CIRCULAR DATED 8 DECEMBER 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Circular is issued by SECOND CHANCE PROPERTIES LTD (the "**Company**"). If you are in any doubt as to its contents or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of the Company, you should immediately forward this Circular and the Proxy Form enclosed with this Circular to the purchaser or to the stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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

SECOND CHANCE PROPERTIES LTD

(Company Registration No. 198103193M)

(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	27 December 2020 at 12 p.m.
Date and time of Extraordinary General Meeting	:	30 December 2020 at 12 p.m. (or at such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 11.00 a.m. on the same day)
Place of Extraordinary General Meeting	:	The EGM will be held by way of electronic means

CONTENTS

		Page
DEFINITIONS		3
LETTER TO SHAREHOLDERS		6
1.	INTRODUCTION	6
2.	THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE	6
3.	DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS	22
4.	DIRECTORS' RECOMMENDATION	23
5.	EXTRAORDINARY GENERAL MEETING	23
6.	ACTION TO BE TAKEN BY SHAREHOLDERS	23
7.	DIRECTORS' RESPONSIBILITY STATEMENT	23
8.	INSPECTION OF DOCUMENTS	24
NOTICE OF EXTRAORDINARY GENERAL MEETING		N-1
PROXY FORM		

DEFINITIONS

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

"ACRA"	:	The Accounting and Corporate Regulatory Authority of Singapore.
"**Act**" or "**Companies Act**"	:	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time.
"AGM"	:	The annual general meeting of the Company.
"Associate"	:	(a) in relation to any Director, CEO, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.
"Board" or "**Board of Directors**"	:	The Board of Directors of the Company.
"CDP"	:	The Central Depository (Pte) Limited.
"CEO"	:	Chief Executive Officer.
"Circular"	:	This Circular dated 8 December 2020.
"Company"	:	Second Chance Properties Ltd.
"Constitution"	:	The constitution of the Company, previously known as its memorandum and articles of association of the Company, currently in force.
"Controlling Shareholder"	:	A person who: (a) holds directly or indirectly 15% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over the Company.
"Directors"	:	The directors of the Company for the time being.

DEFINITIONS

"EGM"	:	The extraordinary general meeting of the Company to be held on 30 December 2020, notice of which is set out in the Notice of EGM accompanying this Circular.
"EPS"	:	Earnings per Share.
"FY"	:	Financial year of the Company ending or ended 31 August as the case may be.
"Group"	:	The Company and its subsidiaries.
"Latest Practicable Date"	:	The latest practicable date prior to the date of issue of this Circular, being 25 November 2020.
"Listing Manual"	:	The listing manual of the SGX-ST, as amended, supplemented or modified from time to time.
"**Listing Rules**"	:	The listing rules under 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 Section 2.3.3 *(Manner of purchases or acquisitions of Shares)* of this Circular.
"Maximum Price"	:	Has the meaning ascribed to it in Section 2.3.4 *(Maximum Purchase Price)* of this Circular.
"**Notice of EGM**"	:	The notice of EGM set out on page N-1 of this Circular, for the purposes of considering and, if thought fit, passing with or without modifications, the resolutions set out therein.
"NTA"	:	Net tangible assets.
"Off-Market Purchase"	:	Has the meaning ascribed to it in Section 2.3.3 *(Manner of purchases or acquisitions of Shares)* of this Circular.
"**Proxy Form**"	:	The proxy form in respect of the EGM as set out in this Circular.
"Relevant Period"	:	The period commencing from the date on which the forthcoming EGM is held and the resolution relating to the Share Buyback Mandate is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier.
"SFA"	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, supplemented or modified from time to time.
"SGX-ST"	:	Singapore Exchange Securities Trading Limited.
"Share Buyback"	:	The buyback or acquisition of Shares by the Company pursuant to the terms of the Share Buyback Mandate.
"Share Buyback Mandate"	:	A general and unconditional mandate given by Shareholders (including the subsequent renewal thereof if approved by Shareholders) that authorises the Directors to purchase or acquire Shares in accordance with the terms set out in this Circular as well as the rules and regulations set forth in the Companies Act and Listing Manual.

DEFINITIONS

"Shareholders"	:	Registered holders of Shares, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares, and where the context admits, mean the Depositors whose securities accounts (but not including a securities sub-account) maintained with CDP are credited with Shares.
"Share(s)"	:	Ordinary shares in the issued share capital of the Company.
"Substantial Shareholder"	:	A person who has an interest in not less than 5% of the total voting shares in the Company.
"Take-over Code"	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time.
"S$", "$" and **"cents"**	:	Singapore dollars and cents, respectively.
"%" or **"per cent"**	:	Per centum or percentage.

The terms "**Depositor**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA. The terms "**treasury shares**" and "**subsidiary**" shall have the meaning ascribed to them in Sections 4 and 5 of the Companies Act respectively.

The term "**subsidiary holdings**" shall have the same meaning ascribed to it in the Listing Manual, as may be amended or modified from time to time.

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 Circular to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, SFA or the Listing Manual or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act, SFA or the Listing Manual or such statutory modification thereof, as the case may be.

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

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

Any reference to "**you**", "**your**" and "**yours**" in this Circular is, as the context so determines, to Shareholders.

The headings in this Circular are inserted for convenience only and shall not affect the construction of this Circular.

For purposes of this Circular, Chancery Law Corporation has been appointed as the legal counsel to the Company in relation to Singapore law.

