CIRCULAR DATED 16 MAY 2017

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

This Circular is issued by Jason Holdings Limited (the "Company"). If you are in any doubt in relation to this Circular or as to 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 the capital of the Company held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of EGM (as defined herein) and the accompanying Proxy Form (as defined herein) to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of EGM and the accompanying Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the Notice of EGM and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The listing and quotation notice has been obtained from Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the listing of and quotation for the Placement Shares and the Scheme Shares (each as defined herein) on Catalist (as defined herein), subject to certain conditions. The Placement Shares and the Scheme Shares will be admitted to Catalist and official listing of, and quotation for, the Placement Shares and the Scheme Shares will commence after all conditions imposed by the SGX-ST are satisfied, all certificates relating thereto having been issued and the notification letters from the CDP having been despatched. In this regard, trading of the Shares on the SGX-ST has been suspended with effect from 13 January 2016 and Shareholders and potential investors should note that there is no certainty or assurance that the shares of the Company will eventually resume trading on the SGX-ST.

The listing and quotation notice granted by the SGX-ST is not to be taken as an indication of the merits of the Proposed Placement, the Placement Shares, the Scheme Shares, the Proposed Scheme Share Issue, the Company, its subsidiaries and their securities.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Advisors Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"). The Sponsor has not independently verified the contents of this Circular.

This Circular has not been examined or approved by the SGX-ST and the SGX-ST assume no responsibility for the contents of this Circular, including the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

The contact person for the Sponsor is Mr. Ong Hwee Li (Tel: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542. SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.

JASON HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 201119167Z)

CIRCULAR TO SHAREHOLDERS
IN RELATION TO:

(1) THE PROPOSED ALLOTMENT AND ISSUE OF 2,000,000,000 PLACEMENT SHARES AT THE PRICE OF S$0.0005 FOR EACH PLACEMENT SHARE PURSUANT TO THE PROPOSED PLACEMENT;

(2) THE PROPOSED ALLOTMENT AND ISSUE OF 513,253,613 SCHEME SHARES TO THE PARTICIPATING CREDITORS (WHICH INCLUDE, WITHOUT LIMITATION, CERTAIN DIRECTORS OF THE COMPANY) AT THE PRICE OF S$0.001 FOR EACH SCHEME SHARE IN ACCORDANCE WITH THE SCHEME; AND

(3) THE PROPOSED WHITEWASH RESOLUTION FOR WAIVER BY INDEPENDENT SHAREHOLDERS OF THEIR RIGHTS TO RECEIVE A MANDATORY GENERAL OFFER FROM MR. LIM CHWEE KIM AND HIS CONCERT PARTIES.

Independent Financial Adviser to the Recommending Directors in relation to the Proposed Whitewash Resolution



SAC CAPITAL PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200401542N)

IMPORTANT DATES AND TIMES

Last date and time for lodgment of Proxy Form	:	29 May 2017 at 2.00 p.m.
Date and time of Extraordinary General Meeting	:	31 May 2017 at 2.00 p.m.
Place of Extraordinary General Meeting	:	Lorong Koo Chye Sheng Hong Temple Association (2nd Floor Conference Room) No. 15, Arumugam Road, Singapore 409960

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PROXY FORM

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

"ACRA"	:	The Accounting and Corporate Regulatory Authority of Singapore.
"Approved Claim"	:	The Claim of a Participating Creditor against the Company to the extent admitted by the Scheme Manager, or established by a Participating Creditor in proceedings in accordance with the Scheme.
"Approvals"	:	Has the meaning ascribed to it in Section 3.4(b) of this Circular.
"Ascertainment Date"	:	30 December 2016.
"Audit Committee"	:	The audit committee of the Company.
"Bank Creditors"	:	Malayan Banking Berhad, Australia and New Zealand Banking Group Limited, Singapore Branch, Standard Chartered Bank (Singapore) Limited and United Overseas Bank Limited, being the bank creditors of JPS to whom the Company had provided corporate guarantees for liabilities owed by JPS.
"Board"	:	The board of Directors of the Company.
"Business Day"	:	A day (excluding Saturdays, Sundays or gazetted public holidays) on which banks are open for business in Singapore.
"Catalist"	:	The Catalist Board of the SGX-ST.
"Catalist Rules"	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time.
"CDP"	:	The Central Depository (Pte) Limited.
"Circular"	:	This circular to Shareholders dated 16 May 2017.
"Claim"	:	The claim of an Existing Creditor against the Company subsisting as at the Ascertainment Date arising out of any transaction, act or omission of the Company whether the claim be present or contingent or whether liquidated or sounding only in damages and whether in contract or tort or howsoever arising, which is not secured by any Security.
"Code"	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time.
"Companies Act"	:	The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time.
"Company"	:	Jason Holdings Limited.
"Constitution"	:	The constitution of the Company.
"Controlling Shareholder"	:	A person who holds directly or indirectly 15% or more of the total votes attached to all voting shares of the Company or a person who in fact exercises control over the Company.

"Court"	:	The High Court of the Republic of Singapore.
"Court Meeting"	:	Has the meaning ascribed to it in Section 1.1 of this Circular.
"Directors"	:	The director(s) of the Company.
"EGM"	:	The extraordinary general meeting of the Company to be convened and held on 31 May 2017 at 2.00 p.m. at Lorong Koo Chye Sheng Hong Temple Association (2nd Floor Conference Room), No. 15, Arumugam Road, Singapore 409960, the notice of which is set out on pages N-1 to N-4 of this Circular.
"Encumbrance"	:	Any form of legal, equitable or security interest of any person, including, without limitation to any right to acquire, right of pre-emption, any mortgage, pledge, lien (including without limitation any unpaid vendor's lien or similar lien), option, charge (whether fixed or floating), assignment of rights and receivables, debentures, right of first refusal, hypothecation, title retention or conditional sale agreement, lease, hire or hire purchase agreement, restriction as to transfer, use or possession, easement, subordination to any right of any other person, or other agreement or arrangement which has the same or a similar effect to the granting of security, encumbrance or a security interest.
"Enlarged Share Capital"	:	Enlarged issued and paid-up share capital of the Company of 2,729,253,613 Shares, assuming an aggregate of 2,513,253,613 new Shares (comprising 2,000,000,000 Placement Shares and 513,253,613 Scheme Shares) are allotted and issued following the completion of the Proposed Placement and the Proposed Scheme Share Issue.
"EPS"	:	Earnings per Share.
"Existing Creditors"	:	All known and unknown unsecured creditors of the Company (including without limitation, those as set out in the list of known unsecured creditors stipulated in Appendix 3 to the Scheme Document) who has a Claim, and "**Existing Creditor**" shall be construed accordingly.
"FY"	:	The financial year ended or ending 31 December.
"Group"	:	The Company and its subsidiaries.
"IFA"	:	SAC Capital Private Limited, the independent financial adviser appointed to advise the Recommending Directors in relation to the Proposed Whitewash Resolution.
"IFA Letter"	:	The letter dated 16 May 2017 from the IFA to the Recommending Directors in relation to the Proposed Whitewash Resolution as set out in **Appendix A** to this Circular.
"Independent Shareholders"	:	Shareholders other than the Subscriber and his concert parties and parties not independent of them for the purposes of the Proposed Whitewash Resolution.

"Inter-conditional Resolutions"	:	Has the meaning ascribed to it in Section 1.2 of this Circular.
"JPS"	:	Jason Parquet Specialist (Singapore) Pte Ltd (In Compulsory Liquidation), a wholly-owned subsidiary of the Company.
"Last Trading Day"	:	5 January 2016, being the last Market Day on which the Shares were traded prior to the trading halt that was imposed on 8 January 2016 and a voluntary suspension of trading in the Shares on 13 January 2016 on the SGX-ST.
"Latest Practicable Date"	:	The latest practicable date prior to the printing of this Circular, being 8 May 2017.
"LPS"	:	Loss per Share.
"LQN Notice"	:	The listing and quotation notice for the dealing in, listing of, and quotation for, the Placement Shares and the Scheme Shares on Catalist.
"Market Day"	:	A day on which the SGX-ST is open for trading in securities.
"Notice of EGM"	:	The notice of the EGM which is set out on pages N-1 to N-4 of this Circular.
"NTA"	:	Net tangible assets.
"Ordinary Resolutions"	:	The ordinary resolutions to be proposed at the EGM, details of which are set out in this Circular and in the Notice of EGM.
"Participating Creditor"	:	An Existing Creditor whose Claim against the Company has been partially or fully admitted by the Scheme Manager in accordance with Clause 6.3 of the Scheme, or a person to whom such an Approved Claim has been assigned (irrespective of whether the assignment takes place before or after the admission of the Claim by the Company).
"Placement Agreement"	:	The placement agreement dated 24 February 2017 between the Company and the Subscriber in relation to the Proposed Placement.
"Placement Completion"	:	Completion of the Proposed Placement.
"Placement Completion Date"	:	The date falling five (5) Business Days after all conditions set out in Section 2.5 of this Circular have been satisfied or waived (as the case may be) (or such other date as may be agreed between the Company and the Subscriber).
"Placement Price"	:	S$0.0005 for each of the Placement Shares.
"Placement Shares"	:	2,000,000,000 new Shares to be issued by the Company to the Subscriber.
"Placement Term Sheet"	:	The binding conditional placement term sheet dated 20 December 2016 entered into between the Company and the Subscriber in connection with the Proposed Placement, a copy of which is annexed in Appendix 1 to the Scheme Document.

