total number of issued Shares. In addition, the Company may cancel all or parts of the Shares repurchased or hold all or parts of the Shares repurchased in treasury if and when the Articles are amended to permit the Company to hold such purchased shares as treasury shares.

- 2.9 **Taxation.** 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 other than Singapore should consult their own professional advisers.

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

2.10.1 *Obligation to make a Take-over Offer*

If, as a result of any purchase or acquisition by the Company of the Shares, the percentage of voting rights in 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, 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.

2.10.2 *Persons Acting in Concert*

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), 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 following persons, *inter alia*, will be presumed to be acting in concert, namely:

- (a) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights;
- (b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10 per cent. or more of the client's equity share capital;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a *bona fide* offer for their company may be imminent;

- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the above persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above persons for the purchase of voting rights.

For this purpose, ownership or control of at least 20 per cent. but not more than 50 per cent. 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 purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.10.3 Effect of Rule 14 and Appendix 2

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 Shares, the voting rights of such Directors and their concert parties would increase to 30 per cent. or more, or in the event that such Directors and their concert parties hold between 30 per cent. and 50 per cent. of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than one (1) per cent. in any period of six (6) months.

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

As at the Latest Practicable Date, the Company's issued share capital is S\$30,243,700 comprising 214,473,300 Shares, of which:

- (a) Poh Choon Ann (Pte.) Ltd. ("**PCAPL**") has a direct interest in approximately 22.38 per cent. of the total number of issued Shares;
- (b) Poh Sin Choon (Pte.) Ltd. ("**PSCPL**") has a direct interest in approximately 12.98 per cent. of the total number of issued Shares;
- (c) Poh Choon Her Investment Pte. Ltd. ("**PCHPL**") has a direct interest in approximately 7.68 per cent. of the total number of issued Shares;
- (d) Poh Tiong Choon Holdings (Pte.) Ltd. ("**PTCHPL**") has a direct interest in approximately 1.60 per cent. of the total number of issued Shares; and
- (e) Her Investment Pte. Ltd. ("**HIPL**") has a direct interest in approximately 0.23 per cent. of the total number of issued Shares.

The shareholders of PCAPL and their respective shareholdings are as follows:

Name	Relationship to Poh Choon Ann	Interest in PCAPL (%)
Poh Choon Ann	–	72.94
Poh Khim Hong	Daughter	17.65
Poh Kay Leong	Son	9.41

The shareholders of PSCPL and their respective shareholdings are as follows:

Name	Relationship to Poh Choon Ann	Interest in PSCPL (%)
Poh Kay Yong	Nephew	8.00
Poh Sin Choon @ Poh Seng Choon	Brother	24.00
Lee Yeo	Sister-in-law	12.00
Poh Key Chai	Nephew	8.00
Poh Geok Hong	Niece	8.00
Poh Bee Hong	Niece	8.00
Foo Moy Hong	Niece	8.00
Poh Lian Hong	Niece	8.00
Poh Kay Hian	Nephew	8.00
Poh Yee Pan	Grand-Nephew	8.00

The shareholders of PCHPL and their respective shareholdings are as follows:

Name	Relationship to Poh Choon Ann	Interest in PCHPL (%)
Poh Key Boon	Nephew	15.40
Poh Kay Giap	Nephew	22.00
Poh Kay Cheong	Nephew	15.20
Poh Kee Wat	Nephew	15.42
Poh Kay Hwa	Nephew	10.77
Poh Keh Tee	Nephew	11.07
Poh Ker Soon	Nephew	10.14

The shareholders of PTCHPL and their respective shareholdings are as follows:

Name	Interest in PTCHPL (%)
PCAPL	60.00
PSCPL	22.50
PCHPL	17.50

The shareholders of HIPL and their respective shareholdings are as follows:

Name	Interest in HIPL (%)
Poh Key Boon	25.00
Poh Kay Giap	25.00
Poh Kay Cheong	25.00
Pooh Kee Wat	25.00

The following persons who are shareholders of PCHPL (the **"PCHPL Shareholders"**) are also the beneficial owners of the following Shares:

Name	Number of Shares	Interest in the Company (%)
Poh Key Boon	261,000	0.12
Poh Kay Cheong	261,000	0.12
Poh Kay Giap	96,000	0.04
Pooh Kee Wat	50,000	0.02