LETTER TO SHAREHOLDERS

SECOND CHANCE PROPERTIES LTD

(Company Registration No. 198103193M)

(Incorporated in the Republic of Singapore)

Directors:		**Registered Office:**
Mr Mohamed Salleh s/o Kadir Mohideen Saibu Maricar	Founder & CEO	845 Geylang Road #04-22 Tanjong Katong Complex Singapore 400845
Dr Ahmad Magad	Independent Non-Executive Chairman	
Mr Mohamed Hasan Marican s/o Kadir Mohideen Saibu Maricar	Deputy CEO and Executive Director	
Mr Devnarayanan s/o K.R. Pisharody	Executive Director	
Mr Tan Lye Heng Paul	Independent Non-Executive Director	
Ms Geetha Padmanabhan	Independent Non-Executive Director	

8 December 2020

To: The Shareholders of Second Chance Properties Ltd

Dear Sir/Madam

THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

1 INTRODUCTION

The Directors are convening an EGM to be held on 30 December 2020 at 12.00 p.m. (or at such time immediately following the conclusion or adjournment of the AGM of the Company to be held at 11.00 a.m. on the same day) via electronic means to seek Shareholders' approval for the proposed adoption of the Share Buyback Mandate.

The purpose of this Circular is to provide Shareholders with information relating to the proposed adoption of the Share Buyback Mandate to be tabled at the EGM and to seek Shareholders' approval in relation thereto at the EGM. The Notice of EGM is set out on page N-1 of this Circular.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Circular. If a Shareholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

2 THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

2.1. Background

Any purchase or acquisition of Shares by the Company must be made in accordance with, and in the manner prescribed by the Companies Act, the Listing Manual, the Company's Constitution and such other laws and regulations as may for the time being be applicable. Regulation 17 of the Constitution provides that the Company may purchase or otherwise acquire its issued Shares subject to and in accordance with the Act on such terms and conditions as the Company may in a general meeting prescribed. It is also a requirement that if the Company wishes to purchase or otherwise acquire its own shares, it should obtain the prior approval from its Shareholders to do so at a general meeting.

Accordingly, approval is being sought from Shareholders at the EGM for the proposed adoption of the Share Buyback Mandate. An ordinary resolution will be proposed, pursuant to which the proposed Share Buyback Mandate will be given to the Directors to exercise all powers on behalf of the Company to purchase or otherwise acquire its Shares in accordance with the terms of the proposed Share Buyback Mandate as well as the rules and regulations set forth in the Companies Act and the Listing Manual.

If approved by Shareholders at the EGM, the authority conferred by the Share Buyback Mandate will continue in force until the conclusion of the next AGM of the Company or the date by which such AGM is required by law to be held or the date on which purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated or when the authority conferred is revoked or varied in any general meeting of the Company, whichever is the earliest. The Share Buyback Mandate may be renewed by the Shareholders in any general meeting.

2.2. Rationale for the Share Buyback Mandate

The rationale for the adoption of the Share Buyback Mandate to allow the Company to undertake the purchase or acquisition of its Shares is as follows:-

(a) The Share Buyback Mandate will provide the Company with the flexibility to undertake Share Buybacks at any time, subject to market conditions and compliance with the Listing Manual, during the period when the Share Buyback Mandate is in force.

(b) The Share Buyback Mandate will provide the Company with greater flexibility in managing its capital to achieve a more efficient capital structure and maximising returns to Shareholders. Undertaking the Share BuyBack at the appropriate level is one of the ways through which return of equity (and depending on market conditions, the EPS and the NTA per Share) of the Company may be enhanced.

(c) The Share Buyback Mandate will facilitate the return of excess cash and surplus funds (if any) to Shareholders in an expedient, effective and cost-efficient manner.

(d) Short-term speculation may at times cause the market price of the Company's Shares to be depressed below the true value of the Company and the Group. The Share Buyback Mandate will provide Directors with the means to help mitigate short-term market volatility, offset the effects of short-term speculation, protect existing Shareholders' investments and bolster Shareholder confidence in a depressed share-price situation through judicious purchases of Shares to enhance the EPS. Shares purchased or acquired by the Company will also enhance the net asset value per Share if the Share purchases and acquisitions are made at a price below the net asset value per Share.

(e) The Share Buyback Mandate will accord greater flexibility to the Company in providing Shares to eligible employees under its future share-based incentive schemes. Subject to prevailing legislation, the Constitution, the Listing Rules and the rules of the relevant share-based incentive schemes, the Company has the discretion to either issue new Shares, deemed fully paid upon issuance and allotment, to eligible employees, or transfer existing Shares to such eligible employees (whether held as treasury shares or otherwise). Shares purchased or acquired under the Share Buyback Mandate can be held by the Company as treasury shares to satisfy the Company's obligation to furnish Shares to eligible employees under such share-based incentive schemes, thus giving the Company greater flexibility to select the method of providing Shares to eligible employees in a manner most beneficial to the Company and its Shareholders.

While the Share Buyback Mandate would authorise a purchase or acquisition of Shares up to the 5% limit as described in paragraph 2.3.1 (*Maximum number of Shares*) during the duration referred to in paragraph 2.3.2 (*Duration of authority*) below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may not be carried out to the full 5% limit as authorised. The Directors do not propose to carry out Share Buybacks to an extent that would, or in circumstances that might, result in a material adverse effect on the liquidity and/or the orderly trading of the Shares and/or the financial position of the Group, taking into account the working capital requirements of the Company or the gearing levels, which in the opinion of the Directors, are from time to time appropriate for the Company. The Directors will act judiciously and will only purchase or acquire Shares pursuant to the Share Buyback Mandate as and when the circumstances permit and only if the Directors are of the view that such purchases or acquisitions are in the best interests of the Company and the Shareholders.

2.3. Terms of the Share Buyback Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the proposed Share Buyback 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.

The total number of Shares which may be purchased or acquired pursuant to the Share Buyback Mandate during the Relevant Period or within any one (1) financial year of the Company, whichever is the earlier, is limited to that number of Shares representing not more than 5% of the issued ordinary share capital of the Company as at the date of the forthcoming EGM at which the Share Buyback Mandate is approved, unless the Company has effected a reduction of its share capital in accordance with the applicable provisions under the Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time.

For illustrative purposes only, on the basis of 755,271,338 issued and paid-up Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the date of the EGM, not more than 37,763,566 Shares (representing not more than 5% of the total number of issued Shares as at that date) may be purchased or acquired by the Company pursuant to the proposed Share Buyback Mandate during the duration referred to in paragraph 2.3.2 (*Duration of authority*) below.