"Placement Term Sheet Announcement Date"	:	21 December 2016, being the date of the announcement by the Company in relation to the Proposed Placement.
"Proposed Placement"	:	The proposed subscription by the Subscriber and allotment and issue of the Placement Shares at the Placement Price by the Company to the Subscriber pursuant to the Placement Agreement.
"Proposed Scheme Share Issue"	:	The proposed allotment and issuance of the Scheme Shares at the Scheme Issue Price by the Company to the Participating Creditors in accordance with the Scheme.
"Proposed Whitewash Resolution"	:	The proposed resolution which requires approval, by way of a poll, by the majority of the Independent Shareholders present and voting at the EGM to waive their rights to receive a mandatory general offer under Rule 14 of the Code from the Subscriber and his concert parties for the Shares not owned, controlled, or agreed to be acquired by the Subscriber and his concert parties as a result of or in connection with the Proposed Placement, further details of which are set out in Section 5 of this Circular.
"Recommending Directors"	:	The Directors who are independent for the purposes of the Proposed Whitewash Resolution, namely Mr. Jason Sim Chon Ang, Mr. Sim Choon Joo, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng.
"Record Date"	:	In relation to any dividend, right, allotment or other distribution, the date as at the close of business, on which members of the Company must be registered in order to participate in such dividend, right, allotment or other distribution.
"Register of Members"	:	The register of members of the Company.
"Scheme"	:	The scheme of arrangement dated 12 January 2017 or as amended from time to time proposed in accordance with Section 210 of the Companies Act.
"Scheme Consideration"	:	The sum of S$750,000 from the gross proceeds of the Proposed Placement to be utilised to pay the Participating Creditors in accordance with Clause 5.1 of the Scheme.
"Scheme Document"	:	The scheme of compromise and arrangement dated 12 January 2017 as set out in **Appendix B** to this Circular.
"Scheme Issue Price"	:	S$0.001 for each of the Scheme Shares.
"Scheme Manager"	:	Ms. Ee Meng Yen Angela of Ernst & Young Solutions LLP, or any person appointed in accordance with Clause 13.1 of the Scheme.
"Scheme Shares"	:	The 513,253,613 new Shares to be issued to the Participating Creditors in accordance with Clause 3.3.1(b) of the Scheme.
"Securities Account"	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account.

"Security"	:	Any mortgage, pledge, lien, charge, assignment, debenture or other security on or against any property, right or entitlement or other security interest given by the Company.
"SFA"	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time.
"SGX-ST"	:	Singapore Exchange Securities Trading Limited.
"Shareholders"	:	Registered holders of Shares in the Register of Members, except that where the registered holder is the CDP, the term "Shareholders" shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with Shares.
"Shares"	:	The ordinary shares in the capital of the Company.
"SIC"	:	Securities Industry Council of Singapore.
"Sponsor"	:	SAC Advisors Private Limited.
"Subscriber"	:	Mr. Lim Chwee Kim.
"Substantial Shareholder"	:	A Shareholder who has an interest or interests in one (1) or more voting Shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company.
"S$" and **"cents"**	:	Singapore dollars and cents, being the lawful currency of the Republic of Singapore.
"Unsecured Creditor"	:	An Existing Creditor who is not a Bank Creditor as listed in Appendix 3 to the Scheme Document.
"VWAP"	:	Volume weighted average price.
"Whitewash Waiver"	:	Has the meaning ascribed to it in Section 2.5(g) of this Circular.
"%"	:	Per centum or percentage.

The terms "**acting in concert**" and "**concert parties**" shall have the meanings ascribed to them in the Code.

The terms "**Depositor**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term "**associate**" shall have the meaning ascribed to it in the Catalist Rules.

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

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

Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Catalist Rules or the Code or any modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, the SFA, the Catalist Rules or the Code or any modification thereof, as the case may be, unless otherwise provided.

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

Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date respectively, unless otherwise specified.

References to the total number of issued Shares are based on 216,000,000 Shares in issue as at the Latest Practicable Date (based on a search conducted on ACRA on such date), unless otherwise stated.

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

The pro forma financial effects as set out in this Circular are prepared purely for illustration and do not reflect the current and future financial performance or condition of the Company and/or the Group after the Scheme and the Proposed Placement.

JASON HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 201119167Z)

Board of Directors:

Mr. Lim Chwee Kim (Non-Executive Director and Chairman)
Mr. Jason Sim Chon Ang (Non-Executive Director)
Mr. Sim Choon Joo (Executive Director)
Mr. Wui Heck Koon (Lead Independent Director)
Mr. Karam Singh Parmar (Independent Director)
Mr. Tan Lai Heng (Independent Director)

Registered Office:

11 Tampines Street 92
#03-05 Tampines BizHub
Singapore 528872

16 May 2017

To: The Shareholders of Jason Holdings Limited

(1) THE PROPOSED ALLOTMENT AND ISSUE OF 2,000,000,000 PLACEMENT SHARES AT THE PRICE OF S$0.0005 FOR EACH PLACEMENT SHARE PURSUANT TO THE PROPOSED PLACEMENT

(2) THE PROPOSED ALLOTMENT AND ISSUE OF 513,253,613 SCHEME SHARES TO THE PARTICIPATING CREDITORS (INCLUDING WITHOUT LIMITATION, CERTAIN DIRECTORS OF THE COMPANY) AT THE PRICE OF S$0.001 FOR EACH SCHEME SHARE IN ACCORDANCE WITH THE SCHEME

(3) THE PROPOSED WHITEWASH RESOLUTION FOR WAIVER BY INDEPENDENT SHAREHOLDERS OF THEIR RIGHTS TO RECEIVE A MANDATORY GENERAL OFFER FROM MR. LIM CHWEE KIM AND HIS CONCERT PARTIES

Dear Sir/Madam

1. INTRODUCTION

1.1 Background on the Proposed Placement and Proposed Scheme Share Issue

On 3 December 2016, the Company announced that it had, on 1 December 2016, filed an application with the Court under Section 210 of the Companies Act seeking, *inter alia*, that the Company be at liberty to convene a meeting of creditors ("**Court Meeting**") within eight (8) weeks (or such other period as may be ordered by the Court) of the date of order of Court, for the purposes of considering, and if thought fit, approving with or without modification, a Scheme proposed to be made between the Company and its creditors.

On 8 December 2016, the Company announced that the Court had granted the application on, amongst others, the term that the Company shall be at liberty to convene the Court Meeting by 1 February 2017.

On 21 December 2016, the Company announced that it had, on 20 December 2016, entered into the Placement Term Sheet with the Subscriber, who is a Director and Controlling Shareholder of the Company in connection with the Scheme. Subsequently, on 27 February 2017, the Company announced that it had, on 24 February 2017, entered into the Placement Agreement with the Subscriber, pursuant to which the Company will allot and issue to the Subscriber the Placement Shares, being an aggregate of 2,000,000,000 new Shares, for an aggregate subscription amount of S$1,000,000, at the Placement Price of S$0.0005 for each Placement Share. The Placement Shares represent approximately 73.28% of the Enlarged Share Capital of the Company following the completion of the Proposed Placement and the Proposed Scheme Share Issue.

On 28 January 2017, the Company announced that it had made an application to the SGX-ST for an extension of time to submit a trading resumption proposal and that the SGX-ST had no objection to granting such extension till 31 October 2017, having taken into account, *inter alia*, the following:

(a) the Company expects to complete the debt restructuring exercise by May 2017 before it is better placed for business negotiations with potential investors to invest and/or inject new business into the Group and to formulate the resumption proposal for submission to the SGX-ST; and

(b) the Company envisages signing a definitive agreement for business injection and to formalise a trading resumption proposal for submission to the SGX-ST by 31 October 2017.

On 2 February 2017, the Company announced that, at the Court Meeting convened on 1 February 2017, the creditors under the Scheme present and voting on the resolution either in person or by proxy had unanimously approved the Scheme proposed by the Company. The Scheme was sanctioned by the Court on 15 March 2017 and is administered by the Scheme Manager. The Scheme took effect on and from 22 March 2017, when a copy of the court order sanctioning the Scheme was lodged with ACRA. The Scheme involves, *inter alia*, payment of cash for an aggregate value amounting to the Scheme Consideration (being part of the proceeds from the Proposed Placement) and the allotment and issue of an aggregate of 513,253,613 Scheme Shares to the Participating Creditors at the Scheme Issue Price, representing approximately 18.81% of the Enlarged Share Capital of the Company.

1.2 Purpose of this Circular

The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Placement and the Proposed Scheme Share Issue and to seek the approval of Shareholders for the following proposals at the EGM:

(a) the Proposed Placement (Ordinary Resolution 1);

(b) the Proposed Scheme Share Issue (Ordinary Resolution 2);

(c) the proposed allotment and issue of Scheme Shares to Directors in accordance with the Scheme as follows[(1)]:

  (i) up to 2,688,313 Scheme Shares to Mr. Jason Sim Chon Ang (Ordinary Resolution 3);

  (ii) up to 1,777,252 Scheme Shares to Mr. Wui Heck Koon (Ordinary Resolution 4);

  (iii) up to 1,523,359 Scheme Shares to Mr. Karam Singh Parmar (Ordinary Resolution 5); and

  (iv) up to 1,523,359 Scheme Shares to Mr. Tan Lai Heng (Ordinary Resolution 6); and

(d) the Proposed Whitewash Resolution (Ordinary Resolution 7).