In the event that the Company purchases from the public shareholders and cancels the maximum number of Shares permissible under the Share Purchase Mandate (amounting to 21,447,330 Shares), such purchases and cancellation would increase the shareholding interests of PCAPL, PSCPL, PCHPL, PTCHPL, HIPL and their respective shareholders (including the PCHPL Shareholders) (the **"Poh Group"**) as follows:

	Direct Interests			
	Before Share Purchase		After Share Purchase	
	No. of Shares	%⁽¹⁾	No. of Shares	%⁽²⁾
PCAPL	48,000,000	22.38	48,000,000	24.87
PSCPL	27,842,000	12.98	27,842,000	14.42
PCHPL	16,476,000	7.68	16,476,000	8.54
PTCHPL	3,429,000	1.60	3,429,000	1.78
HIPL	500,000	0.23	500,000	0.26
Poh Key Boon	261,000	0.12	261,000	0.14
Poh Kay Cheong	261,000	0.12	261,000	0.14
Pooh Kee Wat	50,000	0.02	50,000	0.03
Poh Kay Giap	96,000	0.04	96,000	0.05

Notes:

- (1) As a percentage of the total number of issued Shares, comprising 214,473,300 Shares.
- (2) As a percentage of the total number of issued Shares, comprising 193,025,970 Shares (assuming that the Company purchases and cancels the maximum number of 21,447,330 Shares under the Share Purchase Mandate).

In such event, the purchase or acquisition of Shares would result in the aggregate shareholdings of the Poh Group in the Company increasing from approximately 45.19 per cent. to approximately 50.21 per cent. thereby exceeding the one (1) per cent. creeper rule under Rule 14.1(b) of the Take-over Code. As a consequence, the Poh Group and its concert parties would *prima facie* be required to make a general offer for the Shares held by the other Shareholders under Rule 14 of the Take-over Code.

2.10.4 Effect of the Renewal of Share Purchase Mandate on the Poh Group and its concert parties

Pursuant to Section 3(a) of Appendix 2 of the Take-over Code, the Poh Group and its concert parties are exempted from the requirement to make a take-over offer for the Shares held by the other Shareholders pursuant to Rule 14 of the Take-over Code as a result of the Company purchasing or acquiring the Shares pursuant to the Share Purchase Mandate ("**Share Purchase**") subject to the following conditions:

- (a) this Letter on the resolution to authorise the Share Purchase Mandate contains advice to the effect that by voting for the Renewal of Share Purchase Mandate, Shareholders are waiving their rights to a general offer at the required price from the Poh Group and its concert parties who, as a result of the Share Purchase, would increase their voting rights by more than one (1) per cent. in any period of six (6) months, and the names and voting rights of the Poh Group and its concert parties at the time of the resolution relating to the Share Purchase Mandate (which is the date of the AGM) and after the Share Purchase are disclosed in this Letter;
- (b) the Ordinary Resolution is approved by a majority of those Shareholders present and voting at the AGM on a poll who could not become obliged to make an offer for the Company as a result of the Share Purchase;
- (c) the Poh Group and its concert parties abstain from voting for and recommending Shareholders to vote in favour of the Ordinary Resolution;
- (d) within seven (7) days after the passing of the Ordinary Resolution, each of Mr. Poh Choon Ann, Mr. Poh Kay Ping, Ms. Poh Khim Hong, Mr. Poh Kay Yong and Mr. Poh Key Boon submit to the SIC a duly signed form as prescribed by the SIC; and
- (e) the Poh Group and its concert parties have not acquired and will not acquire any Shares between the date on which they know that the announcement of the proposal for the Renewal of Share Purchase Mandate is imminent and the earlier of:
 - (i) the date on which the authority of the Share Purchase Mandate expires; and

- (ii) the date on which the Company announces it has bought back such number of Shares as authorised by the Share Purchase Mandate or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Purchase, would cause their aggregate voting rights in the Company to increase by more than one (1) per cent. in the preceding six (6) months.

If the Company has bought back such number of its Shares as authorised by Shareholders at the latest general meeting or has ceased to buy back its Shares and the aggregate voting rights held by the Poh Group and its concert parties at such time have increased by one (1) per cent. or more as a result of the Company repurchasing its Shares, the Poh Group and its concert parties will incur a bid obligation for the Company if they purchase or acquire any additional voting rights in the Company (other than as a result of the Company buying back Shares under the Renewal of Share Purchase Mandate) before the date of the Company's next Annual General Meeting is or is required to be held.

