

CIRCULAR DATED 31 MARCH 2016

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

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

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

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TUAN SING HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

Registration No.: 196900130M

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED SHARE PURCHASE MANDATE

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 27 April 2016 at 11.00 a.m.

Date and time of Extraordinary General Meeting : 29 April 2016 at 11.00 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the 46th Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place)

Place of Extraordinary General Meeting : Vine Ballroom
Metropolitan YMCA Singapore
60 Stevens Road
Singapore 257854

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated in the Circular:

“Act” or “Companies Act”	The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
“AGM”	The annual general meeting of the Company
“Business Day”	A day other than a Saturday, Sunday or public holiday in Singapore
“CDP” or “Depository”	The Central Depository (Pte) Limited or any other corporation approved by the Monetary Authority of Singapore as a depository company or corporation for the purposes of the Securities and Futures Act (Cap. 289), which operates the Central Depository System for the holding and transfer of book-entry securities
“Circular”	This circular to Shareholders dated 31 March 2016 in relation to the proposed Share Purchase Mandate
“Company” or “Tuan Sing”	Tuan Sing Holdings Limited (Registration No.: 196900130M)
“Constitution”	The memorandum and articles of association of the Company, as may be amended or modified from time to time
“controlling shareholder”	A person who (a) holds directly or indirectly 15% or more of the total number of issued Shares (excluding Treasury Shares) in the Company (unless the SGX-ST determines that such person is not a controlling shareholder); or (b) in fact exercises control over the Company
“CPF”	Central Provident Fund

<i>“CPF Approved Nominees”</i>	Agent banks included under the CPFIS
<i>“CPFIS”</i>	Central Provident Fund Investment Scheme
<i>“Depositor”</i>	An account holder or a Depository Agent but does not include a sub-account holder
<i>“Depository Agent”</i>	A member of SGX-ST, a trust company (licensed under the Trust Companies Act (Cap. 336)), a bank licensed under the Banking Act (Cap. 19), any merchant bank approved as a financial institution under the Monetary Authority of Singapore Act (Cap. 186) or any other person or body approved by the Depository who or which – (a) performs services as a depository agent for sub-account holders in accordance with the terms of a depository agent agreement entered into between the Depository and the depository agent; (b) deposits book-entry securities with the Depository on behalf of the sub-account holders; and (c) establishes an account in its name with the Depository
<i>“Depository Register”</i>	A register maintained by the Depository in respect of book-entry securities
<i>“Directors”</i>	The directors of the Company as at the Latest Practicable Date
<i>“EGM”</i>	The extraordinary general meeting of the Company, notice of which is given on pages 32 to 35 of this Circular
<i>“EPS”</i>	Earnings per Share
<i>“FY”</i>	Financial year ended 31 December
<i>“Group” or “Tuan Sing Group”</i>	Tuan Sing and its subsidiaries
<i>“Latest Practicable Date”</i>	15 March 2016, being the latest practicable date prior to the printing of this Circular

<i>“Listing Manual”</i>	The listing manual of the SGX-ST, as may be amended, modified or supplemented from time to time
<i>“Market Day”</i>	A day on which the SGX-ST is open for trading in securities
<i>“Market Purchase”</i>	An on-market purchase of Shares by the Company effected on the SGX-ST 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
<i>“Maximum Price”</i>	The maximum price to be paid for the Shares as determined by the Directors under paragraph 2.3.4 of this Circular
<i>“NTA”</i>	Net tangible assets
<i>“Off-Market Purchase”</i>	An off-market purchase of Shares by the Company effected otherwise than on a stock exchange, in accordance with an equal access scheme
<i>“Ordinary Resolution”</i>	The ordinary resolution relating to the proposed Share Purchase Mandate to be proposed at the EGM, as set out in the Notice of EGM on pages 32 to 35 of this Circular
<i>“Proxy Form”</i>	The proxy form in respect of the EGM as set out in this Circular
<i>“Public”</i>	Persons other than Directors, chief executive officer, substantial shareholders or controlling shareholders of the Company or its subsidiaries, as well as the associates of such persons
<i>“Registrar”</i>	Registrar of Companies appointed under the Act and includes any Deputy or Assistant Registrar of Companies

“ROE”	Return on equity
“Securities Accounts”	Securities accounts maintained by Depositors with CDP, but do not include securities sub-accounts maintained with a Depository Agent
“SGX-ST”	Singapore Exchange Securities Trading Limited
“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 Depositors in the Depository Register whose Securities Accounts maintained with CDP are credited with Shares
“Shares”	Ordinary shares in the capital of the Company
“Share Purchase”	The purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate
“Share Purchase Mandate”	The proposed general mandate to authorise the Directors to purchase or otherwise acquire, on behalf of the Company, Shares in accordance with the terms as set out in this Circular
“subsidiaries”	Has the meaning ascribed to it in Section 5 of the Act
“Take-over Code”	The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time
Currencies, Units and Others	
“S\$” and “cents”	Singapore dollars and cents respectively
“%” or “per cent.”	Percentage or per centum

The term **"Treasury Shares"** shall have the meaning ascribed to it in Section 4 of the Act.