2.3.2. Duration of authority

Purchases or acquisitions of Shares pursuant to the proposed Share Buyback Mandate may be made, at any time and from time to time, on and from the date of the forthcoming EGM, at which the adoption of the Share Buyback Mandate is approved, up to the earlier of:-

(a) the date on which the next AGM is held or required by law to be held;

(b) the date on which the purchases or acquisitions of Shares pursuant to the proposed Share Buyback Mandate are carried out to the full extent mandated; or

(c) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by Shareholders in a general meeting.

The authority conferred on the Directors by the Share Buyback Mandate to purchase or acquire Shares may be renewed at the next AGM or at an EGM to be convened.

2.3.3. Manner of purchases or acquisitions of Shares

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

(a) on-market purchase(s) ("**Market Purchase**"), transacted through the SGX-ST's trading system or, as the case may be, any other securities exchange on which the Shares may for the time being be listed and quoted, through one (1) or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

(b) off-market purchase(s) ("**Off-Market Purchase**") effected pursuant to an equal access scheme(s) as defined in Section 76C of the Companies Act.

The Directors may impose such terms and conditions which are consistent with the Share Buyback Mandate, the Listing Rules, the Companies Act and the Constitution, as they consider appropriate in the interests of the Company in connection with or in relation to any equal access scheme(s). Under the Companies Act, an equal access scheme must, however, satisfy all the following conditions:-

(i) offers for the purchase or acquisition of issued Shares shall be made to every person who holds issued Shares to purchase or acquire the same percentage of their issued Shares;

(ii) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and

(iii) the terms of all the offers shall be the same, except that there shall be disregarded:-

(1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

(2) differences in consideration attributable to the fact that 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 Rules, if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, the Company must issue an offer document to all Shareholders containing at least the following information:-

(i) the terms and conditions of the offer;

(ii) the period and procedures for acceptances;

(iii) the reasons for the proposed purchase or acquisition of Shares;

(iv) the consequences, if any, of the purchase or acquisition of Shares by the Company that will arise under the Take-over Code or other applicable take-over rules;

(v) whether the purchase or acquisition of Shares, if made, would have any effect on the listing of the Shares on the SGX-ST;

(vi) 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, the purchase price per Share or the highest and lowest prices paid for the purchases of Shares, where relevant, and the total consideration paid for the purchases; and

(vii) whether the Shares purchased by the Company will be cancelled or held as treasury shares.

2.3.4. Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. 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% of the Average Closing Price (as defined hereinafter) of the Shares; and

(b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price of the Shares,

(the "**Maximum Price**") in either case, excluding related expenses of the Share Buyback.

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, immediately preceding the day of the Market Purchase 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 which occurs during the relevant five (5) Market-Day period and the day on which the purchases are made; and

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

2.4. Status of Purchased Shares

A Share purchased or acquired by the Company shall be deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share will expire upon 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.

All such cancelled Shares will be automatically delisted by the SGX-ST, and (where applicable) certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

At the time of each purchase of Shares by the Company, the Directors will decide whether the Shares purchased will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company and as the Directors deem fit in the interest of the Company at that time.

2.5. 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:-

2.5.1. Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed 10% 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(s) into treasury shares of a greater or smaller amount is also 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:-

(i) sell the treasury shares for cash;

(ii) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, Directors or other persons;

(iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(iv) cancel the treasury shares; or

(v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Pursuant to Rules 704(28) of the Listing Manual, the Company will immediately announce any sale, transfer, cancellation and/or use of treasury shares, stating the following:

(i) date of the sale, transfer, cancellation and/or use;

(ii) purpose of such sale, transfer, cancellation and/or use;

(iii) number of treasury shares sold, transferred, cancelled and/or used;

(iv) the number of treasury shares before and after such sale, transfer, cancellation and/or use;

(v) 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

(vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.6. Source of Funds

The Companies Act permits the Company to purchase its own Shares out of its capital or profits so long as the Company is solvent. A company is solvent if at the date of the payment for the purchase, the following conditions are satisfied:

(a) there is no ground on which the Company could be found to be unable to pay its debts;

(b) the company is able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment (or, if it is intended to commence winding up of the Company within the period of 12 months immediately after the date of the payment, the company is able to pay its debts in full within the period of 12 months after the date of commencement of the winding up); and

(c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase or acquisition become less than the value of its liabilities (including contingent liabilities).

The Company intends to use a combination of internal sources of funds and/or external borrowings to finance purchases or acquisitions of its Shares. The amount of funding required for the Company to purchase or acquire its Shares and the financial impact on the Company and the Group arising from such purchases and acquisitions of the Shares pursuant to the proposed Share Buyback Mandate will depend on, *amongst others*, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time and the amount (if any) borrowed by the Company to fund the purchases or acquisitions.

2.7. Financial Effects

It is not possible for the Company to realistically calculate or quantify the financial effects of purchases or Shares that may be made pursuant to the Share Buyback Mandate as the resultant effect would depend on, *amongst others*, the aggregate number of Shares purchased, the purchase prices paid at the relevant time, the amount (if any) borrowed by the Company to fund the purchases, whether the purchase or acquisition is made out of profits or capital, and whether the Shares purchased are held in treasury or cancelled.

Under the Companies Act, purchases 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 Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

For illustration purposes only, and based on the assumptions set out below, the financial effects of the:-

(a) acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of purchases made out of capital and held as treasury shares; and

(b) acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of purchases made out of capital and cancelled,

on the audited financial statements of the Group and the Company for the financial year ended 31 August 2020 are set out in the sections below.

The financial effects of the acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of purchases made out of profits are similar to that of purchases made out of capital. Therefore, only the financial effects of the acquisition of the Shares pursuant to the Share Buyback Mandate by way of purchases made out of capital are set out in this Circular.

