CIRCULAR DATED 20 DECEMBER 2017

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

IF YOU ARE IN ANY DOUBT ABOUT THIS CIRCULAR OR THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all your shares in A-Smart Holdings Ltd. ("Company") held through The Central Depository (Pte) Limited ("CDP"), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your ordinary shares in the capital of our Company through other means, you should at once hand this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale, for onward transmission to the purchaser or transferee.

This document has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements made, reports contained or opinions expressed in this Circular. Terms appearing on the cover of this Circular have the same meanings as defined in this Circular.

YOUR ATTENTION IS DRAWN TO SECTION ENTITLED "RISKS RELATING TO THE PROPOSED PROPERTY DEVELOPMENT AND INVESTMENT ACTIVITIES" WHICH YOU SHOULD REVIEW CAREFULLY AND COLLECTIVELY.



CIRCULAR TO SHAREHOLDERS

in relation to

- (1) THE PROPOSED ADDITION OF PRINCIPAL ACTIVITIES OF OUR GROUP
 - (2) THE PROPOSED MIXED DEVELOPMENT PROJECT IN TIMOR-LESTE

Important Dates and Times:

Last date and time for lodgement of Proxy Form : Tuesday, 2 January 2018 at 3.00 p.m.

Date and time of Extraordinary General Meeting : Thursday, 4 January 2018 at 3.00 p.m.

Place of Extraordinary General Meeting : 61 Tai Seng Avenue #05-14

Print Media Hub @ Paya Lebar iPark

Singapore 534167

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

"Act" or "Companies Act" : The Companies Act (Chapter 50) of Singapore, as amended,

modified or supplemented from time to time

"Audit Committee" : An operating committee of a company's board of directors that is

in charge of overseeing financial reporting and disclosure

"Constitution" : The Constitution of the Company, as amended, modified or

supplemented from time to time

"Associate" : (a) in relation to any director, chief executive officer, 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;

(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;

"CDP" : The Central Depository (Pte) Limited

"CEO" : The chief executive officer of the Company

"Circular" : This circular dated 20 December 2017

"Company" : A-Smart Holdings Ltd.

"Completion": means the completion of the transfers of shares representing

25.5% of the issued share capital of the Project Company by NCM and LST to the Company under the Joint Venture

Agreement

"Completion Date" : means the date on which Completion occurs.

"Consideration" : means the cash amount of USD2,550 being the aggregate

consideration for the Share Transfers.

"Controlling Shareholder"

A person who:

- (a) holds directly or indirectly fifteen per cent. (15%) or more of the total number of issued Shares (excluding treasury shares) unless the SGX-ST determines that such a person is not a controlling shareholder of the Company; or
- (b) in fact exercises control over the Company, where "control" means "the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company"

"Directors" or "Board of Directors"

The directors of the Company as at the date of this Circular

"EGM" : The extraordinary general meeting of the Company to be held at

61 Tai Seng Avenue #05-14 Print Media Hub @ Paya Lebar iPark Singapore 534167 on Thursday, 4 January 2018 at 3.00 p.m. (or any adjournment thereof), a notice of which is set out on page

37 of this Circular

"EPS" : Earnings per Share

"Executive Directors" : The Directors of the Company who perform executive functions

for the Company

"Group" : The Company and its Subsidiaries

"Immediate Family": In relation to a person, means the person's spouse, child,

adopted child, step-child, sibling and parent

"Jape Family" : Refers to the family of Mr Jape Fu Kiung comprising of Mr Jape

Fu Kiung and his immediate family which include his brother and

sister.

"Jade Group" : The Jade Group refers to the group of companies held by Mr

Jape Fu Kiung and the Jape Family. Each of these companies is held 45% by Mr Jape Fu Kiung, 45% by his brother Mr Jape Fu Chin and 10% by his sister Miss Jape Jum Pim. Mr Jape Fu Kiung heads the boards of all the companies held by the Jape Family and act as the managing director for each respective

company.

"Land" : has the meaning ascribed to it in paragraph 2.5.1 of this Circular

and more particularly described in paragraph 2.5.3 of this

Circular

"Latest Practicable Date" : 14 December 2017, being the latest practicable date prior to the

date of this Circular

"Listing Manual" : The listing manual of the SGX-ST, as amended, supplemented or

modified from time to time

"LST" : Mr Liao Sheng-Tung

"NCM" : Mr Ng Choon Meng

"Mixed Development Project" : means the construction and development of the Land into a

mixed development comprising of 6 blocks to be developed in 4 phases for residential, commercial, office, retail, hospitality and other usage as determined by the Project Company under the

Land Development Agreement;

"Joint Venture Company" or

"Project Company"

A-Smart Dili Development TL Lda, a company incorporated under

the laws of Timor-Leste

"Proposed Addition of Principal:

Activities"

Shall have the meaning ascribed to it in paragraph 1.1 of this

Circular

"Proposed Property

Development and Investment

Activities"

Shall have the meaning ascribed to it in paragraph 2.2 of this

Circular

"Proxy Form" : The proxy form in respect of the EGM as set out in this Circular

"Notice of EGM" : The notice of the EGM as set out in this Circular

"NTA" : Net tangible assets

"Rmb" : means Renminbi, which is the official currency of the People's

Republic of China

"SGD" or "SG\$" : means Singapore Dollars, which is the currency of Singapore

"SGX-ST" : Singapore Exchange Securities Trading Limited

"Shareholder(s)" : Registered holders of Shares, except that where the registered

holder is CDP, the term "Shareholders" shall, where the context admits, mean the Depositors whose Securities Accounts are

credited with the Shares

"Securities Accounts" : The securities account maintained by a depositor with CDP

"Shares" : Ordinary shares in the capital of the Company

"Share Transfers" : has the meaning ascribed to it in paragraph 2.7.2 of this Circular

"Subsidiaries" : A company which is for the time being a subsidiary of the

Company, as defined by Section 5 of the Act and "subsidiaries"

shall be construed accordingly

"TOP" : Temporary occupation permit

"USD" or "US\$" : means United Stated Dollars, which is the lawful currency of the

United State

The terms "Depositor", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Cap. 289) of Singapore.

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

References to persons shall, where applicable, include corporations.

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

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

Any discrepancies in tables included herein between the amounts 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 any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

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

Cautionary Note on Forward-Looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward looking statements. Forward-looking statements include but are not limited to those using words such as "expect", "anticipate", "believe", "estimate", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "if", "will", "would", "should", "could", "may" and "might". These statements reflect our Company's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and the Company undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or the Listing Manual and/or any other regulatory or supervisory body or agency.

A-SMART HOLDINGS LTD.

(Company Registration No.: 199902058Z)

Directors

Mr. Ma Wei Dong (Non-Executive Chairman and Non-Independent Director)

Mr. Lim Huan Chiang (Executive Director and Chief Executive Officer)

Mr. Darlington Tseng Te-Lin (Non-Executive Director)

Mr. Loo Kenneth (Non-Executive Director)

Mr. Sam Chong Keen (Lead Independent Non-Executive Director)

Ms. Chu Hongtao (Independent Non-Executive Director)

Registered Office

61 Tai Seng Avenue #03-03, Print Media Hub @ Paya Lebar iPark Singapore 534167

20 December 2017

To: The Shareholders of A-Smart Holdings Ltd.

Dear Sir/Madam:

THE PROPOSED ADDITION OF PRINCIPAL ACTIVITIES OF OUR GROUP

1. INTRODUCTION

- 1.1 The Directors propose to convene an EGM to be held on Thursday, 4 January 2018 at 3.00 p.m. to seek the approval of Shareholders for the proposed addition of the principal activities of our Group to include property development and investment activities as more particularly set out in paragraph 2 of this Circular ("*Proposed Addition of Principal Activities*").
- 1.2 The purpose of this Circular is to explain the rationale for and provide Shareholders with information in relation to the matter set out in paragraph 1.1 of this Circular, and to seek the approval of Shareholders for the ordinary resolution in relation thereto, as set out in the Notice of EGM on page 37 of this Circular.

2. PROPOSED ADDITION OF PRINCIPAL ACTIVITIES

2.1 Existing business of our Group

The current core business of our Group includes (i) the provision of a complete spectrum of integrated print solutions including pre-press processes, printing, post-press packaging, production systems as well as global distribution and delivery, (ii) smart technologies businesses through the development of software solutions, and mobile applications for online and mobile platform, (iii) publishing business involving editing, publishing, translating and distributing, via print and/or online media, publications for mass readership, and (iv) investment in companies, equity, securities and instruments ("Current Principal Activities").

2.2 Proposed Addition of Business Activities

Our existing business as set out in paragraph 2.1 of this Circular will continue to be our Group's main business. In addition, after having considered the rationale as set out in paragraph 2.3 of this Circular, our Group intends to add property development and investment activities in the residential, commercial, industrial, hospitality and other related sectors to our main business ("*Proposed Property Development and Investment Activities*")

Having explored several investment possibilities, the Board has narrowed the focus on emerging markets to kick start our property development and property investment activities.

In the immediate future, our Group intends to undertake the Proposed Property Development and Investment Activities in the Democratic Republic of Timor-Leste as the Board believes that there is potential in the growth of the Republic of Timor-Leste's property market which arises from the economic growth of Timor-Leste, the fast pace of significant infrastructural development, including the international airport, public roads and utilities, central business district, as well as developments to promote tourism.

In the mid-term and long-term, our Group does not intend to restrict the Proposed Property Development and Investment Activities to any specific markets as such activities will enable our Group to take advantage of the investment opportunities at the appropriate time and in the appropriate market.

When evaluating and deciding on the investments to make, the Board will also consider the jurisdictional risk and the extent of our Group's capability and expertise to undertake such investments or projects in view of potential requirements and peculiarities which may be unique to certain countries or regions. Our Group will also consider the relevant jurisdiction's socio-political situation and potential developments of the same. Our Group will not take undue risks by investing in jurisdictions with known socio-political turbulence which are generally considered undesirable unless this can be mitigated by taking political risk insurance.

2.3 Rationale for the Expansion of the Business to include the Proposed Property Development and Investment Activities

The addition of the Proposed Property Development and Investment Activities to our Current Principal Activities is in line with our announced and approved strategies to diversify business activities, and to use proceeds from share placement to fund business opportunities that could provide additional income streams for our Group and hence, potentially enhance our Group's business performance and sustainability.

In undertaking new business activities, our Group adopts the strategy of working in partnership with financially strong and reputable partners through joint ventures. This allows us to leverage on our partners' strengths on one hand whilst minimising investment risks for our Group on the other.

As Timor-Leste is pursuing development of its infrastructure to spur the growth of its tourism industry, our Group's immediate plans to undertake Proposed Property Development and Investment Activities in Timor-Leste will allow our Group to leverage on the opportunities arising from the early stages of the country's development. Following from the above, the Board believes that the Proposed Property Development and Investment Activities will enable our Group to enhance shareholder value for the Company and to provide new revenue and earning streams for our Group.

With this in mind, the Board is of the opinion that the Proposed Addition of Principal Activities is in the best interests of our Group.