(1) The number of Scheme Shares proposed to be allotted and issued to the Directors is based on the preliminary adjudication by the Scheme Manager of the proof of debts submitted and may be subject to changes upon final adjudication by the Scheme Manager.

Shareholders should note that Ordinary Resolutions 1, 2 and 7 (collectively, "Inter-conditional Resolutions") are inter-conditional upon each other. Accordingly, in the event that any of these Inter-conditional Resolutions is not approved, the other Inter-conditional Resolutions would not be passed.

Shareholders should further note that Ordinary Resolutions 3, 4, 5 and 6 are conditional upon all of the Inter-conditional Resolutions being passed. Accordingly, in the event that any of the Inter-conditional Resolutions is not approved, the Ordinary Resolutions 3, 4, 5 and 6 would not be passed.

In addition, in the event any of Ordinary Resolutions 3, 4, 5 and 6 is not passed, the number of Scheme Shares proposed to be allotted and issued to such Director shall be distributed *pro rata* amongst the Participating Creditors (other than Mr. Jason Sim Chon Ang, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng, who are Directors of the Company).

This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any persons (other than the Shareholders to whom this Circular is despatched to by the Company) or for any other purpose.

1.3 Sponsor and the SGX-ST

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

2. THE PROPOSED PLACEMENT

2.1 The Placement Agreement

In connection with the Scheme and pursuant to the Placement Term Sheet, the Company had, on 24 February 2017, entered into the Placement Agreement with the Subscriber, pursuant to which the Company shall allot and issue to the Subscriber the Placement Shares at the Placement Price.

The Placement Shares represent approximately 73.28% of the Enlarged Share Capital of the Company.

2.2 Information on the Subscriber

The Subscriber is the Non-Executive Chairman and Controlling Shareholder of the Company. As at the Latest Practicable Date, the Subscriber holds 42,800,000 Shares representing 19.81% of the issued and paid-up share capital of the Company.

2.3 Placement Shares

The Placement Shares represent approximately 925.9% of the Company's issued and paid-up share capital of 216,000,000 Shares as at the Latest Practicable Date and approximately 73.28% of the Enlarged Share Capital of the Company.

The Placement Shares shall be allotted and issued free from any Encumbrances and shall rank *pari passu* in all respects with and carry all rights similar to the existing Shares, except that they will not rank for any dividend, right, allotment or other distribution, accruing on a Record Date which falls on or before the Placement Completion Date.

2.4 Placement Price

The Placement Price represents a discount of approximately 99.2% to the VWAP of the Shares of S$0.062 based on trades done on the Last Trading Day.

The significant discount of the Placement Price to the VWAP for trades done in the Shares on the SGX-ST on the Last Trading Day was negotiated between the Company and the Subscriber after taking into account the current financial condition of the Company and the terms of the Scheme.

2.5 Conditions Precedent

Completion of the Proposed Placement is conditional upon the following being fulfilled (or waived by the Subscriber):

(a) the Subscriber having undertaken and completed due diligence investigations on all operational, financial and legal matters and considerations in relation to the Company, and the results of such due diligence investigations being satisfactory to the Subscriber in his sole and absolute discretion;

(b) the approval of the Scheme by (i) the Board, (ii) the creditors of the Company, and/or (iii) such other necessary party in compliance with the requirements of Section 210 of the Companies Act, and such approval remaining in full force and effect as of Placement Completion;

(c) the approval of the Proposed Placement and the issue of Placement Shares by (i) the Board and (ii) the Shareholders;

(d) the sanction of the Scheme by the Court pursuant to the Companies Act and a copy of such court order sanctioning the Scheme being lodged with ACRA in accordance with Section 210(5) of the Companies Act;

(e) all regulatory approvals being obtained and not withdrawn, including without limitation, the approval-in-principle from the SGX-ST for (i) the allotment and the issue of the Placement Shares and Scheme Shares, and (ii) the dealing in and quotation for the Placement Shares and Scheme Shares on the SGX-ST, and where any of the aforesaid confirmation, waiver or approval is obtained subject to any conditions, such conditions being reasonably acceptable to the Subscriber;

(f) the satisfaction of any condition(s) that may be imposed by SGX-ST, insofar as such condition(s) need to be fulfilled, and provided further that such confirmation, waiver and approval are not revoked, rescinded or cancelled;

(g) the SIC having granted the Subscriber and his concert parties (and not having revoked or repealed such grant) a waiver ("**Whitewash Waiver**") of the Subscriber's obligation to make a mandatory offer under Rule 14 of the Code for the Shares not held by the Subscriber and his concert parties and from having to comply with the requirements of Rule 14 of the Code including but not limited to pre-clearance from the SIC on any issues in connection with the Proposed Placement that the Subscriber and/or the Company may consider necessary, subject to (i) any conditions that the SIC may impose, provided that such conditions are reasonably acceptable to the Subscriber and his concert parties; and (ii) the Independent Shareholders approving at a general meeting of the Company the Proposed Whitewash Resolution;

(h) the Company remaining listed on the SGX-ST and there being no notice or proposal for the delisting of the Company;

(i) there being no material adverse change (as reasonably determined by the Subscriber) in the business, operations, properties, prospects or financial condition of the Company;

(j) the respective representations and warranties of the Company set out in the Placement Agreement being true and correct;

(k) the Company has complied with or will comply with all legal and other requirements necessary for the issue of the Placement Shares and performance of its obligations under the Placement Agreement;

(l) no prescribed occurrence of the following events in relation to the Company occurs other than as required or contemplated by the Scheme or the Proposed Placement:

(i) Injunctions: an injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme;

(ii) Resolution for winding up: any party resolving that the Company be wound up;

(iii) Order of Court for winding up: the making of an order by a court of competent jurisdiction for the winding up of the Company; and

(iv) Litigation: any legal proceedings or claims against the Company; and

(m) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore (including the SGX-ST and the SIC) which is applicable to the Company or the Subscriber.

If any of the conditions precedent set forth above is not satisfied or waived by the Subscriber on or before 31 December 2017, the Placement Agreement shall *ipso facto* cease, and neither the Company nor the Subscriber shall have any claim whatsoever against the other party.

As at the Latest Practicable Date, conditions set out in sub-paragraphs (a), (b), (c)(i), (d), (e) and (g) of Section 2.5 above have been satisfied. In relation to the condition set out in sub-paragraph (g), on 8 February 2017, the SIC had waived the obligation for the Subscriber to make a mandatory offer under Rule 14 of the Code for the Company incurred as a result of the Subscriber increasing his shareholdings to more than 30% under the Proposed Placement subject to certain conditions as set out in Section 5.2 of this Circular.

2.6 Shareholders' Approval for the Proposed Placement

The Proposed Placement is subject to specific Shareholders' approval under the Catalist Rules.

In this regard:

(a) Rule 906 of the Catalist Rules provides that an issuer must obtain shareholder approval for any interested person transaction equal to or more than S$100,000 and of a value equal to, or more than:

(i) 5% of the group's latest audited net tangible assets; or

(ii) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year.

The Subscriber is the Non-Executive Chairman and Controlling Shareholder of the Company. Accordingly, the Subscriber is considered an "interested person" within the meaning of Chapter 9 of the Catalist Rules and the Proposed Placement is an

interested person transaction within the meaning of Chapter 9 of the Catalist Rules.

Pursuant to the Proposed Placement, the value of the interested person transaction to be entered into between the Subscriber and the Company will amount to S$1.0 million which represents (i) approximately 6.8% of the NTA of the Group of S$14.7 million based on the latest available audited consolidated financial statements for FY 2014, and (ii) for completeness of disclosure, approximately 41.7% of the NTA of the Group of S$2.4 million based on the unaudited consolidated financial statements for FY 2015.

Since the value of the interested person transaction in relation to the Proposed Placement is more than 5% of the Group's latest audited NTA, Shareholders' approval is therefore required for the Proposed Placement pursuant to Rule 906(1) of the Catalist Rules.

Pursuant to Rule 921(4)(b)(i) of the Catalist Rules, an independent financial adviser is not required for the Proposed Placement as it is an issue of shares pursuant to Part IV of Chapter 8 of the Catalist Rules for cash. Instead, an opinion from the Audit Committee in the form required in Rule 917(4)(a) of the Catalist Rules must be disclosed. The opinion of the Audit Committee is set out below in Section 8 of this Circular.

(b) Under Section 161 of the Companies Act and pursuant to Rule 805(1) of the Catalist Rules, an issuer must obtain the prior approval of shareholders in a general meeting for the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer except where a general mandate for such issue has been previously obtained from shareholders in a general meeting.

Taking into account that the general mandate obtained from Shareholders at the annual general meeting of the Company on 30 April 2015 has expired and the number of Placement Shares to be issued pursuant to the Proposed Placement, the Company is seeking a specific mandate from Shareholders to undertake the same.

(c) Rule 804 of the Catalist Rules provides that, except in the case of an issue made on a *pro rata* basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Catalist Rules, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment. Such directors and associates must abstain from exercising any voting rights on the matter.

Rule 812 of the Catalist Rules provides that an issue of securities must not be placed to, *inter alia*, an issuer's directors and substantial shareholders unless specific shareholder approval for such placement has been obtained, with such directors and substantial shareholders and their associates abstaining from voting on the shareholders' resolution to approve such placement.