Scenario A: Purchases made entirely out of capital and held as treasury shares

Market Purchase

For illustrative purposes only, in a Market Purchase, assuming that:-

(i) the Maximum Price is S$0.18711, which is 5% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date; and

(ii) the Company has 755,271,338 Shares as at the date of the EGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares on or prior to the date of the EGM and excluding treasury shares and subsidiary holdings), such that not more than 37,763,566 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

the maximum amount of funds required for the purchase of up to 37,763,566 Shares under and during the duration of the Share Buyback Mandate, is approximately S$7,065,941.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate based on the Company's and the Group's audited financial statements for the financial year ended 31 August 2020 is as follows:-

	Group		Company	
As at 31 August 2020	**Before the Share Buyback**	**After the Share Buyback**	**Before the Share Buyback**	**After the Share Buyback**
Shareholders' Equity (S$'000)	248,934	241,868	213,445	206,379
NTA (S$'000)	248,934	241,868	213,445	206,379
Treasury Shares (S$'000)	-	7,066	-	7,066
Current Assets (S$'000)	44,575	44,469	6,454	6,348
Current Liabilities [(1)] (S$'000)	34,460	41,420	11,077	18,037
Working Capital (S$'000)	10,115	3,049	(4,623)	(11,689)
Loans and Borrowings [(1)] (S$'000)	31,100	38,060	9,541	16,501
Cash and Cash Equivalents [(1)] (S$'000)	8,891	8,785	106	-
Net Profit (S$'000)	4,445	4,445	1,417	1,417
Number of Shares [(2)]	755,271,338	717,507,772	755,271,338	717,507,772
Treasury Shares	-	37,763,566	-	37,763,566
Total Shares	755,271,338	755,271,338	755,271,338	755,271,338
Financial Ratios				
NTA per Share (cents)	32.96	33.71	28.26	28.76
Basic EPS (cents) [(3)]	0.59	0.62	0.19	0.20
Current Ratio (times) [(4)]	1.29	1.07	0.58	0.35
Gearing Ratio (times) [(5)]	0.125	0.157	0.045	0.080

Notes:-

(1) Assuming that S$7,065,941 is required for undertaking the Share Buyback under Market Purchase, the cash and cash equivalents of the Company will be fully utilised and the balance of the funds required will be fully funded by bank borrowings.

(2) Number of Shares excludes treasury shares, subsidiary holdings and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the EGM.

(3) Basic EPS is computed based on FY2020 net profit attributable to Shareholders divided by the number of Shares.

(4) Current Ratio equals current assets divided by current liabilities.

(5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

Off-Market Purchase

For illustrative purposes only, in an Off-Market Purchase, assuming that:-

(i) the Maximum Price is S$0.21384, which is 20% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date; and

(ii) the Company has 755,271,338 Shares as at the date of the EGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares prior to the date of the EGM and excluding treasury shares and subsidiary holdings), such that not more than 37,763,566 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

the maximum amount of funds required for the purchase of up to 37,763,566 Shares under and during the duration of the Share Buyback Mandate, is approximately S$8,075,361.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate based on the Company's and the Group's audited financial statements for the financial year ended 31 August 2020 is as follows:-

	Group		Company	
As at 31 August 2020	**Before the Share Buyback**	**After the Share Buyback**	**Before the Share Buyback**	**After the Share Buyback**
Shareholders' Equity (S$'000)	248,934	240,859	213,445	205,370
NTA (S$'000)	248,934	240,859	213,445	205,370
Treasury Shares (S$'000)	-	8,075	-	8,075
Current Assets (S$'000)	44,575	44,469	6,454	6,348
Current Liabilities (1) (S$'000)	34,460	42,429	11,077	19,046
Working Capital (S$'000)	10,115	2,040	(4,623)	(12,698)
Loans and Borrowings (1) (S$'000)	31,100	39,069	9,541	17,510
Cash and Cash Equivalents (1) (S$'000)	8,891	8,785	106	-
Net Profit (S$'000)	4,445	4,445	1,417	1,417
Number of Shares (2)	755,271,338	717,507,772	755,271,338	717,507,772
Treasury Shares	-	37,763,566	-	37,763,566
Total Shares	755,271,338	755,271,338	755,271,338	755,271,338
Financial Ratios				
NTA per Share (cents)	32.96	33.57	28,26	28.62
Basic EPS (cents) (3)	0.59	0.62	0.19	0.20
Current Ratio (times) (4)	1.29	1.05	0.58	0.33
Gearing Ratio (times) (5)	0.125	0.162	0.045	0.085

Notes:-

(1) Assuming that S$8,075,361 is required for undertaking the Share Buyback under the Off-Market Purchase, the cash and cash equivalents of the Company will be fully utilised and the balance of the funds required will be fully funded by bank borrowings.

(2) Number of Shares excludes treasury shares, subsidiary holdings and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the EGM.

(3) Baisc EPS is computed based on FY2020 net profit attributable to Shareholders divided by the number of Shares.

(4) Current Ratio equals current assets divided by current liabilities.

(5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

Scenario B: Purchases made entirely out of capital and cancelled

Market Purchase

For illustrative purposes only, in a Market Purchase, assuming that:-

(i) the Maximum Price is S$0.18711, which is 5% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded; and

(ii) the Company has 755,271,338 Shares as at the date of the EGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares on or prior to the date of the EGM and excluding treasury shares and subsidiary holdings), such that not more than 37,763,566 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

the maximum amount of funds required for the purchase of up to 37,763,566 Shares under and during the duration of the Share Buyback Mandate, is approximately S$7,065,941.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate based on the Company's and the Group's audited financial statements for the financial year ended 31 August 2020 is as follows:-