Due to the time-sensitive nature of commercial transactions, it would be advantageous to our Company to obtain the mandate to include the Proposed Property Development and Investment Activities as a core business of the Group. If approved, the Proposed Addition of Principal Activities will eliminate, among others, the need for our Company to convene separate general meetings on each occasion to seek Shareholders' approval as and when potential projects arise. This will substantially reduce the administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising its corporate objectives and adversely affecting our business opportunities. On the contrary, it would allow our Group to seize such opportunities as and when they arise.

However, if so required by the listing rules of the SGX-ST, our Group will seek the approval of the Shareholders prior to undertaking any such projects. Please refer to paragraph 3 of this Circular for more information.

2.4 Future Investment and Plans for the Proposed Property Development and Investment Activities

In order to develop the Proposed Property Development and Investment Activities, our Group intends to: (a) undertake property development activities in the residential, commercial, industrial, hospitality and other related sectors, (b) make investments in properties, including the buying and selling of properties after assessing the risks, the investment capital and returns from such investments, and/or (c) acquire and hold investments in property related assets, including acquiring or developing properties and holding such properties for long term investment through the collection of rental revenue.

Before undertaking any project for the Proposed Property Development and Investment Activities, the Board will evaluate each project based on its individual merits.

2.5 The Mixed Development Project

2.5.1 Background

LST, a Taiwanese national, is a long-time business contact of our CEO. LST is also one of the placees who subscribed for 714,285 placement shares for an aggregate of S\$500,000 in a share placement exercise undertaken by our Company in October 2016. NCM, a Singaporean, is a long-time business partner of LST.

In early 2017, our CEO was invited by a business delegate to visit Dili, Timor-Leste to explore business opportunities. During this trip, our CEO was introduced by LST to Mr Jape Fu Kiung ("*Mr Jape*"), a reputable local businessman in Timor-Leste and Australia. Mr Jape is one of the largest land owners of prime plots of land in Timor-Leste. Mr Jape was appointed by the Timor-Leste government to develop the Central Business District in Dili.

During the visit, NCM, LST, our CEO and Mr Jape discussed about possible co-operation in infrastructural development and participation in the development project of the Land in the CBD. Dilli Development Co. Lda ("**DDC**"), the company owned by Mr. Jape, was granted a lease of the Land from the state government of Timor-Leste (**State**) for a period of 90 years commencing from 29 October 2010.

Our CEO and Mr Kenneth Loo (who was acting as an adviser to our CEO for the field study) made field trips to Timor-Leste to assess the commercial and residential property market in Dili. They visited numerous land sites including the CBD and other parts. They observed the high occupancy rates of the CBD buildings and the high number of visitors, both locals and foreigners, in the retail and entertainment belt.

During the trips, they joined networking sessions where they met senior executives of large corporations who shared with our CEO that accommodation for their expatriate employees was scarce due to the low supply of rental apartments in Timor-Leste.

In more formal events, our CEO met Timor-Leste government officials to gain an understanding of socio-political and economic prospects of Timor-Leste. The Timor-Leste government officials presented to our CEO the future development plans for tourism, infrastructure and urban scape of Dili, which displayed positive traits of a fast-developing economy.

Based on the above and positive reviews and recommendation for doing business in Timor-Leste as published in the research papers/ reports by international advisory firms, the Board of our Company concluded that there was a great demand for residential and hospitality properties and other business opportunities, including those for our Company's current core businesses in printing and technology products.

On 26 July 2017, our Company announced that it has entered into a term sheet with NCM and LST to form a joint venture company to carry out property development activities in the Democratic Republic of Timor-Leste. On 8 September 2017, a company named as "A-Smart Dili Development TL. Lda." was incorporated under the laws of the Democratic Republic of Timor-Leste for this purpose ("*Project Company*").

Our Company has engaged JLA, Advogados e Consultores (*JLA*), a law firm in Timor-Leste to advise our Company on the laws of Timor-Leste. JLA is a leading law firm in Timor Leste, founded by Senior Partner Jorge Graça, former Chairman of the Timor Leste Law Reform Commission, and headed by Managing Partner Lukeno Ribeiro Alkatiri. JLA have been involved in some of the major legislative and development programs in Timor-Leste. Its experience includes involvement in a number of matters related to land ownership and immovable property rights, which are matters dealt with on a frequent basis. Prior to the establishment of JLA, the current partners and senior associates were involved in the provision of legal services, in their respective former law firms (in Mozambique and Portugal), which included providing legal advice to a number of international listed companies. In addition, the law firms with whom JLA maintains professional strategic partnership and network are market leaders in their areas of expertise (in Europe and Africa) and are known for providing legal advice to major companies and development programs.

In addition, our Project Company has appointed "Wong Alliance Law Office (TL) Lda", a branch office of Wong Alliance LLP in Singapore and which is based in Timor-Leste, with local Timorese and resident Portuguese-speaking lawyers to provide legal advice and checks on, amongst others, the Project Company and the licenses required, the land and the Land Development Agreement.

Our Company, NCM, LST and the Project Company will enter into a joint venture and shareholders agreement before the date of the EGM to regulate their relationships as shareholders of the Project Company ("Joint Venture Agreement"). Upon our Company becoming a shareholder of the Project Company, the shareholdings of our Company, NCM and LST in the Project Company will be 51%, 24.5% and 24.5% respectively. Please refer to paragraph 2.7 of this Circular for more information on the Joint Venture Agreement.

Each of NCM and LST will execute call option before the date of the EGM in favour of the Company to grant our Company an option to purchase the shares representing 25.5% of the issued share capital in the Project Company.

On 23 July 2017, the Project Company entered into a land development agreement ("Land Development Agreement") with Dili Development Co. Lda. ("DDC"), for the purpose of implementing the Mixed Development Project. DDC is a reputable real estate developer in Timor-Leste that owns extensive land banks of choice sites in Timor-Leste. Under the Land Development Agreement, DDC has granted the Project Company a right to jointly develop the Land and in consideration, DDC will own the first and second storeys (shopping malls) of Phase 1 (CBD). Please refer to paragraph 2.5.5(b) of this Circular for more information on how the ownership of the Mixed Project Development will be shared between DDC and the Project Company.

DDC

DDC was founded in 2009 in Dili, Timor-Leste; it is part of the Jape Group which was first established in Darwin, Australia in 1976. The Jape Group has been involved in construction; building largescale and high-quality developments for lease. The Jape Group has impressive portfolios in Timor-Leste as well as in Australia and China.

The family which owns the Jape Group has a long history in Timor-Leste, establishing its first business in the area during the 1910's. The Jape Group has continued to engage in the growth of the country of Timor Leste, with major investment and development projects in Timor-Leste currently underway. There are currently more than 170 local staff and 30 international staff being employed by the Jape Group serving its business in various sectors: hospitality, construction, property management and retail.

DDC which is wholly owned by the Jape Family, is therefore widely viewed as the pioneer real estate developer in the government and business circle of Dili. The Timor-Leste government has granted the lease for the entire parcel of land that is the CBD (as defined below) of Dili to DDC (*Entire Land*). The Entire Land is of a significant area and includes the Land.

As at the date of this Circular, approximately half of the CBD (forming part of the Entire Land) has been developed by DDC into 6 developments comprising of the following:

- Timor Plaza (a shopping centre with both office and retail space);
- Mixed development (retail, office and serviced apartments) ("CBD 2")
- Mixed development (retail and office) ("CBD 3")
- Entertainment hub centre (casino, food and beverage, theatres and spa) ("CBD 4");
- 4-storey utility and office tower ("CBD 5"); and
- Medical centre/office mixed development ("CBD 8")

Under the Land Development Agreement and as the first project for the Project Company, the Project Company will jointly develop the Mixed Development Project with DDC. The Mixed Development Project involves the construction and development of the land located at a project site situated at the heart of the capital city of Timor-Leste, Dili, in Dili Central ("Land"). The Land which is the undeveloped half of the Entire Land is situated in an area that is currently being developed as the country's central business district ("CBD").

Currently, there are six (6) buildings in the CBD and are called "Timor Plaza", "CBD 2" to "CBD 5" and "CBD 8" respectively. The 6 buildings comprise of office, retail, serviced apartments and entertainment (casino, food and beverages, theatres and spa) as well as public services such as the medical centre. The Land for the proposed development is situated behind the buildings known as "CBD 2" and CBD "3". The CBD is located within 5 minutes car journey on both ends from the airport and the government complexes respectively.

The Mixed Development Project, which is our Group's first venture into the Property Development and Investment Activities, involves the development of the Land in four (4) phases and will comprise of six (6) blocks of building as more particularly set out in paragraph 2.5.5 of this Circular.

2.5.2 Background on LST and NCM

LST and NCM are business partners for more than 30 years.

They co-own Hsien Shih Co., Ltd (*Hsien Shih*) with LST holding 60% and NCM holding 40% of Hsien Shih's registered capital respectively. Hsien Shih was established in 1985 in Guangzhou China as a foreign-owned enterprise. It is principally a regional procurement agent, it operates international logistics and provides local warehousing services. It has branches in Taiwan and Singapore, and multiple representative offices in many parts of Asia, Europe and Canada. The Hsien Shih group owns a mega warehouse in Guangzhou China and has more than 300 employees in various countries that form our Group's professional transport/logistic team. Hsien Shih generates average revenue of approximately Rmb 300 million (approximately SGD 61.6 million) annually.

Besides Hsien Shih, LST and NCM also co-own other businesses in China, with NCM holding 50% interest and LST holding 40% interest respectively, in the following:

(i) several properties in Guangzhou, China, which they have jointly developed in their own personal capacities, including investment properties (office, retail and serviced residences) and hospitality properties. the investment for these properties amounted to an aggregate of more than Rmb 250 million (approximately SGD51.3 million) and generate a total average annual revenue of more than Rmb 130 million (approximately SGD26.7 million); and

(ii) Guangzhou Red Castle Liquor Trade Co., Ltd, which distributes Spanish red wines in China, generating average annual revenue of Rmb 40 million (approximately SGD 8.2 million).

In Timor-Leste, LST and NCM co-invested in the proportion of 50% interest by LST and 40% interest by NCM in:

- (i) eight (8) plots which sits on land parcels with over 52,000 square meters in various prime locations purchased at a total cost of over USD 26 million (approximately SGD 35.4 million); and
- (ii) over 5000 square feet of retail space that generates average annual revenue of USD 2.8 million (approximately SGD 3.8 million).

LST and NCM shall, pursuant to the terms of the Joint Venture Agreement, grant the Project Company the right of first refusal for the development of two (2) parcels of land in Timor-Leste as more particularly set out in paragraph 2.6 of the Circular.

Whilst LST and NCM have successful businesses mainly in China and Taiwan, and are experienced in property development, they have just started property development activities in Timor-Leste. Through the Project Company, LST, NCM and Mr Jape wish to attract buyers both locally and from overseas including Singapore, China, and Australia. Participation of a Singapore listed company as a joint venture partner will also increase the level of confidence that the potential investors have in the Project Company and hence, the Mixed Development Project.