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

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 or term defined under the Companies Act, the Listing Manual or the Take-over Code or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, the Listing Manual or the Take-over Code or any such statutory modification thereof, as the case may be, unless otherwise provided.

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

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

Any discrepancies in figures in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

TUAN SING HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

Registration No.: 196900130M

Directors:

Ong Beng Kheong (*Chairman*)
William Nursalim alias William Liem
(*Chief Executive Officer*)
Choo Teow Huat Albert
Chow Kok Kee
David Lee Kay Tuan
Michelle Liem Mei Fung
Ng Siow How

Registered Office:

9 Oxley Rise
#03-02 The Oxley
Singapore 238697

31 March 2016

To: The Shareholders of Tuan Sing Holdings Limited

Dear Sir/Madam

THE PROPOSED SHARE PURCHASE MANDATE

1 INTRODUCTION

- 1.1 EGM.** The Directors are convening the EGM to be held on Friday, 29 April 2016 to seek Shareholders' approval for the proposed Share Purchase Mandate.
- 1.2 Circular.** The purpose of this Circular is to provide Shareholders with relevant information pertaining to, and to seek Shareholders' approval at the EGM for, the proposed Share Purchase Mandate.

2 THE PROPOSED SHARE PURCHASE MANDATE

2.1 Background. The Act allows companies to purchase their own shares, stocks and preference shares in the manner stated in the Act if their constitutions allow them to do so. Article 51 of the Constitution expressly permits the Company to purchase or otherwise acquire, *inter alia*, its issued Shares. It is proposed that a general and unconditional mandate be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares upon and subject to the terms of the Share Purchase Mandate. Accordingly, the Company intends to table the proposal as an Ordinary Resolution at the EGM to seek Shareholders' approval for the Share Purchase Mandate.

The Share Purchase Mandate, if approved by Shareholders at the EGM, will remain in force until (i) the date on which the next AGM of the Company is held or required by law to be held (when it will lapse unless it is renewed); or (ii) the date on which the Share Purchase is carried out to the full extent mandated, whichever is the earlier unless prior to that, it is varied or revoked by resolution of the Shareholders in general meeting.

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

- (a) in managing the business of the Group, management strives to increase Shareholders' value by improving, *inter alia*, the ROE of the Group. In addition to growth and expansion of the business, Share Purchase may be considered as one of the ways through which the ROE of the Group may be enhanced;
- (b) the Share Purchase Mandate will provide the Company with greater flexibility in managing its funds and maximising returns to Shareholders. To the extent that the Company has surplus funds which are in excess of its financial requirements, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of the excess cash and surplus

funds to Shareholders in an expedient, effective and cost-efficient manner by way of purchasing its issued Shares at prices which are viewed as favourable;

- (c) Share Purchase may help mitigate short-term market volatility (by way of stabilising the supply and demand of its issued Shares), off-set the effects of short-term speculation, support the fundamental value of the issued Shares and bolster Shareholders' confidence;
- (d) all things being equal, the Share Purchase will result in a lower number of issued Shares being used for the purpose of computing EPS and NTA per Share, if the purchased Shares are subsequently cancelled or during the period such Shares are held as Treasury Shares. Therefore, Share Purchase under the Share Purchase Mandate will improve the Company's EPS and NTA per Share, which in turn is expected to have a positive impact on the fundamental value of its issued Shares; and
- (e) if the purchased Shares are held as Treasury Shares, the Company may have the opportunity to realise a potential gain if those Shares are sold at a higher price than the purchase price.

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

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

2.3 Authority and Limits on the Share Purchase Mandate. The authority and limitations placed on Share Purchase by the Company under the proposed Share Purchase Mandate are summarised below:

2.3.1 *Maximum Number of Shares*

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. In accordance with Rule 882 of the Listing Manual, the total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares of the Company as at the date of the EGM. Under the Act, any Shares which are held as Treasury Shares will be disregarded for purposes of computing the 10% limit.