	Group		Company	
As at 31 August 2020	**Before the Share Buyback**	**After the Share Buyback**	**Before the Share Buyback**	**After the Share Buyback**
Shareholders' Equity (S$'000)	248,934	241,868	213,445	206,379
NTA (S$'000)	248,934	241,868	213,445	206,379
Treasury Shares (S$'000)	-	-	-	-
Current Assets (S$'000)	44,575	44,469	6,454	6,348
Current Liabilities [(1)] (S$'000)	34,460	41,420	11,077	18,037
Working Capital (S$'000)	10,115	3,049	(4,623)	(11,689)
Loans and Borrowings [(1)] (S$'000)	31,100	38,060	9,541	16,501
Cash and Cash Equivalents [(1)] (S$'000)	8,891	8,785	106	-
Net Profit (S$'000)	4,445	4,445	1,417	1,417
Number of Shares [(2)]	755,271,338	717,507,772	755,271,338	717,507,772
Treasury Shares	-	-	-	-
Total Shares	755,271,338	717,507,772	755,271,338	717,507,772
Financial Ratios				
NTA per Share (cents)	32.96	33.71	28.26	28.76
Basic EPS (cents) [(3)]	0.59	0.62	0.19	0.20
Current Ratio (times) [(4)]	1.29	1.07	0.58	0.35
Gearing Ratio (times) [(5)]	0.125	0.157	0.045	0.080

Notes:-

(1) Assuming that S$7,065,941 is required for undertaking the Share Buyback under Market Purchase, the cash and cash equivalents of the Company will be fully utilised and the balance of the funds required will be fully funded by bank borrowings.

(2) Number of Shares excludes treasury shares, subsidiary holdings and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the EGM.

(3) Basic EPS is computed based on FY2020 net profit attributable to Shareholders divided by the number of Shares.

(4) Current Ratio equals current assets divided by current liabilities.

(5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

Off-Market Purchase

For illustrative purposes only, in an Off-Market Purchase, assuming that:-

(i) the Maximum Price is S$0.21384, which is 20% above the average of the closing market prices of a Share over the five Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded; and

(ii) the Company has 755,271,338 Shares as at the date of the EGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares on or prior to the date of the EGM and excluding treasury shares and subsidiary holdings), such that not more than 37,763,566 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

the maximum amount of funds required for the purchase of up to 37,763,566 Shares under and during the duration of the Share Buyback Mandate, is approximately S$8,075,361.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate based on the Company's and the Group's audited financial statements for the financial year ended 31 August 2020 is as follows:-

	Group		Company	
As at 31 August 2020	**Before the Share Buyback**	**After the Share Buyback**	**Before the Share Buyback**	**After the Share Buyback**
Shareholders' Equity (S$'000)	248,934	240,859	213,445	205,370
NTA (S$'000)	248,934	240,859	213,445	205,370
Treasury Shares (S$'000)	-	-	-	-
Current Assets (S$'000)	44,575	44,469	6,454	6,348
Current Liabilities [(1)] (S$'000)	34,460	42,429	11,077	19,046
Working Capital (S$'000)	10,115	2,040	(4,623)	(12,698)
Loans and Borrowings [(1)] (S$'000)	31,100	39,069	9,541	17,510
Cash and Cash Equivalents [(1)] (S$'000)	8,891	8,785	106	-
Net Profit (S$'000)	4,445	4,445	1,417	1,417
Number of Shares [(2)]	755,271,338	717,507,772	755,271,338	717,507,772
Treasury Shares	-	-	-	-
Total Shares	755,271,338	717,507,772	755,271,338	717,507,772
Financial Ratios				
NTA per Share (cents)	32.96	33.57	28.26	28.62
Basic EPS (cents) [(3)]	0.59	0.62	0.19	0.20
Current Ratio (times) [(4)]	1.29	1.05	0.58	0.33
Gearing Ratio (times) [(5)]	0.125	0.162	0.045	0.085

Notes:-

(1) Assuming that S$8,075,361 is required for undertaking the Share Buyback under the Off-Market Purchase, the cash and cash equivalents of the Company will be fully utilised and the balance of the funds required will be fully funded by bank borrowings.

(2) Number of Shares excludes treasury shares, subsidiary holdings and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the EGM.

(3) Basic EPS is computed based on FY2020 net profit attributable to Shareholders divided by the number of Shares.

(4) Current Ratio equals current assets divided by current liabilities.

(5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

Shareholders should note that the financial effects set out above are for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical audited financial statements for the financial year ended 31 August 2020 and is not necessarily representative of future financial performance.

Although the Share Buyback Mandate would authorise the Company to purchase or acquire up to 5% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 5% of the issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased as treasury shares.

2.8. Reporting Requirements

2.8.1. SGX-ST

The Listing Rules specify that a listed company shall notify the SGX-ST of all purchases or acquisitions of its shares 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 Market Purchase was made; and

(b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the 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.

Under the Listing Manual, immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the "**usage**"). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares comprised in the usage, the number of treasury shares before and after the usage, the percentage of the number of treasury shares comprised in the usage against the total number of issued Shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage, and the value of the treasury shares if they are used for the usage.

2.8.2. ACRA

Within 30 days of the passing of a Shareholders' resolution to approve the purchase or acquisition of Shares by the Company, the Company shall lodge a copy of such resolution with ACRA.

Within 30 days of a purchase or acquisition of Shares on the SGX-ST or otherwise, the Company shall lodge

with ACRA the notice of the purchase or acquisition in the prescribed form, such notification including, *amongst others*, the details of the purchase or acquisition, the total number of Shares purchased or acquired by the Company, the total number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued ordinary share capital before and after the purchase of Shares, the amount of consideration paid by the Company for the purchase, and whether the Shares were purchased out of the profits or the capital of the Company.

Within 30 days of the cancellation or disposal of treasury shares in accordance with the provisions of the Act, the Company shall lodge with ACRA the notice of cancellation or disposal of treasury shares in the prescribed form as required by ACRA.

2.9. Takeover Obligations

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.

2.9.1. Obligation to make a take-over offer

If, as a result of any purchase or acquisition by the Company of the Shares, 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, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

2.9.2. 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 the company.

Unless the contrary is established, the following persons will, *amongst others*, be presumed to be acting in concert:-

(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 above for the purchase of voting rights.