The Subscriber is the Non-Executive Chairman and Controlling Shareholder of the Company. Accordingly, the Subscriber falls within the categories of persons covered in Rules 804 and 812 of the Catalist Rules. Shareholders' approval is therefore required pursuant to Rules 804 and 812 of the Catalist Rules. The Proposed Placement is also subject to Independent Shareholders' approval of the Proposed Whitewash Resolution pursuant to Rule 14 of the Code. Please refer to Section 5 of this Circular for more details on the Proposed Whitewash Resolution.

(d) Rule 811 of the Catalist Rules provides that an issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed, unless specific shareholder approval is obtained for the issue of shares.

The Placement Price represents a discount exceeding 10% of the VWAP of the Shares on 5 January 2016, being the last full Market Day preceding the date on which the

Placement Agreement was signed. Accordingly, the Proposed Placement is subject to the approval of Shareholders at the EGM.

2.7 Undertakings by certain Shareholders

Each of the following Shareholders has given unconditional and irrevocable undertakings to the Subscriber, *inter alia*, (a) to vote in respect of an aggregate of approximately 26.12% of the total number of issued Shares in favour of the resolutions to approve the Proposed Placement and all other matters in connection therewith at the EGM and (b) not to sell or otherwise dispose of their respective Shares:

(a) Mr. Jason Sim Chon Ang, the legal and beneficial owner of 51,028,000 Shares representing approximately 23.62% of the total number of issued Shares; and

(b) Mr. Sim Choon Joo, the legal and beneficial owner of 5,400,000 Shares representing approximately 2.50% of the total number of issued Shares.

The above Shareholders are also Directors of the Company.

As announced by the Company on 12 October 2016, the Shares held by Mr. Jason Sim Chon Ang were seized to satisfy the judgment debt for the claim by CIMB Securities (Singapore) Pte Ltd ("**CIMB**") against him. Based on information available to the Company as at the Latest Practicable Date, the execution under the writ of seizure and sale has yet to be completed, indicating that CIMB has not completed the sale or transfer of Shares to a purchaser.

As further announced by the Company on 1 December 2016 and 3 December 2016, bankruptcy applications had been taken out by Australia and New Zealand Banking Group Limited, Singapore Branch ("**ANZ**") against each of the above Shareholders, and as at the Latest Practicable Date, the hearing of the bankruptcy applications have been adjourned to 25 May 2017.

Assuming there are no changes to the aforementioned status up to the date of the EGM, the aforementioned Shareholders remain the registered and legal owners of the Shares and may vote in accordance with the undertakings provided.

2.8 Rationale for the Proposed Placement and Use of Proceeds

Based on the latest available draft management accounts of the Company as at 31 May 2016[(2)], the Company's current liabilities (excluding contingent liabilities) were in the aggregate sum of approximately S$1.25 million, which far exceeded its current assets of approximately S$0.41 million. In particular, the Company only had cash and bank balances in the sum of S$14,700.20. In addition, the Company had contingent liabilities in the sum of approximately S$14.33 million as at 31 May 2016, of which approximately S$7.03 million were unsecured debts owed to certain of the Existing Creditors.

Since 31 May 2016, the aggregate liabilities owed by the Company to the Existing Creditors had increased due to the accumulation of contractual interest under the corporate guarantees to the bank creditors as well as further services and/or fees incurred to certain other Existing Creditors. At the same time, the cash balance of S$14,700.20 has since been fully utilised by the Company.

In view of the foregoing, the Company requires funds in order to carry out the Scheme and restructure its debts and liabilities. The gross proceeds from the Proposed Placement will be S$1,000,000. The Company intends to use up to 25% of the proceeds from the Proposed Placement for the payment of professional fees in relation to this Proposed Placement and the Scheme and fund the Company's working capital to facilitate the restructuring, and the

(2) The financial information of the Company presented above are unaudited and are strictly for illustrative purposes only and do not reflect the actual financial results or the future financial performance and condition of the Group after the Proposed Placement and the Proposed Scheme Share Issue.

balance 75% of the proceeds from the Proposed Placement to compromise in full all actual and contingent claims against the Company pursuant to the Scheme.

The Board is of the opinion that, after taking into consideration that there are no bank facilities available to the Group:

(a) the working capital available to the Group is not sufficient to meet its present requirement; and

(b) with the net proceeds of the Proposed Placement, the working capital available to the Group will not be sufficient to meet its present requirements.

The Board is of the view that the Proposed Placement is crucial in the restructuring of the Company's debts and liabilities and allows the Company to explore and undertake any future business or restructuring plans so that the Company is better placed for negotiations with potential investors to invest and/or inject new businesses into the Group and to formulate a trading resumption proposal for submission to the SGX-ST by 31 October 2017.

In addition, at the time when the Company commenced discussions with its creditors on possible debt restructuring plans, the Proposed Placement and the Scheme were the only viable debt restructuring proposal for the Company and its creditors as the Company had not received any other formal and/or reasonably viable debt restructuring proposals. The Scheme has since been unanimously approved by the Participating Creditors at the Court Meeting, and has taken effect on and from 22 March 2017, when a copy of the court order sanctioning the Scheme was lodged with ACRA.

The Company believes that the Proposed Placement will allow the Company to address its solvency issues, facilitate the execution of any future business or restructuring plans and provide an opportunity for Shareholders to benefit from the potential rehabilitation of the Company. The Proposed Placement is an integral aspect of the Company's debt restructuring plan, and if the Proposed Placement is not approved, the Scheme which has been approved by the Participating Creditors and sanctioned by the Court may not be consummated.

2.9 Financial Effects of the Proposed Placement

Please refer to Section 4 of this Circular for further details on the financial effects of the Proposed Placement and the Proposed Scheme Share Issue.

2.10 No Offer Information Statement Required

There is no placement agent appointed for the purpose of the Proposed Placement. The Proposed Placement will be made pursuant to Section 272B of the SFA. Accordingly, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement.

3. THE PROPOSED SCHEME SHARE ISSUE

3.1 Scheme

At the Court Meeting convened on 1 February 2017, the Participating Creditors present and voting on the resolution either in person or by proxy had unanimously approved the Scheme proposed by the Company. The Scheme was sanctioned by the Court on 15 March 2017 and is administered by the Scheme Manager.

The Scheme took effect on and from 22 March 2017, when a copy of the court order sanctioning the Scheme was lodged with ACRA.

The terms of the Scheme are as set out in the Scheme Document as set out in **Appendix B** to this Circular. Shareholders should read this section in conjunction with the full text of the Scheme Document.

Certain key terms of the Scheme are set out below as follows:

(a) the Scheme shall only apply to the Existing Creditors;

(b) the aggregate amount of the Approved Claims of the Participating Creditors as determined by the Scheme Manager as at the Latest Practicable Date is approximately S$7,580,752.35[(3)];

(c) the gross proceeds from the Proposed Placement of S$1,000,000 will be utilised in the following manner:

(i) up to S$250,000 shall be used for the payment of professional fees in relation to the Proposed Placement and the Scheme and fund the Company's working capital to facilitate the restructuring; and

(ii) the balance amount of S$750,000 shall be used to pay the Participating Creditors to compromise in full all actual and contingent claims against the Company ("**Scheme Consideration**");

(d) in addition to the Scheme Consideration, a total of 513,253,613 Scheme Shares will be issued to the Participating Creditors at the Scheme Issue Price on a *pari passu* basis; and

(e) the payment of the Scheme Consideration and issuance of the Scheme Shares to the Participating Creditors shall constitute a full and final settlement of all liabilities owed by the Company to the Existing Creditors. Any Claim of an Existing Creditor against the Company which was not lodged on or before the proof of debt cut-off date on 26 January 2017, 4.00 p.m., shall be forever waived, released, discharged and extinguished, and the Existing Creditor shall not have any rights, interests and claims whatsoever against the Company in respect of such Claim.

Based on the preliminary adjudication of the proof of debts submitted, the Scheme Consideration amounts to a recovery of approximately 9.89% to the Participating Creditors and the aggregate value for the Scheme Shares to be issued and allotted to the Participating Creditors amounts to an additional recovery of approximately 6.77% to the Participating Creditors. The abovementioned recovery to the Participating Creditors may be subject to changes upon final adjudication by the Scheme Manager.

3.2 Scheme Shares

Under the Scheme, the Company shall allot and issue the Scheme Shares on a *pari passu* basis to the Participating Creditors at the Scheme Issue Price.

The Scheme Shares represent approximately 237.62% of the Company's issued and paid-up share capital of 216,000,000 Shares as at the Latest Practicable Date and approximately 18.81% of the Enlarged Share Capital of the Company.

3.3 Scheme Issue Price

In accordance with the terms of the Scheme, the issue price of each Scheme Share is S$0.001, being the Scheme Issue Price. The Scheme Issue Price represents a discount of

(3) The aggregate amount of Approved Claims of the Participating Creditors is based on the preliminary adjudication by the Scheme Manager of the proof of debts submitted and may be subject to changes upon final adjudication by the Scheme Manager.

approximately 98.39% to the VWAP of the Shares of S$0.062 based on trades done in the Shares on the Catalist on the Last Trading Day.

The significant discount of the Scheme Issue Price to the VWAP for trades done in the Shares on the SGX-ST on the Last Trading Day was given so as to persuade the Existing Creditors to convert their debts into equity. The rationale for the Scheme and the Proposed Scheme Share Issue is set out in Section 3.7 of this Circular.