For illustrative purposes only, on the basis of 1,178,824,988 Shares in issue (excluding Treasury Shares, if any) as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the EGM, not more than 117,882,498 Shares (representing 10% of the total number of issued Shares of the Company as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate during the duration referred to in paragraph 2.3.2 below.

2.3.2 *Duration of Authority*

Share Purchase may be made, at any time and from time to time, on and from the date of the forthcoming EGM, at which the Share Purchase Mandate is to be approved, up to:

- (a) the date on which the next AGM of the Company is held or is required by law to be held; or
- (b) the date on which the Share Purchase is 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 AGM or at an EGM to be convened immediately after the conclusion or adjournment of the next AGM.

2.3.3 Manner of Share Purchase

Share Purchase may be made by way of:

- (a) Market Purchase(s); and/or
- (b) Off-Market Purchase(s).

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

- (i) offers for Share Purchase under the scheme shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; (2) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid (if applicable); and (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Pursuant to the Listing Manual, if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme as defined in Section 76C of the Companies Act, it must 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 Share Purchase;
- (4) the consequences, if any, of the Share Purchase by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (5) whether the Share Purchase, if made, could affect the listing of Shares on the SGX-ST; and
- (6) details of any Share Purchase made by the Company in the previous twelve months (whether Market Purchase or Off-Market Purchase), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such Share Purchase, where relevant, and the total consideration paid for such Share Purchase; and
- (7) whether the Shares purchased 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 or a committee of Directors that may be constituted for the purposes of effecting Share Purchase by the Company. However, the purchase price to be paid for the Shares pursuant to the Share Purchase must not exceed:

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

(b) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares,

(the “**Maximum Price**”).

For the above purposes:

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

“**Date of the making of the offer**” means the date on which the Company makes an offer for the Share Purchase from Shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

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

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

2.5 Status of Purchased Shares. Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to those Shares will expire on such cancellation) unless such Shares are held by the Company as Treasury Shares. All Shares purchased by the Company, unless 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. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company that are cancelled and not held as Treasury Shares.

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

2.6.1 *Maximum Holdings*

The number of Shares that may be held as Treasury Shares cannot at any time exceed 10% of the total number of issued Shares and the Company shall be entered in the Register of Members or the Depository Register, as the case may be, as the member holding those Shares.

2.6.2 *Voting and Other Rights*

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

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

2.6.3 Disposal and Cancellation

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

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

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

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

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

Under the Act, Share Purchase by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent. Where the consideration paid by the Company for Share Purchase is made out of profits, such consideration (including brokerage, commission, goods and services tax and other related expenses) will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the Share Purchase is made out of capital, the amount of profits available for the distribution of 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 of the Group. Share Purchase will only be effected after considering relevant factors such as working capital requirement, availability of financial resources, expansion and investment plans of the Group and prevailing market conditions. The Share Purchase Mandate will be exercised with a view to enhancing the EPS and/or the NTA value per Share.

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

- (a) that the Share Purchase comprised 117,882,498 Shares, representing the maximum 10% limit allowed under the Share

Purchase Mandate of 1,178,824,988 Shares in issue as at the Latest Practicable Date and assuming no further Shares were issued on or prior to the EGM;

- (b) that the Share Purchase took place at the beginning of the financial year on 1 January 2015 and the Shares purchased were (A) held as Treasury Shares; or (B) cancelled;
- (c) that such Share Purchase was made wholly out of profits and financed solely by either internal resources of fund or external borrowings, as the case may be. If such Share Purchase was financed by external borrowings only, the estimated interest rate payable would be 5.0% per annum;
- (d) that, in the case of Market Purchase, the maximum amount of funds required for such Share Purchase (excluding brokerage, commission, goods and services tax and other related expenses) based on the Maximum Price of S\$0.3276 for one Share (being the price equivalent to 105% of the Average Closing Price of the Shares at S\$0.3120 for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date) would amount to approximately S\$38,618,000;
- (e) that, in the case of Off-Market Purchase, the maximum amount of funds required for such Share Purchase (excluding brokerage, commission, goods and services tax and other related expenses) based on the Maximum Price of S\$0.3432 for one Share (being the price equivalent to 110% of the Average Closing Price of the Shares at S\$0.3120 for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date) would amount to approximately S\$40,457,000; and
- (f) that, at the Company level, existing cash resource is to be used up before the inter-company or external borrowings, as the case may be, are activated.