If the Company ceases the Share Purchase and the increase in the voting rights held by the Poh Group and its concert parties as a result of the Share Purchase at such time is less than one (1) per cent., the Poh Group may acquire further voting rights in the Company. However, any increase in the Poh Group's and its concert parties' percentage voting rights as a result of the Share Purchase will be taken into account together with any voting rights acquired after the cessation in determining whether the Poh Group and its concert parties have increased their aggregate voting rights in the Company by more than one (1) per cent. in any six (6)-month period.

Other than as disclosed above, the Directors are not aware of any facts or factors which suggest or imply that any particular Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the SIC and/or their professional advisers at the earliest opportunity.

- 2.11 **Listing Rules.** While the Listing Rules do not expressly prohibit the purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be considered an "insider" in relation to any buy back of its shares, the Company will not purchase or acquire any Shares pursuant to the Share Purchase Mandate after a price sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such time as the price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares during the period commencing one (1) month before the announcement of the Company's full year financial statements and two (2) weeks before the announcement of the Company's financial statements for each of the first three (3) quarters of the financial year.

The Listing Manual requires a listed company to ensure that at least 10 per cent. of the equity securities excluding treasury shares (excluding preference shares and convertible equity securities) must be held by public shareholders. The "**public**", as defined under the Listing Rules, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the Company and its subsidiaries, as well as the

associates of such persons. Based on the Register of Director's Shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, approximately 117,558,300 Shares, representing approximately 54.81 per cent. of the total number of issued Shares, are held by public shareholders. Assuming that the Company purchases or acquires its Shares through Market Purchases up to the full 10 per cent. limit pursuant to the Share Purchase Mandate and all such purchased Shares are cancelled, the number of Shares in the hands of the public would be reduced to 96,110,970 Shares, representing approximately 49.79 per cent. of the reduced total number of issued Shares. Accordingly, the Company is of the view that there is a sufficient number of issued Shares held by public shareholders which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full 10 per cent. limit pursuant to the proposed 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.

In undertaking any purchases or acquisitions of Shares, the Directors will use their best efforts to ensure that, notwithstanding such purchases or acquisitions, a sufficient float in the hands of the public will be maintained so that the purchases or acquisitions of Shares 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 Previous Share Purchases.

The details of the purchases or acquisitions of Shares made by the Company pursuant to the 2014 Mandate in the 12 months immediately preceding the Latest Practicable Date are as follows:

Date of purchase or acquisition	Type of purchase	Number of Shares purchased or acquired	Highest price paid per Share (S\$)	Lowest price paid per Share (S\$)	Total consideration paid (S\$) (including stamp duties, clearing charges, etc.)
19 March 2015	Market acquisition	109,000	0.585	0.555	63,254.64
25 March 2015	Market acquisition	70,000	0.580	0.580	40,725.99
25 March 2015	Market acquisition	100,000	0.580	0.580	58,179.98
26 March 2015	Market acquisition	110,000	0.585	0.585	64,549.68
27 March 2015	Market acquisition	125,700	0.585	0.580	73,587.18
30 March 2015	Market acquisition	30,000	0.585	0.585	17,604.46

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Interests in Shares. Based on the Register of Director's Shareholdings and the Register of Substantial Shareholders, as at the Latest Practicable Date, the shareholdings of the Directors and the Substantial Shareholders before and after the purchase or acquisition of Shares pursuant to the Share Purchase Mandate, assuming (a) the Company purchases and cancels the maximum amount of 10 per cent. of the total number of issued Shares, and (b) there is no change in the number of Shares held by the Directors and the Substantial Shareholders or which they are deemed interested in, will be as follows:

	Before Share Purchase (No. of Shares)			Before Share Purchase	After Share Purchase
	Direct Interest	Deemed Interest	Total Interest	% ⁽¹⁾	% ⁽²⁾
Directors					
Poh Choon Ann	—	51,429,000 ⁽³⁾	51,429,000	23.98	26.64
Poh Kay Ping	—	—	—	—	—
Poh Khim Hong	—	51,429,000 ⁽³⁾	51,429,000	23.98	26.64
Poh Kay Yong	—	—	—	—	—
Poh Key Boon	261,000	500,000 ⁽⁴⁾	761,000	0.35	0.39
Lew Syn Pau	—	—	—	—	—
Dr Hong Hai	—	—	—	—	—
Substantial Shareholders					
PCAPL	48,000,000 ⁽⁵⁾	3,429,000 ⁽⁶⁾	51,429,000	23.98	26.64
PSCPL	27,842,000	3,429,000 ⁽⁶⁾	31,271,000	14.58	16.20
PCHPL	16,476,000	—	16,476,000	7.68	8.54
Poh Choon Ann	—	51,429,000 ⁽³⁾	51,429,000	23.98	26.64
Poh Khim Hong	—	51,429,000 ⁽³⁾	51,429,000	23.98	26.64
Poh Sin Choon @ Poh Seng Choon	—	27,842,000 ⁽⁷⁾	27,842,000	12.98	14.42
Poh Kay Giap	96,000	16,976,000 ⁽⁸⁾	17,072,000	7.96	8.84
Ho Kim Lee Adrian	28,796,000	—	28,796,000	13.43	14.92