2.5.3 Information on the Land

The Land is a leasehold property located Dili Central. The details of the Land are as follows:

•	Land Area	Approximately 39,314 square meters
•	Tenure	Up to 90 years commencing from 29 October 2010
•	Plot Ratio	No restrictions
•	Total Planned Gross Floor Area -Phase 1 (CBD 9)	approximately 110,451 square meters (including 31,182 square meters of retail space, 47,256 square meters of residential and other commercial development and 32,013 square meters for carpark and/ or communal facilities), subject to any changes to the layout plan, design plan and to governmental approvals.
•	Saleable Area – Phase 1 (CBD 9)	approximately 38,346 square meters of residential and other commercial development (subject to any changes to the layout plan, design plan and to governmental approvals)

Foreigners may develop land but cannot own land or immovable property under the laws of Timor-Leste.

The Company has been advised by JLA, its legal advisor to the laws of Timor-Leste in its summary of conclusions based on JLA legal opinion that the state lease granted to DDC can be terminated and a surface right on the same land can be granted to DDC, subject to the negotiation and approval from the Timorese government. DDC has been granted a lease by the government of Timor-Leste to use the Land for 90 years. Upon termination of the lease and successful grant of surface right to the Land, DDC will apply for the building to be constituted under the horizontal property regime and sell autonomous units to third parties. Please refer to the paragraphs below for more explanation.

As at the date of this Circular, our Company has been informed that DDC has submitted the application to the government of Timor-Leste for the grant of surface rights. Upon successful application by DDC, DDC will be granted surface rights to the Land.

Surface right

Surface right is not a right of ownership. However, it is an effective right whose characteristics are very similar to the ones of an ownership right. Surface right may be mortgaged, provided that all legal tools, necessary for the registration of such mortgage, are created and approved.

Difference between surface rights and land ownership right

Surface rights have characteristics which are very similar to the ones of a land ownership rights, However, the differences are set out below:

- (i) in Timor-Leste, only the following persons are allowed to be hold ownership over land:
 - (a) Timorese citizens;
 - (b) legal persons (eg: companies) who are 100% owned by Timorese citizens;
 - (c) local communities; and
 - (d) legal persons with a non-profit nature. On the other hand, the Timorese law does not impose such limits for surface rights. Therefore, companies who are totally or partially owned by foreigners/foreign entities, may hold surface rights;
- (ii) in general, the holder of a land ownership right enjoys full and exclusive rights to use, enjoy and dispose of the land that belongs to him/her. A surface right, on the other hand, consists in the right to build in another person's land and the right to own the building he/she built (ownership of the building works separate from ownership of the land/ground). In this instance, the land itself will be owned by the State. The rights of DDC (the holder of the surface right) could only be exercised over the building itself.
- (iii) while surface rights can be granted on a temporary or perpetual basis, land ownership rights in general are perpetual. If the surface right is constituted for a certain period of time, the land owner, as soon as the term expires, acquires the ownership of the land; and
- (iv) while the holder of a land ownership right (in this case, the State) can sell the land, holder of the surface right (in this case, DDC) is not entitled to sell the land although it can sell autonomous units in a legal regime known as "horizontal property" as further elaborated below.

After the surface right has been granted to DDC, the building must be constituted under the "horizontal property" regime before autonomous units in the building can be sold to individual buyers.

Horizontal property regime

"Horizontal property" is the legal regime applied to a building, which presupposes the division of such building into autonomous units, declaring a right of ownership for each fraction and joint ownership in regards to the common areas.

Horizontal property can be constituted through legal transaction, adverse possession or judicial decision, and formalised through a public deed and registration. The registration of the surface right and/or the constitution of horizontal property is subject to regulatory or legal approval. Once and only when all the legal and regulatory requirements are met, the fractions or units of the horizontal property can be sold.

To clarify, upon the building being constituted under the horizontal regime, the Project Company and DDC will jointly develop the Mixed Development Project, market the Mixed Development Project and sell the autonomous units. The Project Company which is entitled to 100% of the proceeds from the sale of the autonomous units will collect such proceeds. DDC under its deed of

undertaking would undertake to transfer the autonomous units to the individual unit buyers upon full receipt of sale proceeds by the Project Company on completion of the sale of each respective autonomous unit. Please refer to paragraph 2.5.5 of the Circular for more information on how the Project Company and DDC will share the ownership of the Mixed Development Project.

In Timor-Leste, the State can expropriate immovable property, or any effective rights on such property, on account of public utility/interest (e.g. national defence and security; to build public roads, highways, tunnels, railways, public hospitals, etc.). Nevertheless, the public interest has to be real and justifiable. That said, if an expropriation on account of public utility occurs, the State is obliged to pay a just compensation to the affected parties. Therefore, if such measure affects the owner of the horizontal property, then the State will have to compensate accordingly. Expropriation for Public Utility is established by the Constitution of the Democratic Republic of Timor-Leste and regulated by Law No.8/2017 of 26 April 2017.

For the existing six (6) buildings in the CBD which are called "Timor Plaza", "CBD 2" to "CBD 5" and "CBD 8" respectively which belonged to DDC, these are developed under the lease granted to DDC and DDC subsequently leased the individual units out to the tenants. As DDC did not sell these individual units, DDC did not need to apply for surface rights for these 6 developments.

2.5.4 Information on Timor-Leste

The Democratic Republic of Timor-Leste restored its independence in 2002. The leaders of Timor-Leste have adopted consensus politics to develop the country. Mr Xanana Gusmao, its first president, who was its prime minister since 2007, stepped down in February 2015 and appointed opposition leader Rui Araujo as his successor. In April 2017, former parliament chief Francisco "Lu-Olo" Guterres was elected the president of Timor-Leste with an overwhelming majority. Most recently in September 2017, Dr Mari Bim Amude Alkatiri was newly elected as prime minister in a peaceful poll process and he will be leading a coalition government of Timor-Leste. The government takes a united approach to use its significant natural resources and young population to develop the country, and adopts pro-business reformist efforts to engender sustainable growth in a diversified economy.

In terms of income per capita, Timor-Leste overtook four current ASEAN members namely, Cambodia, Laos, Burma, and Vietnam. According to the 2017 Index of Economic Freedom report compiled by the Heritage Foundation, Timor-Leste has made progress toward macroeconomic stability, achieved poverty reduction and attained income growth largely attributed to the development of its oil and gas sector. Foreign aid donors such as Australia, the European Union, the World Bank, Japan, Asian Development Bank and the United States Agency for International Development, amongst many others, have provided assistance to its development. In March 2017, Timor-Leste was accepted as a regional prospective member of the Asian Infrastructure Investment Bank, paving the way for improved access to funding of infrastructure projects.

Besides being a full-fledged member of the Community of Portuguese Language Speaking Countries (CPLP), which enables access to a market of more than 250 million consumers in three continents, Timor-Leste has applied for membership to the Association of Southeast Asian Nations (ASEAN) in 2011, which includes countries with a combined population of 629 million. Timor-Leste has a competitive tax regime, with corporate tax, customs duties and indirect tax rates that are lower than in comparable countries in the Asia-Pacific region. Timor-Leste uses the US dollar as its currency.

The proceeds from the sale of the autonomous units will be used to settle the shareholders' loan advanced by our Company, LST and NCM. Any after-tax profits will be repatriated to shareholders of the Project Company by way of declaring dividends. The capital investment will be reinvested to fund future projects in Timor-Leste or be repaid to shareholders if there are no further investments to be made.

Our team has made several visits to Timor-Leste to survey the business climate and held meetings with government officials and leaders as well as local and foreign businessmen. The locals and foreigners shared the general sentiment that the country has in recent years accumulated pace in economic and infrastructural development and gained increasing political stability.

Our Company has engaged JLA, a law firm in Timor-Leste to advise our Company on the laws of Timor-Leste. In addition, the Project Company has appointed "Wong Alliance Law Office (TL) Lda", a branch office of Wong Alliance LLP in Singapore and which is based in Timor-Leste, to provide legal advice and checks on, amongst others, the Project Company and the licenses required, the land and the Land Development Agreement. Wong Alliance Law Office (TL) was established in 2010 after 2 years of groundwork and involvement in significant projects such as the establishment of the first insurance company with nationwide operations and the development of an integrated resort in Dili which is also the first of its kind in the country. Further to the active engagement of Wong Alliance Law Office (TL) with the government agencies and departments concerning the development of law in Timor-Leste, Wong Alliance Law Office (TL) was able to assist in navigating unfamiliar and evolving laws, regulations and government policies, and offer practical legal solutions under the laws of Timor-Leste.

There are generally no restrictions on outflow of capital, subject to compliance of anti-money laundering/ counter-terrorism financing standards, bank policies and tax considerations. Based on enquiries made by JLA, the lawyer acting for the Company, although the Banco Central de Timor-Leste has issued instruction no: 4/2017 ("*Instruction*") which regulates the import and export of cash in and out of Timor-Leste, the Instruction has been applied only to physical cash, but not interbank transfers.

Legal system in relation to investors1

The Constitution of the Democratic Republic of Timor-Leste states that "The State shall promote national investment and establish conditions to attract foreign investment". Investments in Timor-Leste are regulated by Law 14/2011, the Private Investment Law which will be replaced by a new private investment law that will come into effect on 1 January 2018.

The general principles applied are (i) free initiative, (ii) equal treatment of national and foreign investors with certain exceptions, (iii) guaranteed protection of the investment and (iv) respect for previously signed international agreements or investor certificates.

Pursuant to the Private Investment Law, the government of Timor-Leste offers incentives to significant foreign investments, such as five-year exemption on income tax, sales tax, and services tax, as well as exemptions of customs duties for goods and equipment used in the construction or management of the investment.

Restrictions to free initiative only apply in activities reserved for the state and to those that do not comply with environmental legislation that are or that are illegal.

We have not sought the consent of EY nor has EY provided its consent to the inclusion of the relevant information extracted from the relevant website or publication and disclaim any responsibility in relation to reliance on these statistics and information.

The information in the paragraphs pertaining to "Legal system in relation to investors" was extracted from Ernst & Young (EY) Investment Guide on Timor Leste at.http://www.ey.com/Publication/vwLUAssets/ey-timor-leste-investment-guide/\$FILE/ey-timor-leste-investment-guide.pdf.

Banking system in Timor-Leste²

The Central Bank of Timor-Leste ("*BCTL*") was formally established on 13 September 2011 and has since embarked on a plan to modernise the banking system in Timor Leste. The benefits of such reform are already visible in the country - for example, Timor-Leste has stabilised its inflation rate from previously double digit inflation to less than 1.5% since 2014 and many observers have credited this achievement to the policy work of BCTL.

BCTL conducts policies mostly aiming to achieve and maintain domestic price stability. Subordinated to this primary objective the BCTL fosters the liquidity and solvency of a stable market-based banking and financial system, executes the foreign exchange policy of Timor-Leste, promotes a safe, sound, and efficient payment system, and supports the general economic policies of the government of Timor-Leste.

One of the main functions of BCTL is to provide the means of payment, the United States banknotes and coins are issued by the BCTL through commercial banks to the economy.

Another important function is the supervision of the activities of commercial banks to assure the stability and soundness of the national financial system and, with it, the economy in general, translating into a regime of moderate inflation.

The BCTL also operates the clearing house for interbank payments and, as banker to the government, undertakes bank operations for the government and Timor-Leste's public administration. This activity includes the management of the country's financial and external reserves.

Payment system

In January 2015, Timor-Leste adopted the IBAN system, or International Bank Account Number. The adoption of IBANs in Timor-Leste aligns the nation with about 80 other countries that have adopted the same standard.