Pro-forma financial effects on the Group and the Company as at 31 December 2015

For illustrative purposes, the pro-forma financial effects of the Share Purchase Mandate on the latest audited financial statements of the Group and the Company for FY2015 based on various scenarios are set out below:

Scenario 1

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

1(A) the purchased Shares are held as Treasury Shares

	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Internal resources	External borrowings		Internal resources	External borrowings
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2015						
Share capital	170,230	170,230	170,230	170,230	170,230	170,230
Revenue reserve	519,421	519,421	517,490	294,427	294,427	292,496
Other reserves	187,154	187,154	187,154	101,264	101,264	101,264
Treasury shares	–	(38,618)	(38,618)	–	(38,618)	(38,618)
Equity attributable to Shareholders of the Company	876,805	838,187	836,256	565,921	527,303	525,372
Non-controlling interests	10,652	10,652	10,652	–	–	–
Total equity	887,457	848,839	846,908	565,921	527,303	525,372
Cash and cash balances	141,717	103,099	139,786	431	–	–
Total borrowings	1,106,334	1,106,334	1,144,952	79,404	79,404	118,022
Current assets	615,880	577,262	613,949	286,321	285,890	285,890
Current liabilities ⁽¹⁾	554,052	554,052	554,052	303,394	341,581	304,894
NTA ⁽²⁾	876,805	838,187	836,256	565,921	527,303	525,372
Profit attributable to Shareholders of the Company ⁽³⁾	68,833	68,833	66,902	46,549	46,549	44,618
Number of issued Shares ('000)	1,178,825	1,060,943	1,060,943	1,178,825	1,060,943	1,060,943
Weighted average number of issued Shares ('000)	1,177,545	1,059,663	1,059,663	1,177,545	1,059,663	1,059,663
Financial Ratios						
NTA ⁽²⁾ per share (cents)	74.4	79.0	78.8	48.0	49.7	49.5
EPS ⁽³⁾⁽⁴⁾ (cents)	5.8	6.5	6.3	4.0	4.4	4.2
Gross gearing ⁽⁵⁾ (times)	1.25	1.30	1.35	0.14	0.15	0.22
Net gearing ⁽⁵⁾ (times)	1.09	1.18	1.19	0.14	0.15	0.22
Current ratio ⁽⁶⁾ (times)	1.1	1.0	1.1	0.9	0.8	0.9
ROE ⁽⁷⁾ (%)	8.2	8.4	8.2	8.5	8.9	8.5

1(B) the purchased Shares are cancelled

	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Internal resources	External borrowings		Internal resources	External borrowings
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2015						
Share capital	170,230	170,230	170,230	170,230	170,230	170,230
Revenue reserve	519,421	480,803	478,872	294,427	255,809	253,878
Other reserves	187,154	187,154	187,154	101,264	101,264	101,264
Treasury shares	-	-	-	-	-	-
Equity attributable to Shareholders of the Company	876,805	838,187	836,256	565,921	527,303	525,372
Non-controlling interests	10,652	10,652	10,652	-	-	-
Total equity	887,457	848,839	846,908	565,921	527,303	525,372
Cash and cash balances	141,717	103,099	139,786	431	-	-
Total borrowings	1,106,334	1,106,334	1,144,952	79,404	79,404	118,022
Current assets	615,880	577,262	613,949	286,321	285,890	285,890
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NTA ⁽²⁾	876,805	838,187	836,256	565,921	527,303	525,372
Profit attributable to Shareholders of the Company ⁽³⁾	68,833	68,833	66,902	46,549	46,549	44,618
Number of issued Shares ('000)	1,178,825	1,060,943	1,060,943	1,178,825	1,060,943	1,060,943
Weighted average number of issued Shares ('000)	1,177,545	1,059,663	1,059,663	1,177,545	1,059,663	1,059,663
Financial Ratios						
NTA ⁽²⁾ per share (cents)	74.4	79.0	78.8	48.0	49.7	49.5
EPS ⁽³⁾⁽⁴⁾ (cents)	5.8	6.5	6.3	4.0	4.4	4.2
Gross gearing ⁽⁵⁾ (times)	1.25	1.30	1.35	0.14	0.15	0.22
Net gearing ⁽⁵⁾ (times)	1.09	1.18	1.19	0.14	0.15	0.22
Current ratio ⁽⁶⁾ (times)	1.1	1.0	1.1	0.9	0.8	0.9
ROE ⁽⁷⁾ (%)	8.2	8.4	8.2	8.5	8.9	8.5