3.4 Conditions Precedent

The Scheme is subject, *inter alia*, to the following conditions precedent being met:

(a) Placement Completion pursuant to the Placement Agreement having taken place in such manner satisfactory to the Company and the Subscriber;

(b) all approvals, consents, licences, permits, waivers and exemptions (including but not limited to the approval to be granted by the SGX-ST for the dealing in and quotation of the Scheme Shares on Catalist) (collectively, "**Approvals**"), being obtained, and where such Approval is subject to conditions, (i) such conditions being reasonably acceptable to the Company, and (ii) if such conditions are required to be fulfilled on or before completion of the Scheme, such conditions having been fulfilled on or before such date, and such Approvals remaining in full force and effect as of completion of the Scheme;

(c) approval of the Scheme by at least a majority in number representing three-fourths (75%) in value of the Participating Creditors present and voting at the Court Meeting;

(d) the sanction of the Scheme by the Court pursuant to the Companies Act and a copy of the court order sanctioning the Scheme being lodged with ACRA pursuant to Section 210(5) of the Companies Act;

(e) the approval of the Shareholders for the allotment and issue of the Scheme Shares; and

(f) the transactions contemplated in the Scheme not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Scheme by any legislative, executive or regulatory body or authority of Singapore which is applicable to any party.

As at the Latest Practicable Date, conditions set out in sub-paragraphs (c) and (d) of Section 3.4 above have been satisfied. As at the Latest Practicable Date, the only outstanding Approval pursuant to sub-paragraph (b) of Section 3.4 above for the Proposed Scheme Share Issue is the approval of the Shareholders for such issuance and the Proposed Placement. Assuming all conditions precedent under the Scheme have been satisfied, the Proposed Scheme Share Issue shall take place as soon as practicable after Placement Completion.

3.5 Participating Creditors

As mentioned above, the Participating Creditors are entitled to be allotted and issued Scheme Shares.

In particular, certain Directors of the Company had submitted their proof of debts and, following adjudication of their proof of debts, are also Participating Creditors who are entitled to be allotted and issued Scheme Shares in accordance with the terms of the Scheme. Brief details of their Approved Claims as adjudicated by the Scheme Manager are set out as follows:

(a) each of Mr. Wui Heck Koon, Mr. Karam Singh Parmar, Mr. Tan Lai Heng in respect of outstanding Directors' fees for FY 2015 which accrued between 1 April 2015 and 31 December 2015; and

(b) Mr. Jason Sim Chon Ang in respect of outstanding salaries payable between 1 April 2016 and 24 May 2016.

As announced by the Company on 27 February 2017, Mr. Sim Choon Joo, a Director of the Company, had also submitted his proof of debt in respect of outstanding salaries due from the Company for the period June 2016 to December 2016. However, following the adjudication of his proof of debt by the Scheme Manager, he was unable to provide supporting documents to prove that he is an employee of the Company. As such, his claim has been rejected in its entirety and he will not be entitled to any distribution of the Scheme Consideration or Scheme Shares under the Scheme.

Assuming that Ordinary Resolutions 3, 4, 5 and 6 relating to the proposed allotment and issue of Scheme Shares to the aforementioned Directors are approved by Shareholders at the EGM, the number of Scheme Shares to be issued to the respective Participating Creditors in accordance with the terms of the Scheme is as set out below[4]:

Name	**Number of Scheme Shares**	**% of Enlarged Share Capital of the Company**	**Resultant number of Shares held (immediately after the Proposed Scheme Share Issue)**	**% of Enlarged Share Capital of the Company**
Directors				
Mr. Wui Heck Koon	1,777,252[1]	0.07	1,777,252	0.07
Mr. Karam Singh Parmar	1,523,359[1]	0.06	1,523,359	0.06
Mr. Tan Lai Heng	1,523,359[1]	0.06	1,523,359	0.06
Mr. Jason Sim Chon Ang	2,688,313[1]	0.10	53,716,313	1.97
Other Participating Creditors[2]	505,741,330	18.53	505,741,330[3]	18.53
Total	513,253,613	18.81	564,281,613	20.68

Notes:

(1) Assuming the maximum number of Scheme Shares stated in Ordinary Resolutions 3, 4, 5, and 6 are subsequently allotted and issued to the Directors who are also Participating Creditors.

(2) "Other Participating Creditors" are Participating Creditors other than Mr. Jason Sim Chon Ang, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng, who are Directors of the Company.

(3) Assuming such Participating Creditors do not already hold Shares immediately prior to the allotment and issue of the Scheme Shares.

In the event any of Ordinary Resolutions 3, 4, 5 and 6 relating to the proposed allotment and issue of Scheme Shares to each of Mr. Jason Sim Chon Ang, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng is not passed, the number of Scheme Shares to be allotted and issued to such Director shall be distributed *pro rata* amongst the other Participating Creditors.

Proceedings against a Director who is also a Participating Creditor

As mentioned in Section 2.7 of this Circular, CIMB had seized the Shares held by Mr. Jason Sim Chon Ang to satisfy the judgment debt for the claim by CIMB against him.

ANZ had also taken out bankruptcy applications against Mr. Jason Sim Chon Ang who is a Participating Creditor. Based on information available to the Company as at the Latest Practicable Date, the courts have not appointed an Official Assignee or a private trustee (as may be requested by the petitioning creditor) to administer the estate of the bankrupt's affairs

(4) The number of Scheme Shares proposed to be allotted and issued to the Participating Creditors, including the Directors, are based on the preliminary adjudication by the Scheme Manager of the proof of debts and may be subject to changes upon final adjudication of the Scheme Manager.

in bankruptcy ("**Trustee**").

As announced by the Company on 4 August 2016, Mr. Jason Sim Chon Ang was interviewed by the Commercial Affairs Department of the Singapore Police Force ("**CAD**") in relation to a possible offence under the Penal Code (Chapter 224 of Singapore) pursuant to the provisions of the Criminal Procedure Code (Chapter 68 of Singapore) ("**CPC**"). On 22 March 2017, the Company announced that Mr. Jason Sim Chon Ang was summoned by the Ministry of Manpower pursuant to Sections 115 and 153(1) of the CPC to answer to certain charges under the Employment Act (Chapter 91 of Singapore). To the best of the knowledge of Mr. Jason Sim Chon Ang, following the sessions with CAD and the Ministry of Manpower, there has been no further development on the aforementioned matters.

To the best of the knowledge and belief of Mr. Jason Sim Chon Ang, the above charges and proceedings do not prevent him from participating in the Scheme.

As at the Latest Practicable Date, the Company had not received any court order to restrain the allotment and issue of Scheme Shares or the payment of the Scheme Consideration to Mr. Jason Sim Chon Ang. In the event such court order is issued to the Company, the Company shall refrain from making such allotment or payment in compliance with such court order.

In the event that Mr. Jason Sim Chon Ang is declared bankrupt prior to the completion of the Scheme, the Company intends to liaise with the Trustee in relation to the payment of Scheme Consideration and allotment and issue of Scheme Shares to Mr. Jason Sim Chon Ang.

Waiver of Sponsor's claims

Based on information available to the Company as at the Latest Practicable Date, the Sponsor had not submitted its proof of debt in respect of the debts due and owing by the Company to it and had accordingly, pursuant to the terms of the Scheme, waived, released, discharged and extinguished its claim against the Company in respect of such debts.

3.6 Shareholders' Approval for the Proposed Scheme Share Issue

The Proposed Scheme Share Issue is subject to specific Shareholders' approval under the Catalist Rules.

In this regard:

(a) Under Section 161 of the Companies Act and pursuant to Rule 805(1) of the Catalist Rules, an issuer must obtain the prior approval of shareholders in a general meeting for the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer except where a general mandate for such issue has been previously obtained from shareholders in a general meeting.

Taking into account that the general mandate obtained from Shareholders at the annual general meeting of the Company on 30 April 2015 has expired and the number of Scheme Shares to be issued pursuant to the Proposed Scheme Share Issue, the Company is seeking a specific mandate from Shareholders to undertake the same.

(b) Rule 804 of the Catalist Rules provides that, except in the case of an issue made on a *pro rata* basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Catalist Rules, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment. Such directors and associates must abstain from exercising any voting rights on the matter.

Rule 812 of the Catalist Rules provides that an issue of securities must not be placed to, *inter alia*, an issuer's directors and substantial shareholders unless specific shareholder approval for such placement has been obtained, with such directors and

substantial shareholders and their associates abstaining from voting on the shareholders' resolution to approve such placement.

Each of Mr. Wui Heck Koon, Mr. Karam Singh Parmar, Mr. Tan Lai Heng and Mr. Jason Sim Chon Ang, being Directors, had submitted their proof of debts and, based on the preliminary adjudication of their proof of debts by the Scheme Manager, are also Participating Creditors who are entitled to be allotted and issued up to an aggregate of 7,512,283 Scheme Shares in accordance with the terms of the Scheme and they fall within the categories of persons covered in Rules 804 and 812 of the Catalist Rules. Shareholders' approval in respect of the proposed allotment and issue of the Scheme Shares to each of them is therefore required pursuant to Rules 804 and 812 of the Catalist Rules. The aforementioned Scheme Shares to be allotted and issued to the Directors may be subject to changes upon final adjudication by the Scheme Manager.

Please refer to Section 3.5 of this Circular for further information.

(c) Rule 811 of the Catalist Rules provides that an issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed, unless specific shareholder approval is obtained for the issue of shares.

The Scheme Issue Price represents a discount exceeding 10% of the VWAP of the Shares on the Last Trading Day. Accordingly, the Proposed Scheme Share Issue is subject to the approval of Shareholders at the EGM.