Notes:

- (1) As a percentage of the total number of issued Shares, comprising 214,473,300 Shares.
- (2) As a percentage of the total number of issued Shares, comprising 193,025,970 Shares (assuming that the Company purchases and cancels the maximum number of 21,447,330 Shares under the Share Purchase Mandate).
- (3) Mr. Poh Choon Ann and Ms. Poh Khim Hong are deemed to have an interest in the Shares held by PCAPL by virtue of their combined holdings of not less than 20 per cent. of the voting rights in PCAPL.
- (4) Mr. Poh Key Boon is deemed to have an interest in the Shares held by HIPL by virtue of his holding not less than 20 per cent. of the voting shares in HIPL.
- (5) Includes 38,357,000 Shares held by various nominees.
- (6) PCAPL and PSCPL are deemed to have an interest in the Shares held by PTCHPL by virtue of their holding not less than 20 per cent. of the voting shares in PTCHPL.
- (7) Mr. Poh Sin Choon is deemed to have an interest in the Shares held by PSCPL by virtue of his holding not less than 20 per cent. of the voting shares in PSCPL.
- (8) Mr. Poh Kay Giap is deemed to have an interest in the Shares held by PCHPL and HIPL by virtue of his holding not less than 20 per cent. of the voting shares in each of PCHPL and HIPL.

Based on the Register of Substantial Shareholders of the Company as at the Latest Practicable Date, and with reference to the exemption of the requirement of the Poh Group and its concert parties to make a general offer for the Company in the event that their aggregate shareholding increase by more than one (1) per cent. in any period of six (6) months as a result of the Share Purchase (as more fully described in paragraph 2.10.4 above), the Directors are not aware of any other Substantial Shareholder who may become obligated to make a mandatory offer in the event that the Company purchases or acquires the maximum number of 21,447,330 Shares under the Share Purchase Mandate.

4. DIRECTORS' RECOMMENDATIONS

- 4.1 Save for Mr. Poh Choon Ann and Ms. Poh Khim Hong (each of whom is a shareholder of PCAPL and is deemed to be acting in concert with PCAPL), Mr. Poh Kay Ping (who is the son of Mr. Poh Choon Ann and is deemed to be acting in concert with PCAPL), Mr. Poh Kay Yong (who is a shareholder of PSCPL and is deemed to be acting in concert with PSCPL) as well as Mr. Poh Key Boon (being a PCHPL Shareholder) who have abstained from making any recommendation in respect of the proposed Renewal of Share Purchase Mandate, the Directors are of the opinion that the proposed Renewal of Share Purchase Mandate is in the best interests of the Company. Accordingly, the Directors (save for Mr. Poh Choon Ann, Mr. Poh Kay Ping, Ms. Poh Khim Hong, Mr. Poh Kay Yong and Mr. Poh Key Boon) recommend that Shareholders vote in favour of the Ordinary Resolution as set out in the Notice of AGM.
- 4.2 **Shareholders are advised that by voting in favour of the Renewal of Share Purchase Mandate, they will be waiving their rights to a general offer at the required price from the Poh Group and its concert parties only by reason of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate.**

5. ABSTENTION FROM VOTING

The Poh Group and its concert parties will abstain from voting on the Ordinary Resolution at the AGM. The Poh Group shall not, and shall procure that its concert parties shall not, accept appointment as proxies for Shareholders to vote on the Ordinary Resolution, unless specific instructions have been given in the Proxy Form(s) on how the votes are to be cast in respect of the Ordinary Resolution.

6. INSPECTION OF DOCUMENTS

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

- (a) the Annual Report 2014; and
- (b) the Memorandum and Articles.

7. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

Yours faithfully

For and on behalf of the Board of Directors of
POH TIONG CHOON LOGISTICS LIMITED

Poh Choon Ann
Chairman and Chief Executive Officer

Appendix

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

“2014 Mandate”	:	Has the meaning ascribed to it in paragraph 2.1.
“AGM”	:	The 46 th annual general meeting of the Company to be held on 30 April 2015, notice of which, dated 15 April 2015, accompanies the Annual Report 2014.
“Annual Report 2014”	:	The annual report of the Company for the financial year ended 31 December 2014.
“Articles”	:	The Articles of Association of the Company for the time being.
“Average Closing Price”	:	Has the meaning ascribed to it in paragraph 2.3.4.
“Board”	:	The board of directors of the Company.
“CDP”	:	The Central Depository (Pte) Limited.
“Companies Act”	:	The Companies Act (Chapter 50 of Singapore) as amended, supplemented or modified from time to time.
“Company”	:	Poh Tiong Choon Logistics Limited.
“day of the making of the offer”	:	Has the meaning ascribed to it in paragraph 2.3.4.
“Directors”	:	The directors of the Company for the time being.
“Group”	:	The Company and its subsidiaries.
“HIPL”	:	Has the meaning ascribed to it in paragraph 2.10.3(e).
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Letter, being 30 March 2015.
“Letter”	:	This letter to Shareholders dated 15 April 2015.
“Listing Manual”	:	The listing manual of the SGX-ST, including any amendments made thereto up to the date of this Letter.
“Listing Rules”	:	The listing rules of the SGX-ST set out in the Listing Manual.
“Market Day”	:	A day on which the SGX-ST is open for trading in securities.
“Market Purchase”	:	Has the meaning ascribed to it in paragraph 2.3.3(a).
“Maximum Price”	:	Has the meaning ascribed to it in paragraph 2.3.4.

“Memorandum”	:	The Memorandum of Association of the Company for the time being.
“Notice of AGM”	:	The notice of the AGM, as enclosed with the Annual Report 2014.
“NTA”	:	Net tangible assets.
“Off-Market Purchase”	:	Has the meaning ascribed to it in paragraph 2.3.3(b).
“Ordinary Resolution”	:	The ordinary resolution relating to the Renewal of Share Purchase Mandate.
“PCAPL”	:	Has the meaning ascribed to it in paragraph 2.10.3(a).
“PCHPL”	:	Has the meaning ascribed to it in paragraph 2.10.3(c).
“PCHPL Shareholders”	:	Has the meaning ascribed to it in paragraph 2.10.3.
“Poh Group”	:	Has the meaning ascribed to it in paragraph 2.10.3.
“PSCPL”	:	Has the meaning ascribed to it in paragraph 2.10.3(b).
“PTCHPL”	:	Has the meaning ascribed to it in paragraph 2.10.3(d).
“Relevant Period”	:	The period commencing from the date the last annual general meeting of the Company was held and expiring on the date the next annual general meeting is or is required by law to be held, whichever is the earlier, after the Ordinary Resolution is passed.
“Renewal of Share Purchase Mandate”	:	Has the meaning ascribed to it in paragraph 2.1.
“Securities Account”	:	A securities account maintained by the depositor with CDP but does not include a securities sub-account.
“SIC”	:	Securities Industry Council of Singapore.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“Share Purchase”	:	Has the meaning ascribed to it in paragraph 2.10.4.
“Share Purchase Mandate”	:	General mandate given by Shareholders to authorise the Directors to purchase or acquire Shares in accordance with the terms set out in this Letter as well as the rules and regulations set forth in the Companies Act and the Listing Manual.

“Shareholders”	:	Registered holders for the time being of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the depositors whose Securities Account is credited with Shares.
“Shares”	:	Ordinary shares in the capital of the Company.
“Substantial Shareholder”	:	A person (including a corporation) who has an interest in not less than five (5) per cent. of the issued voting shares of the Company.
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, including any amendments made thereto up to the date of this Letter.
“S\$”, “\$” and “cents”	:	Singapore dollars and cents, respectively.
“%” or “per cent.”	:	Per centum or percentage.

The terms **“depositor”**, **“Depository Register”** and **“depository agent”** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

The term **“controlling shareholder”** shall have the meaning ascribed to it in the Listing Manual.

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

Any reference in this Letter 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 or the Listing Manual or any statutory modification thereof and not otherwise defined in this Letter shall have the same meaning assigned to it under the Companies Act or the Listing Manual or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Letter is made by reference to Singapore time unless otherwise stated.

Any discrepancies in this Letter between the listed amounts and the totals thereof and/or the respective percentages are due to rounding.