Scenario 2

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

2(A) the purchased Shares are held as Treasury Shares

	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Internal resources	External borrowings		Internal resources	External borrowings
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2015						
Share capital	170,230	170,230	170,230	170,230	170,230	170,230
Revenue reserve	519,421	519,421	517,398	294,427	294,427	292,404
Other reserves	187,154	187,154	187,154	101,264	101,264	101,264
Treasury shares	–	(40,457)	(40,457)	–	(40,457)	(40,457)
Equity attributable to Shareholders of the Company	876,805	836,348	834,325	565,921	525,464	523,441
Non-controlling interests	10,652	10,652	10,652	–	–	–
Total equity	887,457	847,000	844,977	565,921	525,464	523,441
Cash and cash balances	141,717	101,260	139,694	431	–	–
Total borrowings	1,106,334	1,106,334	1,146,791	79,404	79,404	119,861
Current assets	615,880	575,423	613,857	286,321	285,890	285,890
Current liabilities ⁽¹⁾	554,052	554,052	554,052	303,394	343,420	304,986
NTA ⁽²⁾	876,805	836,348	834,325	565,921	525,464	523,441
Profit attributable to Shareholders of the Company ⁽³⁾	68,833	68,833	66,810	46,549	46,549	44,526
Number of issued Shares ('000)	1,178,825	1,060,943	1,060,943	1,178,825	1,060,943	1,060,943
Weighted average number of issued Shares ('000)	1,177,545	1,059,663	1,059,663	1,177,545	1,059,663	1,059,663
Financial Ratios						
NTA ⁽²⁾ per share (cents)	74.4	78.8	78.6	48.0	49.5	49.3
EPS ⁽³⁾⁽⁴⁾ (cents)	5.8	6.5	6.3	4.0	4.4	4.2
Gross gearing ⁽⁵⁾ (times)	1.25	1.31	1.36	0.14	0.15	0.23
Net gearing ⁽⁵⁾ (times)	1.09	1.19	1.19	0.14	0.15	0.23
Current ratio ⁽⁶⁾ (times)	1.1	1.0	1.1	0.9	0.8	0.9
ROE ⁽⁷⁾ (%)	8.2	8.4	8.2	8.5	8.9	8.5

2(B) the purchased Shares are cancelled

	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Internal resources	External borrowings		Internal resources	External borrowings
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at 31 December 2015						
Share capital	170,230	170,230	170,230	170,230	170,230	170,230
Revenue reserve	519,421	478,964	476,941	294,427	253,970	251,947
Other reserves	187,154	187,154	187,154	101,264	101,264	101,264
Treasury shares	-	-	-	-	-	-
Equity attributable to Shareholders of the Company	876,805	836,348	834,325	565,921	525,464	523,441
Non-controlling interests	10,652	10,652	10,652	-	-	-
Total equity	887,457	847,000	844,977	565,921	525,464	523,441
Cash and cash balances	141,717	101,260	139,694	431	-	-
Total borrowings	1,106,334	1,106,334	1,146,791	79,404	79,404	119,861
Current assets	615,880	575,423	613,857	286,321	285,890	285,890
Current liabilities ⁽¹⁾	554,052	554,052	554,052	303,394	343,420	304,986
NTA ⁽²⁾	876,805	836,348	834,325	565,921	525,464	523,441
Profit attributable to Shareholders of the Company ⁽³⁾	68,833	68,833	66,810	46,549	46,549	44,526
Number of issued Shares ('000)	1,178,825	1,060,943	1,060,943	1,178,825	1,060,943	1,060,943
Weighted average number of issued Shares ('000)	1,177,545	1,059,663	1,059,663	1,177,545	1,059,663	1,059,663
Financial Ratios						
NTA ⁽²⁾ per share (cents)	74.4	78.8	78.6	48.0	49.5	49.3
EPS ⁽³⁾⁽⁴⁾ (cents)	5.8	6.5	6.3	4.0	4.4	4.2
Gross gearing ⁽⁵⁾ (times)	1.25	1.31	1.36	0.14	0.15	0.23
Net gearing ⁽⁵⁾ (times)	1.09	1.19	1.19	0.14	0.15	0.23
Current ratio ⁽⁶⁾ (times)	1.1	1.0	1.1	0.9	0.8	0.9
ROE ⁽⁷⁾ (%)	8.2	8.4	8.2	8.5	8.9	8.5

Notes to the above tables:

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

Shareholders should note that the pro-forma financial effects set out above are solely for illustration purposes and are based on the assumptions set out in paragraph 2.7 above. In particular, it is important to note that the above pro-forma financial analysis is based on the Group's and the Company's historical numbers for FY2015, and does not necessarily represent the Group's and the Company's future financial performance.