A company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;

(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);

(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 (i) the adviser and persons controlling, controlled by or under the same control as the adviser, and (ii) all the funds which the adviser manages on a discretionary basis, where the shareholding of the adviser and any of those funds in the client total 10% 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 such directors, their close relatives and related trusts) which is subject to an offer or where the directors 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 the instructions of that individual, companies controlled by any of the above, 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.

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.

2.9.3. Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring the 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, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months. In calculating the percentages of voting rights by such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder who is 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 buying back its own Shares, the voting rights of such Shareholder will 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 (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

2.9.4. Application of the Take-over Code

Based on the shareholdings of the Directors in the Company as at the Latest Practicable Date, none of the Directors will become obligated to make a mandatory offer by reason only of the buying back of 5% of the Shares by the Company pursuant to the Share Buyback Mandate.

The Directors are not aware of any Shareholder or group of Shareholders acting in concert who may become obligated to make a mandatory offer in the event that the Directors exercise the power to repurchase Shares pursuant to the Share Buyback Mandate.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory takeover offer under the Take-over Code as a result of Share Buyback by the Company are advised to consult their professional advisers and/or the Securities Industry Council and/or other relevant authorities at the earliest opportunity.

2.10. Listing Rules

2.10.1. Restrictions on Share Buybacks

While the Listing Manual does not expressly prohibit the purchase of shares by a listed company during any particular time or times, the listed company would be considered an "insider" in relation to any proposed

purchase or acquisition of its Shares. In this regard, the Company will not purchase any Shares pursuant to the Share Buyback 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 through Market Purchases and/or Off-Market Purchases during the following periods and at all times in compliance with Rule 1207(19) of the Listing Manual:-

(a) where the Company announces its quarterly financial statements (whether required by the SGX-ST or otherwise), the Company will not purchase or acquire any shares during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three (3) quarters of its financial year, and one (1) month before the announcement of the Company's full year financial statements, and ending on the date of the announcement of the relevant financial statements; and

(b) where the Company does not announce its quarterly financial statements, the Company will not purchase or acquire any Shares during the period commencing one (1) month before the announcement of the Company's half year and full year financial statements, and ending on the date of the announcement of the relevant financial statements.

2.10.2. Free Float

The Company is required under Rule 723 of the Listing Manual to ensure that at least 10% of its issued Shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public. The "public", as defined under the Listing Manual, are persons other than the directors, CEO, substantial shareholders or controlling shareholders of a company and its subsidiaries, as well as the Associates of such persons.

Based on the Register of Directors' shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, approximately 130,312,231 Shares, representing 17.25% of the total number of issued Shares, are in the hands of the public. Assuming that the Company purchases its Shares through Market Purchases up to the full 5% limit pursuant to the Share Buyback Mandate, the number of Shares in the hands of the public would be reduced to 92,548,665 Shares, representing 12.25% of the reduced total number of issued Shares of the Company. The Company will ensure 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 Shares to the full 5% limit pursuant to the proposed Share Buyback 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.

The Company will closely monitor the public float prior to undertaking any purchases or acquisitions of Shares through Market Purchases pursuant to the Share Buyback Mandate. In undertaking any purchases or acquisitions of Shares through Market Purchases, the Directors will use their best efforts to ensure that, notwithstanding such purchases, 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.

2.11. Previous Share Buybacks

Shareholders had previously approved a Share Buyback Mandate on 22 October 2010 and the said Share Buyback Mandate was last renewed during the AGM held on 31 October 2011. Subsequently, Shareholders had also approved a Share Buyback Mandate on 29 December 2016 and the renewal of the said Share Buyback Mandate was not tabled for Shareholders' approval at the next AGM held on 27 December 2017. The Company has not had in place any other Share Buyback Mandates since then.

2.12. Interested Persons

The Company is prohibited from knowingly buying Shares on the SGX-ST from an interested person, that is, a Director, the CEO of the Company or Substantial Shareholder of the Company or any of their Associates, and an interested person is prohibited from knowingly selling his Shares to the Company.

3 DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

3.1. Directors' and Substantial Shareholders' Interests

As at the Latest Practicable Date, the interests of the Directors in the Shares, as extracted from the Register of Directors' shareholdings, and the interest of Substantial Shareholder(s), as extracted from the Register of Substantial Shareholders, are as follows:-

	Number of Shares [1]			
Directors	**Direct Interest**	**%**	**Deemed Interest**	**%**
Mohamed Salleh s/o Kadir Mohideen Saibu Maricar	451,065,934	59.72	63,187,785 [2]	8.36
Dr Ahmad Magad	500,045	0.07	-	-
Mohamed Hasan Marican s/o Kadir Mohideen Saibu Maricar	6,300,688	0.83	-	-
Devnarayanan s/o K. R. Pisharody	4,370,816	0.58	-	-
Geetha Padmanabhan	-	-	1,040,052 [3]	0.14
Paul Tan Lye Heng	23,054	0.01	-	-
Substantial Shareholder(s) (Other than Directors)				
	-	-	-	-

Notes:-

(1) Based on 755,271,338 Shares before the Share Buyback and 717,507,772 Shares after the Share Buyback.

(2) Mr Mohamed Salleh s/o Kadir Mohideen Saibu Maricar's deemed interest arises from the 56,841,627 Shares held by DB Nominees (S) Pte Ltd and the 6,346,158 Shares held by his spouse.

(3) The Shares are held jointly by Geetha Padmanabhan and her husband through bank nominees and 150,000 of these Shares are held in the name of Geetha Padmanabhan's husband.

Save as disclosed above, none of the Directors and Substantial Shareholders or their respective Associates has any interest, direct or indirect, in the renewal of the Share Buyback Mandate.

3.2. Shares Buyback by the Company in the 12 months preceding the Latest Practicable Date

The Company has not had in place a Share Buyback Mandate during the 12-month period preceding the Latest Practicable Date.

3.3. Limits on shareholdings

The Company does not have any limits on the shareholding of any Shareholder.