The use of IBANs was made mandatory from 12 January 2015 for all interbank payments except the clearing of cheques. All customers of banks in Timor-Leste are now required to use IBANs to pay or receive interbank transfers from 8 December 2014.

BCTL also introduced an Automated Transfer System known as "R-TiMOR" that enables electronic payments to be processed between banks either in real time (RTGS) or in batch (clearinghouse) mode. The ATS or R-TiMOR system is operated by BCTL and is connected to all commercial banks in Timor-Leste by a highly secure private interbank data network which enables payments to move readily, efficiently, and securely from the payer to payee, across the respective banks' settlement accounts at BCTL. Because these transfers are made at electronic speed, bank customers receive funds in their accounts very quickly and normally on the same day the payment is sent. Major commercial banks in Timor-Leste

There are five major banks licensed by BCTL which operate full banking activities in Timor-Leste and these are as follows:

- Banco Nacional Ultramarino Timor Grupo Caixa Geral de Depósitos (Portugal)
- Australia and New Zealand Banking Group (Australia and New Zealand)
- Banco Nacional de Comércio de Timor-Leste (Timor-Leste)
- Bank Mandiri (Indonesia)
- Bank Rakyat (Indonesia)

The information in the paragraphs pertaining to "Banking system in Timor-Leste" was extracted from the website of Central Bank of Timor Leste at https://www.bancocentral.tl/en.

We have not sought the consent of the Central Bank of Timor-Leste nor has the Central Bank of Timor Leste provided its consent to the inclusion of the relevant information extracted from the relevant website or publication and disclaim any responsibility in relation to reliance on these statistics and information.

They offer all the usual banking products that Singapore banks do, such as accepting deposits, issuing chequing accounts, electronic payment clearance, housing and business loans etc.

2.5.5 Summary of the Mixed Development Project

As set out in paragraph 2.5.1 of this Circular, DDC has been granted with a lease of the Land. DDC and the Project Company will jointly develop the Mixed Development Project. Based on the advice from JLA, our Company's legal advisor in Timor-Leste, the involvement of the Project Company in the development of the Land is subject to obtaining consent from the relevant authority, including the issuance of the necessary licenses to perform the activity.

Under the Land Development Agreement, DDC has granted the Project Company a right to jointly develop the Land into a Mixed Development Project subject to the terms of the Land Development Agreement. Some of the terms of the Land Development Agreement are set out below:

(a) Estimated Construction Period and Indicative Commencement Dates

The proposed development of the Land will be divided into four (4) phases to develop 6 buildings which are named "CBD 9, 10, 11, 12, 14 and 15" respectively. Subject to obtaining the necessary licenses and permits, the estimated construction period and the commencement dates for the construction are as follows:

Development phase	Name of building	Estimated construction period
Phase 1	CBD 9	1-2 years
Phase 2	CBD 10	1-2 years
Phase 3	CBD 11 and 12	1-2 years
Phase 4	CBD 14 and 15	1-2 years

Under the Land Development Agreement, Phase 1 involves the development of CBD 9. Phase 2 to Phase 4 involve the development of 5 additional buildings. There is no restriction for the earliest commencement date for any of the subsequent phases. However, the latest commencement date for development of any of the subsequent phases will be eighteen (18) months from the completion date of the prior phase.

Subject to obtaining the necessary prior approval and issuance of construction permit from the authorities by DDC, the intended commencement date for Phase 1 of the construction is scheduled to take place before the beginning of 2018.

The Project Company has an option to opt out of participation for the development of Phase 2 to Phase 4. Depending on the market conditions and the outcome of Phase 1, the Project Company may or may not proceed with the subsequent phases. In the event that the Project Company proceeds with the subsequent phases, it has up to eight (8) years to complete the subsequent phases.

(b) Ownership

DDC will contribute the Land for the Mixed Development Project whilst the Project Company will bear the total cost of construction of the Mixed Development Project.

Phase 1 (CBD 9) will be made up of a block of 7-9 storeys building, and upon completion:

(i) in return for contributing the Land for the Mixed Development Project, the first and second storeys will be shopping malls to be owned by DDC;

- (ii) the remaining storeys will be residential commercial units to be marketed and sold to the public. In return for bearing the total cost of construction of the Mixed Development Project, all the proceeds from the sale of the residential and commercial units will belong to the Project Company; and
- (iii) the basement level will be car parks to be co-owned by the Project Company and DDC.

There will be no sale proceeds arising from the car parks (car parks on the surface level and in the basement). Depending on the size of the residential and office units, car parks will be allocated to occupants of the residential and office units. DDC which own the first and second storeys will be allocated car parks to be used by the shoppers. Upon completion of the building, DDC will be responsible for the maintenance of the building, including maintenance of the car park lots. There will not be any car park charges imposed on the residential units and office units as occupants of these units will be paying maintenance fees to DDC. Following from the above, the Project Company will not derive any revenue from the car parks.

Phase 2 to Phase 4 (CBD 10, 11, 12, 14 and 15) will be made up of 5 blocks and upon completion:

- the first and second storeys will be shopping malls to be owned by DDC;
- (ii) the remaining storeys will be owned by the Project Company (defined below) that can be used for offices, service apartments, residential and hotels or such other purpose as determined by the Project Company; and
- (iii) the basement level will be car parks to be co-owned by the Project Company.

As the Project Company is acting as a co-developer, the legal title is not required to be registered in the Project Company's name. As at the Latest Practicable Date, there is no land registry in place in Timor-Leste. Nonetheless, the Timorese government is making efforts to map properties and adjudicate conflicting land claims, which will ultimately lead to the creation of a proper land registry. In the meantime, our Company has been informed by JLA that, since a proper land registry system is yet to be put in place, the Timorese Government has been granting surface rights via its publication in the official gazette..

(c) **Development Cost**

Based on the preliminary architectural plans, and subject to the final approval from the relevant building local authorities in Timor-Leste, the total built-up area for Phase 1 of the Mixed Development Project will be between 14,400 square meters to 18,000 square meters and will have a total saleable area of between 9,000 square meters to 12,600 square meters.

The total construction and development costs for Phase 1 is estimated to be approximately US\$13 million to US\$ 16 million, depending on the size of the built-up area. The total construction and development costs are estimated by applying a cost per square metre over the estimated total square area to be developed. The cost per square metre was established by local architects with reference to actual costing for nearby completed projects. The development costs will be borne proportionately in accordance with the equity interests that each venture partner has in the Project Company.

As an on-going development project, the actual layout and design are subject to changes arising from architectural designs, consumers demand and requirements from the relevant building local authorities in Timor-Leste. The Company will make the relevant announcements as and when the total construction and development costs is finalised.

Our Company will not spend any money on construction or development until there is approval by the government of Timor-Leste to the grant of surface right and horizontal property, which should be made in the form of a legal instrument (such as a resolution) to be published in the official gazette, stating that surface right over the Land is granted to DDC, with the permission to "sell" apartments to foreign investors.

As stated in paragraph 2.5.5(a) of this Circular, the Project Company will only decide on whether to participate in the development of the subsequent phases after taking into account the market conditions and the reaction of Phase 1 by the market. Save for the forfeiture of a USD 100,000 deposit to be placed with DDC, there are no other restrictions or penalties for opting out of development of Phase 2 to Phase 4.

As the architectural plans for Phase 2 to Phase 4 have not been completed, there are therefore no cost estimates projected for the subsequent phases for the time being.

In the event that there is a dispute between DDC and the Project Company as a co-developer, the Project Company may suffer losses arising from the delay or non-completion of the development and may incur legal costs in connection with the potential claims by DDC. However, as the Project Company is a private limited company and a separate legal entity from its shareholders, our Company will not be liable for claims faced by the Project Company.

2.6 Other potential projects in Timor-Leste

For our future investment and plans, our Company will be assessing two (2) bare and undeveloped land parcels in Timor-Leste which are owned by two individuals. Both individuals have granted the first right of refusal to the Project Company to act as developer for these two parcels of land.

One of the land parcels is situated by the seaside and is a 15-minute car journey from the CBD. Depending on future assessment and studies, the land can potentially be developed into premium private residences and/or apartments which offers sea and mountain views at different directions. The other land parcel is located near the Timor container port which is under construction. Depending on further assessment and studies, the land parcel can potentially be developed into a logistics office or goods handling hub.

For financial and practicability reasons, the Board will always evaluate every potential project on its individual merits before undertaking any project for the Proposed Property Development and Investment Activities.

2.7 Joint Venture Agreement

The salient terms of the Joint Venture Agreement are set out as follows:

2.7.1 Incorporation of the Project Company

The Project Company was incorporated with an authorised share capital of USD\$5,000.00 comprising of 5,000 ordinary shares of USD\$1.00 each subscribed and paid equally by NCM and LST.

2.7.2 Consideration for shares in the Project Company

Upon fulfilment of the conditions precedent or upon our Company exercising the call option granted by NCM and LST, whichever is earlier, NCM and LST shall each transfer to the Company 1,275 ordinary shares each representing 25.5% of the issued share capital of the Project Company. If our Company exercises the call options granted by both NCM and LST, a total of 2,550 ordinary shares representing 51% of the issued share capital of the Project Company will be transferred to our Company (*Share Transfers*). In consideration for such transfers, our Company will pay NCM and LST an aggregate of US\$2,550.00 in equal share.

2.7.3 Conditions Precedent

The participation of our Company as a shareholder of the Project Company is subject to the following conditions:

- (i) the completion by our Company of the legal, financial, operational, tax and other due diligence, and the results of such due diligence being satisfactory to our Company;
- (ii) the fulfilment of all conditions precedent in the Land Development Agreement;
- (iii) execution by DDC of a deed of undertaking to irrevocably and unconditionally undertake that DDC shall transfer the autonomous units to the individual unit buyers upon full receipt of sale proceeds by the Project Company on the completion of the sale of each respective autonomous unit;
- (iv) the Project Company obtaining all necessary approvals such as governmental and regulatory approvals by the Project Company in respect of the Mixed Development Project, including the obtaining of approval by the Project Company from the government of Timor-Leste to convert the state lease of the land from a lease of 90 years into a grant of surface right;
- (v) our Company obtaining shareholders' approval for (1) the addition of principal business to include property development and property investment; and for (2) the Mixed Development Project;
- (vi) there has been no material adverse change to the business, operations, assets, financial condition, turnover or prospects of the Project Company prior to the Completion Date; and
- (vii) the receipt by our Company of a legal opinion to be issued by a legal counsel qualified to advise on the laws of Timor-Leste to opine on the validity and enforceability of the Land Development Agreement against DDC under the law of Democratic Republic of Timor-Leste.

Our Company has engaged JLA, a law firm in Timor-Leste to advise the Company on the laws of Timor-Leste and to issue the legal opinion as stated in paragraph 2.7.3 (vii) of the Circular. In addition, the Project Company has appointed "Wong Alliance Law Office (TL) Lda", a branch office of Wong Alliance LLP in Singapore and which is based in Timor-Leste, to provide legal advice and checks on, amongst others, the Project Company and the licenses required, the land and the Land Development Agreement.