The Company will take into account both financial and non-financial factors (for example, share market conditions and the performance of the Shares) in assessing the relative impact of a Share Purchase before execution. Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares (excluding Treasury Shares) as at the date that the Share Purchase Mandate is obtained, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of issued Shares (excluding Treasury Shares). In addition, the Company may cancel all or part of the Shares purchased or may hold all or part of the Shares purchased as Treasury Shares.

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

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

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

The notification to the SGX-ST (which must be in the form prescribed by Appendix 8.3.1 to the Listing Manual) of such Share Purchase shall include, *inter alia*, details of the date of the purchase, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as Treasury Shares, the purchase price per Share or the

highest and lowest prices paid for such Shares, as applicable, the total consideration (including stamp duties and clearing charges, etc) paid or payable for the Shares, the number of Shares purchased as at the date of announcement (on a cumulative basis), the number of issued Shares excluding Treasury Shares and the number of Treasury Shares held after the purchase.

Within 30 days of the passing of a Shareholders' resolution to approve or renew the Share Purchase Mandate, the Company shall lodge a copy of such resolution with the Registrar.

The Directors shall lodge with the Registrar a notice of Share Purchase within 30 days of such Share Purchase. Such notification shall include the date of the purchases or acquisitions, the number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of purchased Shares held as Treasury Shares, the Company's issued share capital before and after the purchases or acquisitions, the amount of consideration paid by the Company for the purchases or acquisitions of Shares, whether the Shares were purchased or acquired out of the profits or the capital of the Company and such other particulars as may be required in the prescribed form.

Within 30 days of the cancellation or disposal of Treasury Shares in accordance with the Act, the Directors shall lodge with the Registrar a notice of the cancellation or disposal of Treasury Shares with such particulars as may be required in the prescribed form, together with payment of the prescribed fee.

2.10 No Purchases During Price Sensitive Developments. While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed share purchases, the Company will not undertake any Share Purchase at any time after a price sensitive development has occurred or has been the subject of a consideration and/or decision until the price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchase or Off-Market Purchase during the period of two weeks immediately preceding the announcement of the Company's results for each of the first three quarters of the financial year, and during the period of one

month immediately preceding the announcement of the full year results, as the case may be, and ending on the date of announcement of the relevant results.

- 2.11 Listing Status on the SGX-ST.** Rule 723 of the Listing Manual requires a listed company to ensure that at least 10% of any class of its listed securities (excluding Treasury Shares, preference shares and convertible equity securities) must be held by the Public at all times.

Based on the Register of Directors' Shareholdings maintained by the Company and its subsidiaries, the Register of Substantial Shareholders maintained by the Company and information received by the Company, as at the Latest Practicable Date, approximately 478,701,259 Shares, representing 40.61% of the total number of issued Shares (excluding Treasury Shares) are in the hands of the Public. No Shares were held by the Company as Treasury Shares as at that date. Assuming that the Company purchases Shares of up to the full 10% limit pursuant to the proposed Share Purchase Mandate on the Latest Practicable Date, the number of Shares in the hands of the Public would be reduced to 360,818,761 Shares, representing 34.01% of the reduced total number of issued Shares of the Company. Accordingly, the Company is of the view that there is a sufficient number of issued Shares held in the hands of the Public which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full 10% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the Public will not fall to such a level as to cause market illiquidity. While the Share Purchase Mandate would authorise Share Purchase up to a maximum limit of 10%, Shareholders should note that Share Purchase may not be carried out up to the full 10% limit as authorised, or at all.

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

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

2.12.1 *Obligation to Make a Take-over Offer*

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

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

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);

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

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

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

2.12.3 *Application of the Take-over Code*

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

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

As at the Latest Practicable Date, Mr William Nursalim alias William Liem, who is a Director and deemed to be a substantial shareholder of the Company by virtue of his interests in Nuri Holdings (S) Pte Ltd (together with its concert parties) and the brother of Ms Michelle Liem Mei Fung; Ms Michelle Liem Mei Fung, who is a non-executive Director and deemed to be a substantial shareholder of the Company by virtue of her interests in Nuri Holdings (S) Pte Ltd (together with its concert parties); and her spouse, Mr David Lee Kay Tuan, a non-executive Director of the Company (together, the “**Relevant Directors**”) and their concert parties have an aggregate interest (direct and deemed) in approximately 629,064,529 Shares, representing approximately 53.36% of the issued Shares. Save for Mr William Nursalim alias William Liem, Ms Michelle Liem Mei Fung and Mr David Lee Kay Tuan, none of the Directors are directors of Nuri Holdings (S) Pte Ltd or parties acting in concert with Nuri Holdings (S) Pte Ltd.