3.4. Shareholders' approval

For the reasons set out above, the Company is proposing to seek the approval of Shareholders for the adoption of the Share Buyback Mandate, which will be proposed as an ordinary resolution at the EGM.

4 DIRECTORS' RECOMMENDATIONS

The Directors, having fully considered the rationale for the Share Buyback Mandate, are of the opinion that the adoption of the Share Buyback Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of ordinary resolution relating to the proposed adoption of the Share Buyback Mandate to be proposed at the EGM.

5 EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page N-1 of this Circular will be held on Wednesday, 30 December 2020 at 12 p.m. (or at such time immediately following the conclusion or adjournment of the AGM of the Company to be held at 11 a.m. on the same day) via electronic means for the purpose of considering and, if thought fit, passing the resolutions set out in the Notice of EGM.

6 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who wish to vote on the ordinary resolution at the EGM must appoint the Chairman as their proxy by completing the Proxy Form as attached to the Notice of EGM.

Please refer to the alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM as set out in the Company's announcement dated 8 December 2020, which has been uploaded together with this Circular on SGXNet and the Company's corporate website at 8 December 2020 on the same day.

7 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed adoption of the Share Buyback 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 the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

8 INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 845 Geylang Road, #04-22 Tanjong Katong Complex, Singapore 400845 during normal business hours for a period of three (3) months from the date of this Circular:-

(a) the annual report of the Group for FY2020; and

(b) the Constitution.

Due to the mandatory safe distancing measures issued by the Singapore Ministry of Health in relation to the COVID-19 outbreak, please contact Mr Raj Mohamed, Mr Dev Pisharody or Ms Reema Gupta at 6745 6911 prior to making any visits to arrange for a suitable time slot for the inspection.

Yours faithfully

For and on behalf of the Board of Directors
SECOND CHANCE PROPERTIES LTD

Mr Mohamed Salleh s/o Kadir Mohideen Saibu Maricar
Founder & CEO

NOTICE OF EGM

SECOND CHANCE PROPERTIES LTD

(Company Registration No. 198103193M)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless otherwise defined, all capitalised terms herein shall bear the same meaning as used in the circular dated 8 December 2020 issued by Second Chance Properties Ltd (the "Circular").

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the "**EGM**") of Second Chance Properties Ltd (the "**Company**") will be held on **Wednesday, 30 December 2020** at 12 p.m. (or such time immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 11 a.m. on the same day) via electronic means for the purpose of considering and, if thought fit, passing with or without any modification, the following RESOLUTION:

ORDINARY RESOLUTION:

THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

THAT:-

(a) for the purposes of the Companies Act, Chapter 50 of Singapore (the "**Act**"), and such other laws and regulations as may for the time being be applicable, approval be and is hereby given for the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the share capital of the Company ("**Shares**") not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchases (each a "**Market Purchase**") transacted on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); and/or

(ii) off-market purchases (each an "**Off-Market Purchase**") effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors of the Company as they consider fit, which schemes shall satisfy all the conditions prescribed by the Act, and otherwise in accordance with all other laws regulations and listing rules of the SGX-ST as may for the time being be applicable (the "**Share Buyback 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 Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next AGM of the Company is held or required by law to be held;

(ii) the date on which the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate is carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked;

(c) in this Resolution:

"**Prescribed Limit**" means 5% of the issued ordinary share capital of the Company (excluding any treasury shares and subsidiary holdings) as at the date of passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered after such capital reduction (excluding any treasury shares and subsidiary holdings);

"**Relevant Period**" means the period commencing from the date on which the EGM is held and the resolution relating to the Share Buyback Mandate is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier; and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase: 105% of the Average Closing Price;

(ii) in the case of an Off-Market Purchase: 120% of the Average Closing Price, where:

"**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, immediately preceding the day of the Market Purchase 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 during the relevant five (5) Market-Day period and the day on which the purchases are made; and

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

(d) the Directors of the Company and/or any one of them be and are hereby authorised to complete and do all such acts and things (including, without limitation, executing such documents as may be required) as they and/or he may consider desirable, expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

By Order of the Board

Mohamed Salleh s/o Kadir Mohideen Saibu Maricar
Founder & CEO

Singapore, 8 December 2020

Notes:-

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM are set out in the Company's announcement dated 8 December 2020 entitled "Important Notice to Shareholders Regarding the Company's Annual General Meeting and Extraordinary General Meeting to be held on 30 December 2020" which has been uploaded together with this Notice on SGXNet on the same day. The announcement may also be accessed at www.secondchance.com.sg.

   In particular, the EGM will be held by way of electronic means and a member will be able to watch the proceedings of the EGM through a "live" webcast via his/her/its mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, a member who wishes to watch the "live" webcast or listen to the "live" audio feed must pre-register by 12.00 p.m. on 27 December 2020, at the URL https://agm.conveneagm.com/secondchance. Following authentication of his/her/its status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the EGM by 28 December 2020. Members who have received the email instructions must not forward the email instructions to other persons who are not members or who are not entitled to attend the EGM. This is to avoid any technical disruption or overload to the "live" webcast or "live" audio feed.

   A member may also submit questions related to the resolutions to be tabled for approval at the EGM. To do so, all questions must be submitted by 12.00 p.m. on 27 December 2020:

   (a) via the pre-registration website at the URL https://agm.conveneagm.com/secondchance;
   (b) in hard copy by sending personally or by post and lodging the same at the registered office of the Company at 845 Geylang Road, #04-22 Tanjong Katong Complex, Singapore 400845; or
   (c) by email to contact@secondchance.com.sg.

   Members will need to identify themselves when posing questions by email or by mail by providing the following details:

   (a) the member's full name as it appears on his/her/its CDP/CPF/SRS share records;
   (b) the member's NRIC/Passport/UEN number;
   (c) the member's contact number and email address; and
   (d) the manner in which the member holds his/her/its shares in the Company (e.g. via CDP, CPF or SRS).