As at the date of this Circular, our Company has been informed that DDC has submitted the application to the government of Timor-Leste for the grant of surface rights. Upon successful application by DDC, DDC will be granted surface rights to the Land.

2.7.4 Shareholdings of our Company, NCM and LST

On the completion date (date on which the Share Transfers takes place) and thereafter, the shareholding of each of our Company, NCM and LST in the issued and paid up capital of the Project Company shall be maintained at the agreed shareholding proportions of 51%, 24.5% and 24.5% respectively (*Agreed Proportion*).

2.7.5 Shareholders' commitment

The shareholders of the Project Company agree to commit up to an aggregate amount of USD16,000,000 to be contributed in such Agreed Proportion to be used for the working capital of the Project Company (*Committed Amount*) by way of shareholders' fund, contribution or advances. The Committed Amount shall be provided by the shareholders of the Project Company free of interest.

2.7.6 Composition of the board of the Project Company

The BOD will consist of four (4) Directors of which:

- our Company will be entitled to nominate up to 2 persons as directors on the board of directors of the Project Company;
- (ii) NCM will be entitled to nominate 1 person as director on the board of directors of the Project Company; and
- (iii) LST will be entitled to nominate 1 person as director on the board of directors of the Project Company.

2.7.7 Reserved Matters

The reserved matters of the shareholders of the Project Company which require the prior written approval of all the shareholders of the Project Company include the following:

- (i) the amendment of the constitution of the Project Company;
- (ii) the merger, amalgamation, acquisition and demerger of the Project Company;
- (iii) the transfer, dispose of or to pledge as collateral for the loan of all or a substantial part of the assets of the Project Company whether by a single transaction or a series of transaction or several transactions in one accounting year;
- (iv) the dissolution of the Project Company;
- (v) diversification into new business and or new territories;
- (vi) any changes in authorized or issued and paid up share capital; and
- (viii) admission of any shareholder.

2.7.8 Dividend in Project Company

Our Company, NCM and LST acknowledge and agree that the Project Company's dividend policy will be to maximise the returns to its shareholders.

2.8 Risks relating to the Proposed Property Development and Investment Activities

To the best of the Directors' knowledge and belief, all the risk factors that are material to the Shareholders in making an informed judgment on the addition of the Proposed Property Development and Investment Activities as our principal activities are set out below.

Our Group could be affected by a number of risks which relate to the industries and countries in which the Group intends to operate as well as those which may generally arise from, *inter alia*, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive.

New risk factors emerge from time to time, and it is not possible for the management to predict all risk factors, nor can our Group assess the impact of all factors on the Proposed Property Development and Investment Activities or the extent to which any factor, or combination of factors, may affect the Proposed Property Development and Investment Activities. There may be additional risks not presently known to our Company or that our Company may currently deem immaterial, which could affect its operations. Should any of the risks occur or turn out to be material, they could materially and adversely affect our business, financial condition, results of operations and prospects.

2.8.1 Proposed Property Development

(a) Revenue and profit volatility

Revenue and profit volatility are characteristic of companies in property development industry. Due to the competitive tendering process to secure projects, there is no consistency or assurance that projects of a certain value and volume will be secured and undertaken continuously. Our Group's revenue and profit may fluctuate significantly depending on the demand for projects and the value and number of projects successfully secured. In addition, any lapse of time between the completion of projects and the commencement of subsequent projects may adversely affect the earnings and financial performance of our Group.

As revenue is realised only upon delivery of the completed properties to purchasers and property development projects typically last two to three years, any negative changes in the business environment during the duration of a project may adversely affect revenue and cost, which in turn may adversely affect profit margins.

The negative changes may include delays in procuring necessary approvals, licenses or certificates from relevant government bodies, changes in the laws, regulations and policies in relation to the proposed property development business, delays in construction schedules arising from poor weather conditions, labour disputes or other unforeseen circumstances and the fluctuation in costs of raw materials required in construction and development.

(b) Financing risks

Due to the nature of the proposed property development business, a substantial amount of cash is required for the initial stages since projects typically require substantial capital outlay during the land use rights acquisition and construction stages. Additional funds may be raised through pre-sales of property units, by bank borrowings, internal resources or fundraising exercises.

The financing cost of the Group's future property development projects could increase significantly if the expected results of such pre-sales are not achieved. There is no assurance that the Group will always be able to achieve sufficient pre-sales in order to fund its projects in the future. In addition, there is no assurance the Group will have adequate capital resources available to finance its future land acquisitions or future property development. In general, the prevailing market interest rates will affect the interest rates which the Group is charged for debt financing. If Group fails to provide adequately for the increasing interest expense in the financing and pricing of its development projects, the Group's financial performance may be adversely affected.

(c) Fluctuations in property prices and the availability of suitable land sites

Fluctuations in property prices as well as the availability of suitable land sites will affect the performance of our Group. Our Group's proposed property development business is partly dependent on the availability of land suitable for development. There is no assurance that our Group will be able to identify and acquire attractive sites in the future at commercially acceptable prices. Our Group's ability to acquire land use rights for future development and the acquisition costs of such land use rights will accordingly be affected by government policies toward land supply. If our Group is not able to identify and acquire attractive new sites at commercially acceptable prices, this could impair our Group's ability to compete with other property developers and materially and adversely affect our Group's business and financial performance.

(d) Dependency on sub-contractors

Our Group may engage third party sub-contractors to provide various services for its development projects. Following this, it is subject to third party risks such as the failure of sub-contractors to perform their contractual obligations, failure of sub-contractors to bear cost

overruns, and any other unforeseen circumstances which may have an adverse impact on its financial performance. In addition, the sub-contractors engaged may experience financial or other difficulties that may affect their ability to carry out the work, thus delaying the completion of or failing to complete the development projects and resulting in additional costs or exposure to the risk of liquidated damages to our Group. Should any of the third party sub-contractors fails to meet the required standards and suitable replacement contractors are not engaged in a timely manner, our Group's financial condition and results of operations may be materially and adversely affected. Any such failure on the part of the third party sub-contractors may also result in adverse publicity for our Group which in turn may have an adverse impact on our Group's prospects and growth.

(e) Risk of unsold property

Prior to their sale, unsold property development assets are relatively illiquid. With the illiquidity limits, these restrict the Group's ability to convert its unsold property development assets into cash on short notice. In the event a quick sale of these assets is required, such illiquidity limits can also have a negative effect on the selling prices of our Group's unsold completed property development assets. Our Group's financial performance may also be adversely affected by further continuing holding costs, maintenance costs and interest costs.

(f) Changes in the business environment

The length of a property development project can typically last two to three years, depending on the size of the development. Changes in the business environment, including delays in procuring the necessary relevant approvals, licenses or certificates from government bodies, changes in laws, regulations and policies in relation to the property development, fluctuations in demand for properties, delays in construction schedules due to poor weather conditions, labour disputes and fluctuation in cost of construction materials and other costs of development can occur. Changes in the business environment during the length of the project may affect the revenue and cost of the development which will directly depress the profit margin of the project.

(g) Claims made by third parties

From time to time, our Group may be involved in disputes with various parties involved in the development and sale of its properties such as main contractors, subcontractors, suppliers, construction companies, purchasers and lenders in the future. In addition, there may also be claims against our Group made by owners or occupiers of neighbouring properties in respect of the use and enjoyment of such properties.

Disputes with purchasers may include claims relating to delays and defective works. These disputes may lead to legal and other proceedings, and may cause our Group to suffer additional costs and delays. Our Group may also have disagreements with regulatory bodies in the course of its operations, which may subject our Group to administrative proceedings and unfavourable decrees that result in financial losses and delay the construction or completion of our Group's projects. Our Group's business and financial position will be affected if our Group has to pay significant amounts of compensation or spend significant amounts of resources in legal costs in the event of legal proceedings. Our Group's reputation may also be affected as a result of such proceedings.

(h) Our Group is subject to risks in relation to changes in prices relating to construction materials

Our Group faces risks in relation to changes in prices relating to construction materials including timber, steel and concrete, in our Group's property development operations. Any increase in prices will increase our Group's costs of development. Our Group's financial performance will be adversely affected if our Group is unable to increase the sale prices of its properties accordingly.

(i) Our Group has no prior track record and operating history in the Proposed Property Development and Investment Activities

As our Group does not have a proven track record in carrying out the Proposed Property Development and Investment Activities, there is no assurance that the Proposed Property Development and Investment Activities will be commercially successful and that our Group will be able to derive sufficient revenue to offset the capital and start-up costs as well as operating costs arising from the Proposed Property Development and Investment Activities. The Proposed Property Development and Investment Activities may require high capital commitments and may expose our Group to unforeseen liabilities or risks associated with its entry into new markets or new businesses.

The Proposed Property Development and Investment Activities also involves business risks including the financial costs of setting up new operations, capital investment and maintaining working capital requirements. If our Group does not derive sufficient revenue from or does not manage the costs of the Proposed Property Development and Investment Activities effectively, the overall financial position and profitability of our Group may be adversely affected.

(j) Our Group is exposed to risks associated with acquisitions, joint ventures or strategic alliances

Depending on available opportunities, feasibility and market conditions, our Group's expansion into the Proposed Property Development and Investment Activities may involve acquisitions, joint ventures and/or strategic alliances with third parties in Singapore as well as in overseas markets including Timor-Leste. Participation in joint ventures, strategic alliances, acquisitions or other investment opportunities involves numerous risks, including the possible diversion of management attention from existing business operations and loss of capital or other investments deployed in such joint ventures, strategic alliances, acquisitions or opportunities. Furthermore, our Group is expected to rely on its joint venture partners at the initial stage of its foray into the Proposed Property Development and Investment Activities and there is a risk that if any of its joint venture partners is unable to deliver its obligations or commitments under the joint venture (such as failure to perform according to the expertise expected of the joint venture partner or meet the financial obligations), it may cause delay in the completion of our Group's development projects and/or resulting in additional costs to our Group. In such events, our Group's financial performance may be adversely affected.

(k) Our Group is subject to various government regulations in the Proposed Property Development and Investment Activities

The property industry in countries in which our Group may operate is subject to various laws and regulations. Licences, permits, certificates, consents or regulatory approvals may be required for, among other things, property development, addition and alteration works and building works. If our Group fails to obtain the requisite approvals, it will be unable to undertake the relevant segment of the Proposed Property Development and Investment Activities.

Our Group must also comply with the applicable laws and regulations in the Proposed Property Development and Investment Activities, for example, in relation to workplace health and safety, environmental public health and environmental pollution control, failing which our Group may be subject to penalties, have its licences or approvals revoked, or lose its right to own, develop or manage its properties which may have a material and adverse impact on our Group's business, financial condition, results of operations and prospects. Further, any changes in applicable laws and regulations could result in higher compliance costs and adversely affect the operations of our Group and the financial performance of our Group.

(I) Our Group is susceptible to fluctuations in foreign exchange rates that could result in our Group incurring foreign exchange losses

As our Company's functional and presentation currency is denominated in S\$, any depreciation in foreign exchange rates against the Singapore Dollars may affect our Group's profitability and financial position. For example, revenue derived from the sale of property units overseas which is denominated in foreign currencies may have an adverse impact on our Group's operating results if there is unfavourable fluctuation of the foreign currencies against the Singapore Dollars.