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

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

Shareholders and their concert parties will be subject to the provisions of Rule 14 if they acquire any Shares after the Company's Share Purchase. For the purpose of the Take-over Code, an increase in the percentage of voting rights as a result of the Share Purchase will be taken into account in determining whether a Shareholder and persons acting in concert with him have increased their voting rights by more than 1% in any period of 6 months.

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

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

2.13 Details of Share Purchase in the Last 12 Months. There were no purchases of Shares made by the Company in the 12 months immediately preceding the Latest Practicable Date.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

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

Name	Direct interest		Deemed interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Ong Beng Kheong	2,200	0.0002	–	–
Michelle Liem Mei Fung	–	–	546,383,829 ⁽²⁾	46.3499
William Nursalim alias William Liem	–	–	546,383,829 ⁽²⁾	46.3499
David Lee Kay Tuan	250,000	0.0212	–	–

Notes:

- (1) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 1,178,824,988 Shares.
- (2) By virtue of interest in Nuri Holdings (S) Pte Ltd.

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

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Nuri Holdings (S) Pte Ltd	546,383,829	46.3499	–	–	546,383,829	46.3499
Michelle Liem Mei Fung	–	–	546,383,829 ⁽²⁾	46.3499	546,383,829	46.3499
William Nursalim alias William Liem	–	–	546,383,829 ⁽²⁾	46.3499	546,383,829	46.3499
Dr Tan Enk Ee	–	–	546,383,829 ⁽²⁾	46.3499	546,383,829	46.3499
Lim Tek Siong	55,326,150	4.6933	27,104,550 ⁽³⁾	2.2993	82,430,700	6.9926
Go Giok Lian	27,104,550	2.2993	55,326,150 ⁽⁴⁾	4.6933	82,430,700	6.9926
Koh Wee Meng	69,457,000	5.8921	1,600,000 ⁽⁵⁾	0.1357	71,057,000	6.0278

Notes:

- (1) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 1,178,824,988 Shares.
- (2) By virtue of interest in Nuri Holdings (S) Pte Ltd.
- (3) Mr Lim Tek Siong, spouse of Mdm Go Giok Lian, is deemed to be interested in Mdm Go Giok Lian's direct interest of 2.2993 per cent in the Company.
- (4) Mdm Go Giok Lian, spouse of Mr Lim Tek Siong, is deemed to be interested in Mr Lim Tek Siong's direct interest of 4.6933 per cent in the Company.
- (5) Mr Koh Wee Meng is deemed to be interested in his spouse, Mdm Lim Wan Looi's direct interest of 0.1357 per cent in the Company.

4 DIRECTORS' RECOMMENDATION

The Directors, after having considered the rationale for the proposed Share Purchase Mandate, are of the opinion that the same is in the interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the Ordinary Resolution relating to the proposed Share Purchase Mandate to be proposed at the EGM, as set out in the Notice of EGM on pages 32 to 35 of this Circular.

5 EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 32 to 35 of this Circular, will be held at Vine Ballroom, Metropolitan YMCA Singapore, 60 Stevens Road, Singapore 257854 on Friday, 29 April 2016 at 11.00 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the 46th Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolution set out in the Notice of EGM.

6 ACTION TO BE TAKEN BY SHAREHOLDERS

6.1 Appointment of Proxies. Shareholders of the Company who are unable to attend the EGM and who wish to appoint a proxy to attend and vote on their behalf are requested to complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, to reach the Company's registered office at 9 Oxley Rise, #03-02 The Oxley, Singapore 238697 by 11.00 a.m. on Wednesday, 27 April 2016. The completion and return of the Proxy Form by a Shareholder will not preclude him from attending and voting at the EGM in person if he so wishes.

6.2 When Depositor Regarded as Shareholder. A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP not less than 72 hours before the time fixed for the EGM or any adjournment thereof.

CPFIS investors may wish to check with their CPF Approved Nominees on the procedure and deadline for the submission of their written instructions to their CPF Approved Nominees to vote on their behalf.

7 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 9 Oxley Rise, #03-02 The Oxley, Singapore 238697 during normal business hours in a Business Day from the date of this Circular up to and including the date of the EGM:

- (i) the annual report of the Company containing the audited financial statements of the Group and the Company for FY2015; and
- (ii) the Constitution.