(d) Rule 906(1) of the Catalist Rules provides that an issuer must obtain shareholder approval for any interested person transaction equal to or more than S$100,000 and of a value equal to, or more than:

(i) 5% of the group's latest audited net tangible assets; or

(ii) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year.

Rule 906(2) of the Catalist Rules provides that Rule 906(1) does not apply to any transaction below S$100,000.

For Shareholders' information only, it is highlighted that certain Directors of the Company (namely, Mr. Jason Sim Chon Ang, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng) are Participating Creditors to whom the Scheme Shares will be allotted and issued subject to Shareholders' approval. Accordingly, such Directors are considered an "interested person" within the meaning of Chapter 9 of the Catalist Rules and the proposed allotment and issue of Scheme Shares to the aforementioned Directors is an interested person transaction within the meaning of Chapter 9 of the Catalist Rules.

Pursuant to the Proposed Scheme Share Issue, the values of the interested person transactions to be entered into between each of the aforementioned Directors and the Company are as follows[(5)]:

(A) in respect of Mr. Jason Sim Chon Ang, the maximum aggregate value of the Scheme Shares to be allotted and issued to him amounts to approximately S$2,688.31;

(5) The value of the Scheme Shares proposed to be allotted and issued to the Directors are based on the preliminary adjudication by the Scheme Manager of the proof of debts submitted and may be subject to changes upon final adjudication by the Scheme Manager.

(B) in respect of Mr. Wui Heck Koon, the maximum aggregate value of the Scheme Shares to be allotted and issued to him amounts to approximately S$1,777.25;

(C) in respect of Mr. Karam Singh Parmar, the maximum aggregate value of the Scheme Shares to be allotted and issued to him amounts to approximately S$1,523.36; and

(D) in respect of Mr. Tan Lai Heng, the maximum aggregate value of the Scheme Shares to be allotted and issued to him amounts to approximately S$1,523.36.

As the aggregate value for the Scheme Shares to be allotted and issued to each of the above Directors is less than S$100,000, the Company is not required to seek Shareholders' approval in respect of the above. Notwithstanding that the proposed allotment and issue of Scheme Shares to the above Directors are not interested person transactions, the Company will be seeking specific Shareholders' approval for the proposed allotment and issue of Scheme Shares for the reason set out in Section 3.6(b) above.

3.7 Rationale for the Scheme and the Proposed Scheme Share Issue

As mentioned in Section 2.8 above, based on the current financial status of the Company as at 31 May 2016, the Company is practically insolvent as its aggregate liabilities (including contingent liabilities) exceeds its total assets. Unless the Company restructures its debts and liabilities, the Company will likely be liquidated with close to no return to the Existing Creditors and Shareholders.

The Company believes that the Scheme is the best way to restructure its debts and liabilities in a manner which would maximise the value of the Company and its assets for the Existing Creditors and Shareholders. This will be achieved by the following events under the Scheme:

(a) the payment of the Scheme Consideration; and

(b) the Proposed Scheme Share Issue,

following which all the Claims of the Existing Creditors will be fully satisfied and completely discharged.

The Company believes that the Proposed Scheme Share Issue under the Scheme will allow the Company to address its solvency issues, facilitate the execution of any future business or restructuring plans and provide an opportunity for Participating Creditors to benefit from the potential rehabilitation of the Company. **The Proposed Scheme Share Issue is an integral aspect of the Scheme and the Company's debt restructuring plan and if the Proposed Scheme Share Issue is not approved, the Scheme which has been approved by the Participating Creditors and sanctioned by the Court will be terminated.**

Although the Proposed Placement is not part of the Scheme, Shareholders should note that the Scheme is conditional upon, amongst others, the completion of the Proposed Placement and *vice versa.*

3.8 Use of Proceeds

There will not be any proceeds in cash from the Proposed Scheme Share Issue as the Scheme Shares are issued in consideration of the repayment of outstanding debts of the Company in accordance with the terms of the Scheme.

3.9 Financial Effects of the Proposed Scheme Share Issue

Please refer to Section 4 of this Circular for further details on the financial effects of the Proposed Placement and the Proposed Scheme Share Issue.

4. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT AND THE PROPOSED SCHEME SHARE ISSUE

The pro forma financial effects of the Proposed Placement and the Proposed Scheme Share Issue on the Group presented below are presented on both (i) the Company's latest audited consolidated financial statements for FY 2014, and (ii) the Company's unaudited consolidated financial statements for FY 2015, and are **strictly for illustrative purposes only and do not reflect the actual financial results or the future financial performance and condition of the Group after the Proposed Placement and the Proposed Scheme Share Issue**, including without limitation, the events occurring subsequent to 31 December 2014 or 31 December 2015 (as the case may be) in relation to the Group as publicly disclosed by the Company from time to time.

In particular, as stated in the Company's announcement dated 31 May 2016, the unaudited consolidated financial statements of the Company for FY 2015 are subject to certain limitations relating to the preparation of the financial statements for FY 2015 and the full implications and impact arising from such limitations cannot be ascertained pending further investigations and verification.

In view of the foregoing, Shareholders and/or investors of the Company are cautioned against placing undue reliance on the unaudited consolidated financial statements for FY 2015 and the pro forma financial effects of the Proposed Placement and the Proposed Scheme Share Issue disclosed herein.

4.1 Share Capital

	FY 2014 (Audited)		FY 2015 (Unaudited)	
	Before the Proposed Placement and Proposed Scheme Share Issue	**After the Proposed Placement and the Proposed Scheme Share Issue**	**Before the Proposed Placement and Proposed Scheme Share Issue**	**After the Proposed Placement and the Proposed Scheme Share Issue**
Number of Shares	216,000,000	2,729,253,613	216,000,000	2,729,253,613
Issued and paid-up share capital (S$)	9,144,696	10,657,950	9,144,696	10,657,950

4.2 NTA per Share

	FY 2014 (Audited)		FY 2015 (Unaudited)	
	Before the Proposed Placement and Proposed Scheme Share Issue	**After the Proposed Placement and Proposed Scheme Share Issue**	**Before the Proposed Placement and Proposed Scheme Share Issue**	**After the Proposed Placement and Proposed Scheme Share Issue**
NTA (S$)	14,700,453	250,000[(1)]	2,440,000	250,000[(1)]
Number of Shares	216,000,000	2,729,253,613	216,000,000	2,729,253,613
NTA per Share (cents)	6.81	0.01[(1)]	1.13	0.01[(1)]

Note:

(1) Before deduction of, *inter alia*, professional fees incurred in relation to the Proposed Placement and the Scheme.

For illustrative purposes only, the above is an analysis of the pro forma effects on the NTA per Share based on the Group's latest audited consolidated balance sheet as at 31 December 2014 and the Group's latest announced unaudited consolidated balance sheet as at 31 December 2015, assuming the following are completed on 31 December 2014 and 31 December 2015, respectively:-

(i) allotment and issue of 2,000,000,000 Placement Shares, thereby raising the Placement Proceeds of S$1.0 million; and

(ii) allotment and issue of 513,253,613 Scheme Shares as well as the application of the Scheme Consideration (being the sum of S$750,000 from the proceeds of the Proposed Placement) to discharge and extinguish all outstanding Claims.

Shareholders should note that the above does not include adjustments that may have to be made arising from events occurring subsequent to 31 December 2014 or 31 December 2015 (as the case may be) as publicly disclosed by the Company from time to time and as also disclosed in this Circular. Based on information available to the Company as at the Latest Practicable Date, assuming all Claims of the Existing Creditors are fully satisfied and completely discharged in accordance with the Scheme, and disregarding its 60% equity interest in White Cubic Pte Ltd, it is expected that the NTA of the Group immediately after the Proposed Placement and the Proposed Scheme Share Issue shall be less than S$250,000 after deducting the professional fees incurred in relation to the Proposed Placement and the Scheme. Based on the Enlarged Share Capital of 2,729,253,613 Shares, the NTA per Share immediately after the Proposed Placement and the Proposed Scheme Share Issue is expected to be negligible.

In view of the foregoing, Shareholders and/or potential investors of the Company are cautioned against placing undue reliance on the pro forma financial effects of the Proposed Placement and the Proposed Scheme Share Issue disclosed herein.

4.3 EPS

	FY 2014 (Audited)		**FY 2015 (Unaudited)**	
	Before the Proposed Placement and Proposed Scheme Share Issue	**After the Proposed Placement and Proposed Scheme Share Issue**	**Before the Proposed Placement and Proposed Scheme Share Issue**	**After the Proposed Placement and Proposed Scheme Share Issue**
Profit / (loss) attributable to Shareholders (S$)	418,102	418,102	(13,753,000)	(13,753,000)
Weighted average number of Shares	216,000,000	2,729,253,613	216,000,000	2,729,253,613
EPS / (LPS) (cents)	0.19	0.02	(6.37)	(0.50)

For illustrative purposes only, the above is an analysis of the pro forma effects on the EPS based on the Group's latest audited consolidated statement of comprehensive income for FY 2014 and the Group's latest announced unaudited consolidated statement of comprehensive income for FY 2015, assuming the Proposed Placement and the Proposed Scheme Share Issue are completed on 1 January 2014 and 1 January 2015, respectively.

Shareholders should note that the above is prepared based on the assumption that the Group is a going concern and the computation of the financial effects does not include adjustments that may have to be made arising from events occurring subsequent to 31 December 2014 or 31 December 2015 (as the case may be) as publicly disclosed by the Company from time to time.