(m) Our Group is subject to risks of late payment or non-payment by its clients

Our Group faces uncertainties over the timeliness of clients' payments and their solvency or creditworthiness in respect of purchases of our Group's development properties. There is no assurance that our Group will be able to collect any progress payments on a timely basis, or at all.

In the event that there are defaulting purchasers or a significant delay in collecting progress payments from purchasers, our Group may face stress on its cash flow and a material increase in bad and doubtful debts, which will have an adverse impact on our Group's financial performance.

(n) Our Group is subject to changes in economic situation, government regulations and property industry for the Proposed Property Development and Investment

The performance of the Proposed Property Development and Investment depends largely on the economic situation and the performance of the property industry and there is no assurance that the property sectors of countries in which our Group undertakes the Proposed Property Development and Investment will continue to grow.

Should the economy or the property market experience a downturn, whether globally or in any country in which our Group undertakes the Proposed Property Development and Investment, the performance of these segments may be adversely affected. In addition, as the gestation period for a property development project is long, typically between two to three years, any downturn in the economy or the property market, during the course of a development project may affect the profitability of such development project, thereby adversely affecting our Group's financial performance. Changes in government regulations in any country in which our Group undertakes the Proposed Property Development and Investment may also result in our Group being unable to complete any property development project, or sell any completed property development project or purchased property at a profit, or at all. This may adversely affect the financial position of our Group.

(o) The Proposed Property Development and Investment is subject to the general risk of doing business overseas

At the initial stage, the Group intends to embark on the Proposed Property Development and Investment in Timor-Leste. The Group does not plan to restrict the Proposed Property Development and Investment to any specific geographical markets. There are inherent general risks in doing business overseas. These general risks include unexpected changes in regulatory requirements, difficulties in staffing and managing foreign operations, social and political instability, fluctuations in currency exchange rates, potentially adverse tax consequences, legal uncertainty regarding liability, tariffs and other trade barriers, variable and unexpected changes in local law and barriers to the repatriation of capital or profits, any of which could materially affect the overseas operations of the Group. These risks if materialised may affect the Group's business and financial condition. In addition, if the governments in the jurisdictions which the Group intends to undertake the Proposed Property Development and Investment tighten or otherwise adversely change their laws and regulations relating to the repatriation of their local currency, it may affect the ability of the Group's overseas operations to repatriate profits to the Group and, accordingly, the cash flow of the Group will be adversely affected.

2.8.2 Proposed Property Investment

(a) Our Group's business is dependent on the performance of the property sector

Our Group's proposed investment and property development businesses are generally dependent on the continuing growth of the economy and the property sector. Economic, political, social, regulatory or diplomatic developments in or affecting the real estate sector in which our Group may be operating may have an adverse impact on the property market.

Any changes in inflation, interest rates, taxation, or other regulatory, political, social or economic factors affecting countries in which our Group may be operating, and any adverse developments in the supply and demand or housing prices in the property sector may adversely affect our Group's business.

Our Group's business will also be affected by the cyclical nature of the property industry. Any downturn in the residential and/or commercial property development market in the countries in which our Group may be operating will also have a negative impact on our Group's business as a downturn may result in decreased business activities and lower market valuations of our Group's properties, which may lead to adverse impact to our Group's financial performance and condition.

(b) Property valuations and decline in property values

Valuations of our Group's properties conducted by professional valuers are based on certain assumptions and may not accurately reflect the actual values of these assets. All material defects, breaches of contracts, laws and regulations, and other deficiencies and factors that could affect valuation may not be identified from inspections of the properties and other works undertaken in respect of a valuation exercise.

Unfavourable changes to the economic or regulatory environment or other relevant factors may negatively affect the premises upon which the valuations are based and hence, the conclusions of such valuations may be adversely affected.

Following this, our Group's inventory of completed properties, if any, may not retain the price at which they may be valued or be realised at the valuations or property values which were recorded. If the value of the properties of our Group fluctuates from time to time due to market and other conditions, any adjustments to our Company's share of the fair value of the properties in our Group's portfolio could have an adverse effect on the net asset value and profitability of our Group.

(c) Uninsured losses

Certain losses are very costly to insure and it may not be cost effective for our Group to obtain such insurance cover for its properties in these respects. Our Group's profitability will be affected by losses arising out of damage to our Group's properties not covered by insurance policies in excess of the amount it is insured. Committing additional costs to the relevant project for its completion in the event there are uninsured damages would also adversely affect the financial performance of our Group.

(d) Increases in operating and other expenses

The profitability of our Group could be adversely affected if the operating and other expenses related to the properties in which we have an interest increase without a corresponding increase in revenues. Such increases in operating and other expenses may be a result of changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies, increases in property tax assessments and other statutory charges, increases in sub-contracted service costs, increase in the rate of inflation, increases in insurance premiums and increases in cost of utilities.

(e) Material defects, breaches of laws and regulations and other deficiencies

There is no assurance that the reviews, surveys or inspections (or the relevant review, survey or inspection reports on which our Group would rely on) would have revealed all defects or deficiencies affecting properties that our Group has interests in. In particular, there is no assurance as to the absence of latent or undiscovered defects or deficiencies or inaccuracies or deficiencies in such reviews, surveys or inspections reports, any of which may have a material adverse impact on the business, financial condition, results of operations and prospects.

(f) Our Group may not be able to provide the capital investments needed to undertake the property development and property investments projects

The Proposed Property Development and Investment require substantial capital investments or cash outlay. There is no assurance that financing, either on a short term or a long-term basis, will be made available or, if available, that such financing can be obtained on commercially reasonable terms, in which event our Group's future plans and growth prospects will be adversely affected.

Additional debt funding is subject to interest payments and interest rate fluctuations and may also be subject to conditions that restrict or require consent for corporate restructuring, additional financing or fund raising, requirements on the maintenance of certain financial ratios. These conditions may reduce the availability of the Group's cash flow for capital expenditures, working capital and other general corporate purposes. In addition, these conditions may limit the flexibility of the Group in planning for, or reacting to, changes in the business or industry and increase our Group's vulnerability to general adverse economic and industry conditions.

Additional equity financing may result in a dilution to Shareholders' equity interests and may, in the case of a rights issue, require additional investments by Shareholders. Further, an issue of Shares below the then prevailing market price will also affect the value of Shares then held by investors. Dilution in Shareholders' equity interests may occur even if the issue of Shares is at a premium to the market price.

2.8.3 Risks relating to our operations in Timor-Leste

The Group intends to carry out its initial efforts for the Proposed Property Development and Investment in Timor-Leste. The following is an identified but by no means exhaustive list of risk factors which are associated with doing business in Timor-Leste:

(a) Our Group may face liabilities in connection with pre-sales of properties

In the Timor-Leste property market industry, it is a common practice for property developers to conduct pre-sales for the properties under development (i.e. selling properties prior to the receipt of the construction completion and examination certificate).

However, there are certain risks relating to the pre-sale of properties. For example, the failure of our Group to complete a project which has been fully or partially pre-sold. In such circumstances, our Group may be liable to purchasers of pre-sold units for losses suffered by them. There is no guarantee that these losses will not exceed the purchase price paid in respect of the pre-sold units. In addition, if a pre-sold project is not completed on time, the purchasers of the presold units may be entitled to compensation for late delivery. If the delay extends beyond a certain pre-agreed period, these purchasers will further be entitled to terminate the pre-sale agreements and claim damages. There may therefore be circumstances which result in liabilities arising from pre-sales arrangements, which in turn would affect the results of operations and financial condition of our Group.

(b) Risks from changes due to government legislative measures

Any changes in the applicable laws and regulations may impact the demand and price of property assets in any given market. In order to regulate property prices in a country, the government may impose restrictive measures through legislation and regulation to discourage property speculation by locals and the foreigners. For instance, certain countries have implemented property cooling measures such as the buyer and seller's stamp duty in a bid to rein in rising property prices. As a result of the property cooling measures, property prices fall in tandem with falling demand and impact the financial performance of property companies in these countries. There is no assurance that the government of Timor-Leste will not impose such legislations and regulations governing property development and investment in Timor-Leste. In the event that there are such changes to the legislations and regulations, the financial performance and operation of our Group may be adversely affected.

(c) Uncertainty of land ownership in Timor-Leste

Currently in Timor-Leste, the lease granted on a state-owned land cannot be converted into a grant of surface rights. As the Land held by DDC is currently on a 90-year lease granted by the Timor-Leste authorities, DDC is required to cancel the lease and apply to the authorities for another agreement to be entered into with the government to grant the surface right to the holder of the original lease.

In the event that the cancellation of the lease and the grant of surface right cannot be obtained by DDC, the Group may have to delay or in the worst case scenario, abandon the proposed Mixed Development Project. However, the present Government is accelerating the process to regulate land and property as well as to promote access to land for investment. A major development is the enactment of the land law known as the "Special Regime for the Ownership of Immovable Property" which brings into effect different dimensions of the right to private property provided for in the constitution of Timor-Leste and creates informal property rights. Though the Group is confident that this pre-condition for proceeding with the Mixed Development Project will be achieved in due course, there is no assurance that DDC and the Project Company can obtain all approvals required for the grant of surface right by the Timor-Leste authorities.

(d) New legislation and policies in Timor Leste

After the recent parliamentary elections, the new government under its Prime Minister formulates ongoing new policies under the new government.

Based on past data extracted from the World Bank Organization, government effectiveness and the regulatory quality were ranked at 13.9 percentile respectively. The lack of consistency in enforcing regulations continues to discourage private-sector development. Such numbers indicate that the country's weak governance may signify a risk for investors to safeguard their financial and proprietary interests.

Notwithstanding this, the Prime Minister of Timor-Leste has in his speech on 14 November 2017 at the 2nd International Conference on Investment in Timor-Leste, pledged to improve on the protection of private investments and is deeply engaged in promoting economic reforms to diversify its economy.

The Prime Minister of Timor-Leste stated in his speech that his government has started the process to streamline business activities and ensure predictability of investment returns and legal protection of investments for generations to come. To that end, a legal framework compliant with international best practices, particularly ASEAN guidelines, for private business/investment is being developed. This encompasses the replacement of obsolete frameworks with more modern and simplified laws and regulations, such as the Law on Commercial Companies, Commercial Registration, Commercial Licensing and the Private Investment Law, which will enter into force as of 1st January next year. The Prime Minister

of Timor-Leste stated that his government is approving key commercial laws that meet international standards, such as arbitration and mediation, bankruptcy and insolvency, as well as laws covering secure transactions, and intellectual property.

Although our Company has confidence that the government of Timor Leste is making efforts to strengthen local laws protecting ownership and investments in order to attract more foreign investors, there is no assurance that the new legislations will be fully effective to meet the government's objectives.

Notwithstanding the risks set out above, the Board, having considered the rationale of the Proposed Addition of Principal Activities believe that it is to the benefit of our Group to add the Proposed Property Development and Investment Activities as our principal activities. The Directors will be mindful in managing the risks involved.