8 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 proposed 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 Circular misleading.

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

Yours faithfully

For and on behalf of the Board of Directors

Tuan Sing Holdings Limited

Ong Beng Kheong

Chairman

TUAN SING HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

Registration No.: 196900130M

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Tuan Sing Holdings Limited (the “**Company**”) will be held at Vine Ballroom, Metropolitan YMCA Singapore, 60 Stevens Road, Singapore 257854 on Friday, 29 April 2016 at 11.00 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the 46th Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the following Ordinary Resolution:

Ordinary Resolution

The Proposed Share Purchase Mandate

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the “**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (“**Shares**”) not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) market purchase(s) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); and/or
 - (ii) off-market purchase(s) effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
- (i) the date on which the next Annual General Meeting of the Company is held; or
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held; or
 - (iii) the date on which the purchase of Shares by the Company pursuant to the Share Purchase Mandate is carried out to the full extent mandated;
- (c) in this Resolution:

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

“Date of the making of the offer” means the date on which the Company makes an offer for the Share Purchase from holders of Shares, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

“Maximum Limit” means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as Treasury Shares as at that date); and

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

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

All capitalised terms used in this Notice of EGM which are not defined herein shall have the same meaning ascribed to them in the Circular to Shareholders dated 31 March 2016.

By Order of the Board



Lee Pih Peng
Company Secretary
Singapore
31 March 2016

Notes:

1. (a) A member (otherwise than a relevant intermediary) is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

“Relevant intermediary” means:

- (i) 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;
 - (ii) 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
 - (iii) 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.
2. A proxy need not be a member of the Company.
 3. If the appointor is a corporation, the proxy form must be executed under seal or the hand of its attorney or officer duly authorised.
 4. An instrument appointing a proxy must be deposited at the registered office of the Company at 9 Oxley Rise, #03-02 The Oxley, Singapore 238697 not less than 48 hours before the time for holding the Extraordinary General Meeting or any adjournment thereof.

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PROXY FORM

– Extraordinary General Meeting

IMPORTANT

1. Relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 may appoint more than 2 proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For CPF/SRS investors who have used their CPF monies to buy shares in Tuan Sing Holdings Limited, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their CPF Approved Nominees if they have any queries regarding their appointment as proxies. (Please see Note 3).
3. By submitting an instrument appointing a proxy(ies) and/or representative(s), a member accepts and agrees to the personal data privacy terms set out in the Notes to this Proxy Form.

I/We _____ (name)
of _____ (address)

being a member(s) of **TUAN SING HOLDINGS LIMITED** (the “Company”), hereby appoint

Name	NRIC/Passport No.	Proportion of Shareholdings (%)
Address		

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings (%)
Address		

or failing whom the Chairman of the Extraordinary General Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at Vine Ballroom, Metropolitan YMCA Singapore, 60 Stevens Road, Singapore 257854 on Friday, 29 April 2016 at 11.00 a.m. (or as soon as practicable thereafter following the conclusion or adjournment of the 46th Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the resolution proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Extraordinary General Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

Ordinary Resolution	Number of votes For*	Number of votes Against*
To approve the proposed Share Purchase Mandate		

* **Note:** If you wish to exercise all your votes “For” or “Against” the above resolution, please tick “✓” within the box provided. Otherwise, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2016

Total Number of Shares held (see Note 1)

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes to Proxy Form

1. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
2. (a) A member (otherwise than a relevant intermediary) is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

"Relevant intermediary" means:

- (i) 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;
 - (ii) 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
 - (iii) 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.
3. CPF/SRS investors whose names have been given by their CPF Approved Nominees to the Company or the Company's share registrar, as the case may be, pursuant to a blanket proxy form may attend and vote in person at the meeting. In the event that such CPF/SRS investors are unable to attend the meeting but would like to vote, they should inform their CPF Approved Nominees to appoint the Chairman of the meeting to act as their proxy, in which case they shall be precluded from attending the meeting.

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4. A proxy need not be a member of the Company.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 9 Oxley Rise, #03-02 The Oxley, Singapore 238697 not less than 48 hours before the time appointed for holding the meeting.
6. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the meeting.
7. 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 common seal or under the hand of its attorney or a duly authorised officer.
8. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
9. The Company shall be entitled to reject an instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject an instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representatives to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), 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) 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.

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Please
Affix
Postage
Stamp

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

3rd fold here