In view of the foregoing, Shareholders and/or potential investors of the Company are cautioned against placing undue reliance on the pro forma financial effects of the Proposed Placement and the Proposed Scheme Share Issue disclosed herein.

5. THE PROPOSED WHITEWASH RESOLUTION

5.1 Interest of the Subscriber

As at the Latest Practicable Date, the Subscriber is the Non-Executive Chairman and Controlling Shareholder of the Company, and holds 19.81% of the total Shares in the Company. On Placement Completion, the Subscriber will be issued 2,000,000,000 Placement Shares, representing approximately 73.28% of the Enlarged Share Capital of the Company.

Under Rule 14 of the Code, except with the consent of the SIC, where any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of a company, such person must extend offers immediately, on the basis set out in Rule 14 of the Code, to the holders of any class of share capital of a company which carries votes and in which such person, or persons, acting in concert with him, hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

Therefore, pursuant to Rule 14 of the Code, the Subscriber will incur an obligation to make a mandatory general offer for the remaining Shares not owned, controlled or agreed to be acquired by him or his concert parties at the highest price paid or agreed to be paid by any of them for the Shares, in the six (6) months preceding the allotment and issue of the Placement Shares, unless such obligation is waived by the SIC and the Proposed Whitewash Resolution is approved by the Independent Shareholders at the EGM.

5.2 SIC Confirmation and Whitewash Waiver

On 8 February 2017, the SIC had waived the obligation for the Subscriber to make a mandatory offer under Rule 14 of the Code for the Company incurred as a result of the Subscriber increasing his shareholdings to more than 30% under the Proposed Placement subject to the following conditions:

(a) a majority of holders of voting rights of the Company approve at a general meeting, before the issue of the Placement Shares, the Proposed Whitewash Resolution by way of a poll to waive their rights to receive a general offer from the Subscriber and his concert parties;

(b) the Proposed Whitewash Resolution is separate from other resolutions;

(c) the Subscriber, his concert parties and parties not independent of them abstain from voting on the Proposed Whitewash Resolution;

(d) the Subscriber and his concert parties did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of the Shares (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Shares which have been disclosed in this Circular);

  (i) during the period between the Placement Term Sheet Announcement Date and the date Shareholders' approval is obtained for the Proposed Whitewash Resolution; and

  (ii) in the six (6) months prior to the Placement Term Sheet Announcement Date, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the Proposed Placement;

(e) the Company appoints an independent financial adviser to advise the Independent Shareholders on the Proposed Whitewash Resolution;

(f) the Company sets out clearly in this Circular:

(i) details of the Proposed Placement;

(ii) the dilution effect of issuing the Placement Shares to existing holders of voting rights;

(iii) the number and percentage of voting rights in the Company held by the Subscriber and his concert parties as at the Latest Practicable Date;

(iv) the number and percentage of voting rights to be issued to the Subscriber;

(v) specific and prominent reference to the fact that the allotment and issue of the Placement Shares would result in the Subscriber and his concert parties holding Shares carrying over 49% of the voting rights of the Company (based on the enlarged total number of issued Shares), and the fact that the Subscriber and his concert parties will be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer; and

(vi) that Shareholders, by voting for the Proposed Whitewash Resolution, are waiving their rights to a general offer from the Subscriber at the highest price paid by the Subscriber and his concert parties for the Shares in the past six (6) months preceding date of the offer;

(g) this Circular states that the Whitewash Waiver granted by the SIC to the Subscriber from the requirement to make a general offer under Rule 14 of the Code is subject to the conditions stated in sub-paragraphs (a) to (f) above;

(h) the Company obtains the SIC's approval in advance for those parts of this Circular that refer to the Proposed Whitewash Resolution; and

(i) to rely on the Proposed Whitewash Resolution, the acquisition of the Placement Shares by the Subscriber must be completed within three (3) months of the date of approval of the Proposed Whitewash Resolution.

As at the Latest Practicable Date, save for conditions set out under Section 5.2(a) and 5.2(i) above which are expected to be satisfied only at or after the EGM, all other conditions imposed by the SIC set out above have been satisfied.

The Subscriber has provided a confirmation to the Company that the Subscriber and his concert parties did not acquire and nor will they acquire, any Shares, instruments convertible into Shares or options in respect of Shares:

(a) during the period between the Placement Term Sheet Announcement Date and the date on which Independent Shareholders' approval is obtained for the Proposed Whitewash Resolution at the EGM; and

(b) in the six (6) months prior to the Placement Term Sheet Announcement Date.

5.3 The Proposed Whitewash Resolution

The Independent Shareholders are requested to vote by way of poll on the Proposed Whitewash Resolution as set out as an Ordinary Resolution in the Notice of the EGM, waiving their rights to receive a general offer from the Subscriber and his concert parties for the

remaining Shares that the Subscriber and his concert parties do not already own, control or have agreed to acquire.

Shareholders should note that the Proposed Placement is conditional, among other things, upon the passing of the Proposed Whitewash Resolution by the Independent Shareholders. In view of this, in the event that the Proposed Whitewash Resolution is not approved by the Independent Shareholders, the Proposed Placement will not proceed. Shareholders should also note that the Scheme is conditional upon the Placement Completion.

Independent Shareholders should also note that by voting for the Proposed Whitewash Resolution, they will be waiving their rights to receive a general offer for their Shares from the Subscriber at the highest price paid by the Subscriber and his concert parties for the Shares in the six (6) months preceding the commencement of the offer which they would have otherwise been obliged to make for the Shares in accordance with Rule 14 of the Code.

Upon the completion of the Proposed Placement, the Subscriber and his concert parties will hold Shares carrying over 49% of the enlarged voting rights of the Company and accordingly, will be free to, as a group, acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer.

5.4 Dilution

As at the Latest Practicable Date, the Company's has in issue a total number of 216,000,000 Shares. Assuming that the Proposed Placement takes place and all the Placement Shares are issued, the 2,000,000,000 Placement Shares will represent approximately 73.28% of the Enlarged Share Capital of the Company following the completion of the Proposed Placement and the Proposed Scheme Share Issue.

As a result of the Proposed Placement, the collective shareholding interests of the Independent Shareholders in the Company will be diluted. Such dilution effects are illustrated under Section 5.5 of this Circular, which sets out, *inter alia*, the changes in the shareholding interests of Shareholders in the Company after the Proposed Placement and the Proposed Scheme Share Issue.

5.5 Changes to Shareholding

For illustrative purposes only and based on the assumptions set out below, the shareholding structure of the Company (i) as at the Latest Practicable Date before the Proposed Placement and the Proposed Scheme Share Issue, (ii) after completion of the Proposed Placement but before the Proposed Scheme Issue, and (ii) after completion of the Proposed Placement and the Proposed Scheme Share Issue, is set out below:

	As at Latest Practicable Date (Before the Proposed Placement and the Proposed Scheme Share Issue)				**After the Proposed Placement but before the Proposed Scheme Share Issue**				**After the Proposed Placement and the Proposed Scheme Share Issue[1]**			
	Direct Interest		**Deemed Interest**		**Direct Interest**		**Deemed Interest**		**Direct Interest**		**Deemed Interest**	
	Number of Shares	**%[2]**	**Number of Shares**	**%[2]**	**Number of Shares**	**%[3]**	**Number of Shares**	**%[3]**	**Number of Shares**	**%[4]**	**Number of Shares**	**%[4]**
Directors												
Lim Chwee Kim	42,800,000	19.81	-	-	2,042,800,000	92.18	-	-	2,042,800,000	74.85	-	-
Jason Sim Chon Ang	51,028,000	23.62	-	-	51,028,000	2.30	-	-	53,716,313	1.97	-	-
Sim Choon Joo	5,400,000	2.50	-	-	5,400,000	0.24	-	-	5,400,000	0.20	-	-
Wui Heck Koon	-	-	-	-	-	-	-	-	1,777,252	0.07	-	-
Karam Singh Parmar	-	-	-	-	-	-	-	-	1,523,359	0.06	-	-
Tan Lai Heng	-	-	-	-	-	-	-	-	1,523,359	0.06	-	-
Substantial Shareholders (other than the Directors)												
Radwell Pte. Ltd.	28,351,000	13.13	-	-	28,351,000	1.28	-	-	28,351,000	1.04	-	-
Lee Ai Leng[5]	-	-	28,351,000	13.13	-	-	28,351,000	1.28	-		28,351,000	1.04
Public Shareholders[6]	88,421,000	40.94	-	-	88,421,000	3.99	-	-	88,421,000	3.24	-	-
Other Participating Creditors[7]	-	-	-	-	-	-	-	-	505,741,330[8]	18.53	-	-

Notes:

(1) Assuming that all of Ordinary Resolutions 3, 4, 5 and 6 relating to the proposed allotment and issue of Scheme Shares to each of Mr. Jason Sim Chon Ang, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng, being Directors who had submitted their proof of debts and, following adjudication of their proof of debts, are also Participating Creditors who are entitled to be allotted and issued Scheme Shares in accordance with the terms of the Scheme, are approved by Shareholders at the EGM and the maximum number of Scheme Shares stated in Ordinary Resolutions 3, 4, 5, and 6 are subsequently allotted and issued to these Directors. The number of Scheme Shares proposed to be allotted and issued to the Participating Creditors, including the Directors, are based on the preliminary adjudication of the Scheme Manager and may be subject to changes upon final adjudication of the Scheme Manager.