2.9 Management

2.9.1 Management of the Proposed Property Development and Investment Activities

The management team responsible for overseeing the Proposed Property Development and Investment Activities will be headed by Mr Lim Huan Chiang, our Group's Chief Executive Officer ("CEO") and Executive Director, who will report directly to the Board. Mr Lim has vast experiences in the areas of estate management from his involvement in public service that will be a valuable contribution for joint venture partnerships in development of large mixed development property projects. Mr Lim will be assisted by our Company's Group Financial Controller, Mr Ronnie Yo, who has over eight (8) years of experience in the finance departments of mainboard SGX-Listed property companies in Singapore.

The Board believes that any additional expertise required for the Proposed Property Development and Investment Activities will be developed by our Group in the course of our business.

Moving forward, if the Proposed Property Development and Investment Activities increases, our Company will consider hiring in-house property advisers who are experienced to assist in evaluating its investments. They intend to utilize the services of professional market valuers, consultants and property surveyors in the course of their Proposed Property Development and Investment Activities.

2.9.2 Experience of the Board and Management

The Board is mindful that the nature and expertise required of the Proposed Property Development and Investment Activities are very different from the business as that our Group has been involved in.

Our Company's Executive Director and CEO, Mr Lim Huan Chiang, has over 30 years of experience in public constituency management and estate upgrading through his many appointments in the Singapore public service such as the citizen consultative committee, Tampines town council, East Coast town council and Tanjong Pagar town council. Through his active role in the town councils, he has contributed ideas and efforts towards the control, management, maintenance and improvement to residential and commercial properties in the Singapore public housing estates. As such, the CEO is familiar with the composition and requirement of a good residential project.

The Board is also strengthened with the recent appointment of Mr Kenneth Loo ("Mr. Loo") as the non-executive director of our Company on 2 August 2017. Mr Loo has more than 23 years of experience in the property development and construction sector, and he has overseen the completion of many private and public housing development projects in Singapore. He is currently the Executive Director and Chief Operations Officer of Straits Construction Group Pte Ltd, a Singapore real estate developer and construction company. The Board believes that the management and Board will benefit from the guidance and advice by Mr Loo, particularly for our Group's Proposed Property Development and Investment Activities. With the experience and expertise of the Board and management, combined with the prudent strategy of partnership with

reputable real estate partners, the Board is of the view that as our Group grows over time, our Group can acquire and develop the expertise required for the Proposed Property Development and Investment Activities.

With the recent addition to the board of our Company, together with the careful selection of strategic joint venture partners who have vast experience in property development and investment, the Board believes that our Company will acquire and develop the expertise required for property development and investment.

2.9.3 Key processes of the Proposed Property Development and Investment Activities

Before undertaking any of the Proposed Property Development and Investment Activities, a proposal will be prepared by the management and presented to the Board for their review and approval. The proposal will provide a detailed analysis of the investment or project, including the projected returns, market trends and funding requirements. The Board will review the proposal and may seek the advice of external consultants where appropriate. In reviewing the proposal, the Board will consider, amongst other things, the market conditions, growth potential and value enhancement of the investment or project for our Group.

Upon the approval of the proposal by the Board, the CEO of our Company will then be authorised to perform all acts and take all measures necessary and required to implement the investment or project.

In addition, members of the management team will regularly review and evaluate the performance of each investment and project and provide the Board with regular management reporting on the investments and projects.

2.10 Funding for the Proposed Property Development and Investment Activities

Funding for the Property Development and Investment segment

To fund its additional new principal activities, our Company may use its internal funds, bank borrowings or proceeds from fund raising exercises, including but not limited to the issuance of our Company's shares or convertible securities. Any issuances of Shares or convertible securities will be made pursuant to the general mandate granted by Shareholders at annual general meetings. In the event the limits under the general mandate would be exceeded, Shareholders' approval would be separately sought prior to the issue of the Shares or convertible securities.

Funding for the Mixed Development Project

The consideration for the 51% equity stake in the Project Company is US\$2,550.00 equivalent to approximately S\$3,500.00, to be paid in full on the Completion Date.

Under the Joint Venture Agreement, the Company, NCM and LST have committed up to an aggregate amount of US\$16.0 million or approximately S\$21.82 million in proportion to their shareholdings in the Project Company to be utilised as working capital for the Project Company. Following this, the Company has committed up to US\$8.2 million or approximately S\$11.2 million to be disbursed to the Project Company in the form of shareholder's advances as and when determined as necessary by the board of the Project Company.

NCM and LST are high net worth individuals who own income accretive assets and businesses in Singapore, Taiwan and China. They have informed the Company that they have enough cash resources to fund their share of the working capital commitment as agreed in the Joint Venture Agreement.

On the assumption that Mr Ma Weidong exercises 22,000,000 warrants, this will result in proceeds of approximately S\$6.2 million. This, in addition to the proceeds from the proposed placement to Mr Wong Swee Chun as announced by our Company in its announcement dated 17 October 2017 will raise an aggregate of approximately S\$11.2 million which is the estimated funding required from our Company.

2.11 Financial Reporting

For the purposes of reporting the financial performance of our Group in accordance with the applicable accounting standards and the Listing Manual, the Proposed Property Investment and Proposed Development Activities will be accounted for as the "Property Development and Investment Activities" business segment in our Group's financial statements. Following this, our Company will disclose the financial results of the Proposed Property Development and Investment Activities together with our Group's financial statements. The financial results of the Proposed Property Development and Investment Activities and our Group's financial statements will be periodically announced pursuant to the requirements as set out in Chapter 7 of the Listing Manual.

As our Company will hold a majority stake in the Project Company, and the constitution of the Project Company will be amended to allow our Company to control the board of the Project Company, the Project Company will be accounted for as an Investment in subsidiary corporation in the Company's books. Correspondingly, the results of the Proposed Mixed Development will be consolidated into our Group's consolidated financial statements. According to the Singapore Financial Reporting Standards, the overseas mixed property development will be accounted for on a completed project basis.

3. SGX-ST LISTING MANUAL

Under Rule 1002(1) of the Listing Manual, a "transaction" is defined as "the acquisition or disposal of assets by an issuer or a subsidiary that is not listed on the Exchange or an approved Exchange, including an option to acquire or dispose of assets. It excludes an acquisition or disposal which is in, or in connection with, the ordinary course of our business or of a revenue nature".

Upon the approval by Shareholders of the Proposed Addition of Principal Activities, any acquisition which is in, or in connection with, the Proposed Property Development and Investment Activities as contemplated by the Proposed Addition of Principal Activities, may be deemed to be in the ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Listing Manual.

Clause 3.2.1 of Practice Note 10.1 of the Listing Manual states that Shareholder approval is not required if an acquisition will result in an expansion of our Company's existing core business. The SGX-ST takes the view that it should not in normal circumstances require our Company to seek Shareholder approval if the expansion is by way of an acquisition of a similar business, when other means to expand our business that are open to our Company would not require Shareholder approval.

However, Clause 3.2.2 of Practice Note 10.1 of the Listing Manual provides that should the acquisition change the risk profile of our Company, Shareholders should have an opportunity to have their say on the proposed acquisition. This is so notwithstanding that the acquisition will not change the main business of our Company.

This mandate to include the Proposed Property Development and Investment Activities as core business of our Group includes our Group's aforementioned intention to undertake property development and investment activities in the Timor-Leste as the preliminary jurisdiction due to the rationale as set out in paragraph 2.2 of this Circular.

Therefore, no Shareholders' approval should be required for property development and property investment in the Timor-Leste which do not result in a change in the risk profile of our Company. In the event our Company (i) subsequently ventures beyond the Timor-Leste; or (ii) it results in a change in the risk profile of our Company, the Company will seek Shareholders' approval pursuant

to Chapter 10 accordingly. The Company will also make announcements on the assessment of, and the basis of such assessment on the change in the risk profile of our Company regarding any such acquisition and/or transaction.

Clause 3.2.3 of Practice Note 10.1 of the Listing Manual sets out the following factors that will be considered in determining whether the risk profile of our Company has been changed:

- (a) whether the acquisition will increase the scale of our Company's existing operations significantly. An acquisition is regarded as increasing the scale of operations significantly if any of the relative figures computed on the bases set out in Listing Rule 1006 (c) and 1006 (d) is 100% or more. Rule 1015 requires Shareholder approval to be obtained for such an acquisition regardless of whether the acquisition is treated as in our Company's ordinary course of business. Such an acquisition may be treated as a very substantial acquisition;
- (b) whether the acquisition will result in a change of control of our Company. Rule 1015 requires Shareholder approval to be obtained if the acquisition will result in a change in control of our Company regardless of whether the acquisition is treated as in our Company's ordinary course of business. Such an acquisition may be treated as a reverse takeover;
- (c) whether the acquisition will have a significant adverse impact on our Company's earnings, working capital and gearing;
- (d) the extent to which the acquisition will result in an expansion of our Company's business to a new geographical market and/or a new business sector; and
- (e) the extent to which the intended expansion has been foreshadowed and investors have had an opportunity to vote at previous general meetings on (i) our Company's proposal; or (ii) waiving their rights to approve our Company's proposal.

Clause 3.2.4 of Practice Note 10.1 of the Listing Manual further provides that the factors in determining whether an acquisition would change our Company's risk profile as enumerated in Clause 3.2.3 of Practice Note 10.1 of the Listing Manual are neither exhaustive nor conclusive. Where the Proposed Diversification would involve an interested person transaction as defined under the Listing Manual, our Company will also comply with the provisions of Chapter 9 of the Listing Manual.

4. RELATIVE FIGURES UNDER RULE 1006 OF THE SGX-ST LISTING MANUAL

Based on our Group's audited financial statements for the period ended 31 July 2017, the relative figures of the Proposed Mixed Development Project computed on the bases set out in Rule 1006(a) to (e) of the Listing Manual are as follows:

Rule 1006(a)	
Net asset value of the assets to be disposed of	Not applicable ⁽¹⁾
Net asset value of our Group as at 31 July 2017	S\$ 6.0 million
Size of relative figure	Not applicable ⁽¹⁾

Rule 1006(b)	
Net profits attributable to the Proposed Joint Venture for the financial year ended 31 July 2017	Not applicable ⁽²⁾
Net profit of our Group for the financial year ended 31 July 2017	S\$131,000
Size of relative figure	Not applicable

Rule 1006(c)	
Aggregate value of consideration to be given (3)	S\$11.2 million
Company's market capitalisation as at 26 July 2017(3)	S\$68.7 million
Size of relative figure	16.3%

Rule 1006(d)	
Number of equity securities to be issued by our Company as consideration for the Proposed Mixed Development Project	Nil
Number of equity securities in issue	112,626,362
Size of relative figure (4)	Not applicable

Rule 1006(e)	
Aggregate volume or amount of proved and probable reserves to be disposed of	Not applicable ⁽⁵⁾
Aggregate of our Group's proved and probable reserves	Not applicable ⁽⁵⁾
Size of relative figure	Not applicable ⁽⁵⁾

Notes:

- (1) This basis is not applicable as our Company will not be disposing of any assets pursuant to the Proposed Mixed Development Project.
- (2) This basis is not applicable as the Project Company is for a newly formed joint venture company with no prior financial results.
- (3) The aggregate value of consideration for the Proposed Mixed Development Project consist of our Group's 51% share of the total estimated development cost (US\$16 million or equivalent to S\$21.8 million) for phase 1 of the mixed property development amounting to US\$8.2 million or equivalent to S\$11.2 million. The exchange rate used is USD1: SGD1.36.