   The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

   The Company will address substantial and relevant questions relating to the resolutions to be tabled for approval at the EGM as received from members either before or during the EGM.

   Please note that members will not be able to ask questions at the EGM "live" during the webcast and the audio feed, and therefore it is important for members to submit their questions in advance of the EGM.

2. Pursuant to Part 4 of the COVID-19 (Temporary Measures) Act 2020, a member of the Company (including a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Chapter 50 of Singapore) entitled to vote at the EGM must appoint Chairman of the Meeting to act as proxy and direct the vote at the Meeting. The Chairman of the Meeting, as proxy, need not be a member of the Company.

3. The instrument appointing the Chairman of the Meeting as the proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as a proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the Chairman of the Meeting as proxy is executed by an attorney on behalf of the appointer, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

4. Investors who hold shares through Relevant Intermediary, including under the Central Provident Fund Investment Scheme ("**CPF Investor**") or the Supplementary Retirement Scheme ("**SRS Investor**"), and who wish to appoint the Chairman of the Meeting as their proxy should approach their respective Relevant Intermediary, including CPF Agent Bank or SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. by 12 p.m. on 17 December 2020).

5. The instrument appointing the Chairman of the Meeting as proxy must be submitted (a) by mail to the registered office of the Company at 845 Geylang Road, #04-22 Tanjong Katong Complex, Singapore 400845 or (b) by email to contact@secondchance.com.sg in either case by 12 p.m. on 27 December 2020 being not less than 72 hours before the time for holding the EGM.

Personal data privacy:

By (a) submitting an instrument appointing the Chairman of the Meeting as proxy to vote at the EGM of the Company and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the EGM of the Company via live audio-visual webcast or audio-only stream, or (c) submitting any question prior to the EGM of the Company, in accordance with this Notice, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purpose:-

(i) processing and administration and analysis by the Company (or its agents or service providers) of the instruments appointing the Chairman of the Meeting as proxy for the EGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM of the Company (including any adjournment thereof),

(ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to the live audio-visual webcast or audio-only stream to observe the proceedings of the EGM of the Company and providing them with any technical assistance where necessary;

(iii) addressing substantial and relevant questions from members received before the EGM of the Company and if necessary, following up with the relevant members in relation to such questions; and

(iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

The member's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the abovementioned purposes, and retained for such period as may be necessary for the Company's verification and record purposes.

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SECOND CHANCE PROPERTIES LTD
(Company Registration No. 198103193M)
(Incorporated in the Republic of Singapore)

PROXY FORM

IMPORTANT:

1. Alternative arrangements relating to, *amongst others*, attendance, submission of questions in advance and voting by proxy at the Meeting are set out in the Company's announcement which, together with the Notice of Extraordinary General Meeting dated 8 December 2020, have been uploaded on SGXNet. The announcement and the Notice of Extraordinary General Meeting can also be accessed at the Company's corporate website.
2. An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**") (as may be applicable) may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy at least seven (7) working days before the Meeting, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
3. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We _____ NRIC/Passport No. _____

of _____ (Address) being a

*member/members of **Second Chance Properties Ltd** (the "**Company**"), hereby appoint the Chairman of the Meeting as *my/our proxy to vote for me/us on *my/our behalf at the Extraordinary General Meeting of the Company to be held on Wednesday, 30 December 2020 at 12 p.m. (the "**Meeting**") (or immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 11 a.m. on the same day) via electronic means, and at any adjournment thereof.

I/We* direct the Chairman of the Meeting, being my/our* proxy, to vote for or against, or to abstain from voting on the Resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the appointment of Chairman of the Meeting as proxy for that Resolution will be treated as invalid.

No.	Resolutions	No. of votes "For" *	No. of votes "Against" *	No. of votes "Abstain" *
1.	**Ordinary Resolution**: The Proposed Adoption of Share Buyback Mandate			

**If you wish to exercise all your votes 'For' or 'Against', please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.*

Note: Please note that the short descriptions given above of the Resolution to be passed do not in any way whatsoever reflect the intent and purpose of the resolution. The short descriptions have been inserted for convenience only. Shareholders are encouraged to refer to the **Notice of Extraordinary General Meeting** for the full purpose and intent of the resolution to be passed.

Dated this _____day of _____ 2020

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

_____
Signature(s) of Member(s) /
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

IMPORTANT NOTES TO PROXY FORM:

1. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the 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 of the Company, 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 of the Company.

2. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the Meeting in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend and vote on his/her/its behalf at the Meeting if such member wishes to exercise his/her/its voting rights at the Meeting. A member of the Company (including a Relevant Intermediary as defined under Section 181 (6) of the Companies Act, Chapter 50 of Singapore) entitled to participate and vote at a meeting of the Company must appoint the Chairman of the Meeting to act as proxy and direct the vote at the Meeting. Specific instructions must be given as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

3. The Chairman of the Meeting, as proxy, need not be a member of the Company.

4. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or of his attorney duly authorized in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the Chairman of the Meeting as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

5. A corporation which is a member may authorise by resolution of its directors or other governing body such a person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

6. The instrument appointing the Chairman of the Meeting as proxy must be submitted (a) by mail to the registered office of the Company at 845 Geylang Road, #04-22 Tanjong Katong Complex, Singapore 400845; or (b) by email to contact@secondchance.com.sg, in either case, by 12 p.m. on 27 December 2020 being not less than 72 hours before the time appointed for the Meeting.

7. Please indicate with an "√" in the spaces provided whether you wish your vote(s) to be for or against the Resolutions as set out in the Notice of Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Meeting.

8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy.

9. In the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the Meeting as certified by The Central Depository (Pte) Limited to the Company.

10. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy at least seven (7) working days before the Meeting, in which case, the CPF and SRS Investors shall be precluded from attending the EGM.

General:

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged 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 CDP to the Company.

Personal data privacy:

By submitting an instrument appointing the Chairman of the Meeting as a proxy, the member is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 8 December 2020.