Market capitalisation is calculated based on 112,626,362 shares @ \$\$0.6104 per share equals \$\$68.7 million. \$\$0.6104 being the volume weighted average price of the shares on the date of the announcement of the "Term sheet to form a joint venture".

- (4) This basis is not applicable as our Company will not be issuing any consideration shares.
- (5) This basis is not applicable as the Proposed Mixed Development Project does not relate to the disposal of mineral, oil or gas assets and our Company is not a mineral, oil and gas company.

The Board is of the view that the Proposed Mixed Development Project will change the risk profile of our Company pursuant to the guidelines of Practice Note 10.1 of the SGX-ST Listing Manual. Accordingly, the Board is of the view that Shareholders should have the opportunity to vote on the Proposed Mixed Development Project.

5. FINANCIAL EFFECTS OF THE PROPOSED MIXED DEVELOPMENT PROJECT

Effects of the proposed joint venture

The financial effects of the Proposed Mixed Development Project on our Group as set out below are purely for illustrative purposes only. The illustrative financial effects should not be construed to mean that our Group's actual results, performance or achievements will be as expected, expressed or implied in such financial effects.

The financial effects of the Proposed Mixed Development Project on our Company as set out below are based on our Group's audited financial statements for the year ended 31 July 2017 and the following assumptions:

- (a) the Proposed Mixed Development Project had been effected at the end of the financial year ended 31 July 2017 for the computation of the effect on the net tangible assets (NTA) per share; and
- (b) the Proposed Mixed Development Project had been effected at the beginning of the financial year ended 31 July 2017 for the computation of the effect on the earnings per share (EPS).

Effects on net tangible assets

	Before the Proposed Mixed Development Project	After the Proposed Mixed Development Project
NTA attributable to equity holders of our Company (S\$'000)	6,042	17,207
Number of ordinary shares in issue ('000)	112,626	141,776
NTA per share (Singapore cents)	5.36	12.14

The above is computed based on the assumption that our Company raised the S\$11.2 million consideration required for its 51% share of the total estimated construction costs by issuing 7,150,000 new shares at S\$0.70 per share via a private share placement and the warrant holder exercising 22,000,000 warrants at the exercise price of S\$0.28 per new share to convert into 22,000,000 ordinary shares of our Company.

Please note that the above financial figures are for illustrative purposes only and do not necessarily reflect the actual results and financial performance and position of our Group after the Proposed Joint Venture. No representation is made as to the actual financial position and/or results of our Company or our Group on the Proposed Mixed Development Project.

Effects on earnings per share

This is not applicable as the Project Company is for a newly formed joint venture company with no prior financial results.

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS IN OUR COMPANY

6.1 Interests in our Company

As at the Latest Practicable Date, save as disclosed below, none of the Directors and Substantial Shareholders has any interest in the Shares of our Company.

	Direct Inter	rest	Indirect Inte	erest
Director	No. of shares	%	No. of shares	%
Ma Wei Dong (1)	45,714,000	40.59	353,000	0.31
Lim Huan Chiang	725,000	0.64	-	-
Darlington Tseng Te-Lin	278,825	0.25	-	-
Substantial Shareholder (Other than Directors)				
Tseng An Hsiung Andy (2)	-	-	7,879,674	7.00

Notes:

(1) Mr. Ma Wei Dong is deemed interested in 353,000 ordinary shares held by his spouse, Mrs Jin Li Yan by virtue of Section 7 of the Companies Act.

- (2) Mr. Tseng An Tsiung Andy is deemed interested in:
 - a) 3,822,842 ordinary shares held by Wellspring Investment Ltd by virtue of Section 7 of the Companies Act;
 - 44,800 ordinary shares held by his spouse, Mrs Tseng Shu Eng Eng by virtue of Section 7 of the Companies Act
 - 4,012,032 ordinary shares held by Dai Dai Development International Holdings Limited by virtue of Section 7 of the Companies Act.

6.2 Interests in the Proposed Addition of Principal Activities

None of the Directors or Controlling Shareholders has any interest, directly or indirectly, in the outcome of the resolutions to be passed at the EGM.

6.3 Potential Conflicts of Interest

None of the Directors, controlling shareholders or substantial shareholders of our Company or their respective associates has any interest, direct or indirect, in the Proposed Mixed Development Project, save for their respective shareholdings in our Company, if any.

7. DIRECTORS' RECOMMENDATION

Shareholders should read and consider carefully this Circular in its entirety before giving their approval pertaining to the Proposed Addition of Principal Activities of our Group and the Proposed Mixed Development Project. Having fully considered the rationale for the Proposed Addition of Principal Activities and the Proposed Mixed Development Project, the Directors are of the view that this is in the interest of our Company and recommend that Shareholders vote in favour of the ordinary resolutions set out in the Notice of the EGM.

8. EXTRAORDINARY GENERAL MEETING

An EGM will be held at 61 Tai Seng Avenue #05-14 Print Media Hub @ Paya Lebar iPark Singapore 534167 on Thursday, 4 January 2018 at 3.00 p.m., for the purpose of considering and, if thought fit, passing, with or without modifications, the ordinary resolution set out in the Notice of EGM. As stipulated under section 130D of the Act, 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 not less than 48 hours before the time appointed for the EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

9.1 Appointment by Proxies

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf, should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of our Company at 61 Tai Seng Ave #03-03 Print Media Hub @ Paya Lebar iPark Singapore 534167 not less than forty-eight (48) hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.

9.2 When Depositor regarded as Shareholder

A Depositor shall not be regarded as a Shareholder of our Company entitled to attend the EGM and to speak and vote thereat. In the event that Depositors wish to attend and vote at the EGM, CDP will have to appoint them as proxies, pursuant to the Companies Act, Chapter 50 of Singapore. Depositors who wish to attend and vote at the EGM, and whose names are shown in the records of CDP as at a time not earlier than seventy-two (72) hours prior to the time of the EGM supplied by CDP to our Company, may attend as CDP's proxies. Depositors who are individuals and who wish to attend the EGM in person need not take any further action and can attend and vote at the

EGM without the lodgement of any Proxy Form. Depositors who are unable to attend the EGM personally and wish to appoint a nominee to attend and vote on his behalf, and Depositors who are not individuals, should complete, sign and return the attached Depositor Proxy Form in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of our Company at 61 Tai Seng Ave #03-03 Print Media Hub @ Paya Lebar iPark Singapore 534167 not later than 3.00 p.m. on Tuesday, 2 January 2018. The completion and return of a Depositor Proxy Form by a Depositor does not preclude him from attending and voting in person at the EGM in place of his nominee if he finds he is able to do so.

10. 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 Addition of Principal Activities and the Proposed Mixed Development Project, our 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.

11. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents may be inspected at the registered office of our Company during normal business hours from the date hereof up to and including the date of the EGM:

- (a) the Constitution of our Company;
- (b) the annual report of our Company for the financial year ended 31 July 2017; and
- (c) a copy of the Joint Venture Agreement.

Yours faithfully
For and on behalf of
A-Smart Holdings Ltd.

Lim Huan Chiang
Executive Director and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING

A-SMART HOLDINGS LTD.

(Company Registration No.: 199902058Z) (the "Company") (Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of **A-SMART HOLDINGS LTD.** (the "**Company**") will be held at 61 Tai Seng Avenue #05-14 Print Media Hub @ Paya Lebar iPark Singapore 534167 on Thursday, 4 January 2018 at 3.00 p.m. for the purpose of considering and if thought fit, passing with or without amendments, the following resolutions as Ordinary Resolutions:—

ORDINARY RESOLUTION 1 - PROPOSED ADDITION OF PRINCIPAL ACTIVITIES

THAT:-

- (a) approval be and is hereby given for the Proposed Addition of Principal Activities and for our Group to carry on the businesses undertaken or to be undertaken under the Proposed Property Development and Investment Activities and all other businesses reasonably incidental or ancillary thereto, all as part of our Group's ordinary course of business; and
- (b) the Directors and each of them be and are hereby authorised to complete and do all acts and things (including executing all such documents as may be required in connection with the Proposed Addition of Principal Activities) and exercise such discretion as they or he in their or his absolute discretion deem fit, desirable, necessary or expedient to give effect to the Proposed Addition of Principal Activities and this Ordinary Resolution.

ORDINARY RESOLUTION 2 - PROPOSED MIXED DEVELOPMENT PROJECT

THAT:-

- (a) approval be and is hereby given for our Group to undertake the Proposed Mixed Development Project and all other businesses reasonably incidental or ancillary thereto, all as part of our Group's ordinary course of business; and
- (b) the Directors and each of them be and are hereby authorised to complete and do all acts and things (including executing all such documents as may be required in connection with the Proposed Mixed Development Project) and exercise such discretion as they or he in their or his absolute discretion deem fit, desirable, necessary or expedient to give effect to the Proposed Mixed Development Project and this Ordinary Resolution.

BY ORDER OF THE BOARD

Shirley Tan Sey Liy Company Secretary 20 December 2017

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:-

- 1. A Member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.
- A Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
- 3. Where a member of the Company appoints two (2) proxies, he shall specify the proportion of his shareholdings to be represented by each proxy in the instrument appointing the proxy.
- 4. If the member is a corporation, the instrument appointing the proxy must be executed under seal or the hand of its duly authorized officer of attorney.
- 5. The instrument appointing a proxy must be deposited at the registered office of the Company at 61 Tai Seng Avenue, #03-03, Print Media Hub @ Paya Lebar iPark Singapore 534167 not less than 48 hours before the time appointed for holding the EGM.

*A Relevant Intermediary is:-

- a banking corporation licensed under the Banking Act, Chapter 19 of Singapore 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; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36 of Singapore, 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 Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (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, (iii) undertakes that the member will only use the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iv) 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. The member's personal data and the proxy's and/or representative'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 Purposes, and retained for such period as may be necessary for the Company's verification and record purposes.

A-SMART HOLDINGS LTD.

(Incorporated in the Republic of Singapore) (Company Registration Number: 199902058Z)

PROXY FORM EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Form)

Important:

- I. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
- 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,	(Name)	(NRI	C/Passport No
of			(Addres
being a member/members of A-	SMART HOLDINGS LTD. ("Compa	any"), hereby appoint:	
Name	NRIC/Passport No.	Proportion of S	hareholdings
		No. of Shares	(%)
Address			
and/or (delete as appropriate)			
Name	NRIC/Passport No.	Proportion of S	hareholdings
		No. of Shares	(%)
Address			
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IMPORTANT: Please read notes overleaf.

Notes:-

- 1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
- 2. A member of the Company (other than a Relevant Intermediary*), entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
- 3. Where a member (other than a Relevant Intermediary*) appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
- 4. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number or class of shares shall be specified).
- 5. Subject to note 9, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
- 6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 61 Tai Seng Avenue, #03-03, Print Media Hub @ Paya Lebar iPark Singapore 534167 not less than 48 hours before the time appointed for the Meeting.
- 7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorized. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
- 8. A corporation which is a member may authorize by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
- 9. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

*A Relevant Intermediary is:-

- (a) a banking corporation licensed under the Banking Act, Chapter 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; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 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 Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

General:-

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his 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 representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 20 December 2017.