(2) Based on 216,000,000 Shares in issue as at the Latest Practicable Date.

(3) Based on the enlarged issued and paid-up share capital of the Company comprising 2,216,000,000 Shares immediately after completion of the Proposed Placement but before the Proposed Scheme Share Issue.

(4) Based on the Enlarged Share Capital (comprising 2,729,253,613 Shares immediately after completion of the Proposed Placement and the Proposed Scheme Share Issue).

(5) Lee Ai Leng is deemed to have an interest in the 28,351,000 Shares held by Radwell Pte. Ltd. by virtue of Section 7 of the Companies Act.

(6) "Public Shareholders" are Shareholders other than (a) Directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company or its subsidiaries; and (b) associates of the persons in sub-paragraph (a) above.

(7) "Other Participating Creditors" are Participating Creditors other than Mr. Jason Sim Chon Ang, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng, who are Directors of the Company.

(8) Assuming such Participating Creditors do not already hold Shares immediately prior to the allotment and issue of the Scheme Shares.

6. SGX-ST LISTING AND QUOTATION NOTICE

The Company had, on 4 May 2017, received the LQN Notice from the SGX-ST for the listing of, and quotation for, the Scheme Shares and the Placement Shares on the SGX-ST subject to the following conditions:

(a) compliance with the SGX-ST's listing requirements; and

(b) Shareholders' approval being obtained at a general meeting to be convened.

In addition, the SGX-ST requires the Placement Shares to be placed out within seven (7) market days from the date of the EGM of the Company to be convened for the purpose of seeking Shareholders' approval for the allotment and issue of the Placement Shares and the Scheme Shares.

The LQN Notice for the dealing in, listing of, and quotation for, the Placement Shares and the Scheme Shares is not to be taken as an indication of the merits of the Proposed Placement, the Placement Shares, the Scheme Shares, the Proposed Scheme Share Issue, the Company, its subsidiaries and their securities.

7. OPINION OF THE IFA

SAC Capital Private Limited has been appointed as the IFA to advise the Recommending Directors in relation to the Proposed Whitewash Resolution.

A copy of the IFA Letter is reproduced in full in **Appendix A** to this Circular. **Shareholders are advised to read the IFA Letter in its entirety carefully and consider the recommendation of the Recommending Directors for the Proposed Whitewash Resolution in the context of this Circular before deciding on whether to approve the Proposed Whitewash Resolution.**

The advice of the IFA to the Recommending Directors in relation to the Proposed Whitewash Resolution has been extracted from the IFA Letter and is reproduced in italics below:

"Based on the above considerations, we are of the opinion that, on balance, the Proposed Whitewash Resolution, in the context of the Proposed Placement (which terms are fair and reasonable), is not prejudicial to the interests of the Independent Shareholders. Accordingly, we advise the Recommending Directors to recommend the Independent Shareholders to vote in favour of the Proposed Whitewash Resolution."

8. OPINION OF THE AUDIT COMMITTEE

The Audit Committee of the Company comprises Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng. None of the members of the Audit Committee have any interest in the Proposed Placement and are accordingly considered to be independent for the purposes of the same.

Pursuant to Rule 921(4)(b) of the Catalist Rules, having considered and reviewed, among other things, the terms of the Proposed Placement, the rationale for the Proposed Placement and use of proceeds, the events occurring subsequent to 31 December 2014 as publicly disclosed by the Company from time to time, the advice of the IFA in relation to the Proposed Whitewash Resolution as set out in **Appendix A** to this Circular, and all other facts set out in this Circular, the Audit Committee is of the opinion that the interested person transaction in connection with the Proposed Placement is on normal commercial terms and is not prejudicial to the interests of the Company and the Independent Shareholders.

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

In relation to the Proposed Placement, Mr. Lim Chwee Kim, a Director and Controlling Shareholder of the Company, is the Subscriber. Each of Mr. Jason Sim Chon Ang and Mr. Sim Choon Joo, both of whom are Directors of the Company, had also provided the irrevocable undertakings to the Subscriber to vote in favour of the Proposed Placement at the EGM.

In relation to the Proposed Scheme Share Issue, Mr. Jason Sim Chon Ang, Mr. Sim Choon Joo, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng, each a Director of the Company, had submitted their proof of debts in connection with the Scheme and, following adjudication of their proof of debts, all of the aforementioned Directors (save for Mr. Sim Choon Joo) are also Participating Creditors who are entitled to be issued Scheme Shares in accordance with the terms of the Scheme. In addition, each of Mr. Sim Choon Joo, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng had voted in favour of the Scheme at the Court Meeting.

Save as disclosed above, none of the Directors or the Controlling Shareholders of the Company or their respective associates have any interest, direct or indirect, in the Proposed Placement and the Proposed Scheme Share Issue, other than through their respective interests arising by way of their shareholdings in the Company and/or directorships in the Group, as the case may be.

10. NO SERVICE CONTRACT

No person is proposed to be appointed as a Director in connection with the Proposed Placement and the Proposed Scheme Share Issue.

11. DIRECTORS' RECOMMENDATIONS

11.1 Independence of Directors

Mr. Lim Chwee Kim, being an interested person under Chapter 9 of the Catalist Rules for the purposes of the Proposed Placement, will abstain from making any recommendation on the Proposed Placement in his capacity as Director.

SIC has, on 8 February 2017, ruled that Mr. Lim Chwee Kim is exempted from the requirement to make a recommendation on the Proposed Whitewash Resolution to Shareholders. Mr. Lim Chwee Kim, being the Subscriber, faces irreconcilable conflicts of interest by virtue of his interests in the Proposed Whitewash Resolution.

Notwithstanding such exemption, Mr. Lim Chwee Kim will still assume responsibility for the accuracy of the facts stated and opinions expressed in documents or advertisements issued by the Company to Shareholders in connection with the Proposed Whitewash Resolution.

11.2 Recommendations of the Directors

Shareholders should read and consider carefully the recommendation of the Recommending Directors and the opinion of the IFA in relation to the Proposed Whitewash Resolution in its entirety before giving their approvals pertaining to the Proposed Placement and the Proposed Scheme Share Issue. Shareholders are also urged to read carefully the terms and conditions of the Proposed Placement and the Proposed Scheme Share Issue, the rationale for the Proposed Placement and the Proposed Scheme Share Issue, the details of the Proposed Whitewash Resolution and the financial effects of the Proposed Placement and the Proposed Scheme Share Issue, as respectively set out in this Circular.

(a) Proposed Placement

Having regards to the terms of the Proposed Placement set out in Section 2 of this Circular, the opinion of the Audit Committee set out in Section 8 of this Circular and the factors set out in Section 9 of this Circular, the Recommending Directors are of the opinion that the Proposed Placement would not be prejudicial to the interests of the Company and the Shareholders. Accordingly, the Recommending Directors recommend that Shareholders **VOTE IN FAVOUR** of the ordinary resolution relating to the Proposed Placement at the EGM.

(b) Proposed Scheme Share Issue and the proposed allotment and issue of Scheme Shares to the Directors

Having considered and reviewed, *inter alia*, the terms of the Scheme, the rationale for the Scheme and the Proposed Scheme Share Issue, the financial effects of the Proposed Placement and the Proposed Scheme Share Issue, and all the relevant information set out in this Circular, the Directors are of the opinion that the Proposed Scheme Share Issue would not be prejudicial to the interests of the Company and the Shareholders. Accordingly, the Directors recommend that Shareholders **VOTE IN FAVOUR** of the Ordinary Resolution relating to the Proposed Scheme Share Issue at the EGM.

In view of the foregoing and based on the relevant information set out in this Circular in relation to the proposed allotment and issue of Scheme Shares to Mr. Jason Sim Chon Ang, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng, each being a Director, the Directors (save for each relevant Director who has abstained where the resolution relates to the proposed allotment and issue of Scheme Shares to himself) are of the opinion that the proposed allotment and issue of Scheme Shares to each of Mr. Jason Sim Chon Ang, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng would not be prejudicial to the interests of the Company and the Shareholders. Accordingly, the Directors (save for each relevant Director who has abstained where the resolution relates to the proposed allotment and issue of Scheme Shares to himself) recommend that Shareholders **VOTE IN FAVOUR** of the Ordinary Resolutions relating to the proposed allotment and issue of Scheme Shares to each of Mr. Jason Sim Chon Ang, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng at the EGM.

(c) Proposed Whitewash Resolution

Having considered and reviewed, *inter alia*, the advice of the IFA as set out in **Appendix A** to this Circular, the Recommending Directors concur with the advice of the IFA and are of the opinion that the Proposed Whitewash Resolution would not be prejudicial to the interests of the Company and the Independent Shareholders. Accordingly, the Recommending Directors recommend that Independent Shareholders **VOTE IN FAVOUR** of the Ordinary Resolution relating to the Proposed Whitewash Resolution at the EGM.

12. INTER-CONDITIONALITY OF RESOLUTIONS TO BE PASSED

Shareholders should note that the Inter-conditional Resolutions (namely, Ordinary Resolutions 1, 2 and 7) are inter-conditional upon each other. Accordingly, in the event that any of these Inter-conditional Resolutions is not approved, the other Inter-conditional Resolutions would not be passed.

Shareholders should further note that Ordinary Resolutions 3, 4, 5 and 6 are conditional upon all of the Inter-conditional Resolutions being passed. Accordingly, in the event that any of the Inter-conditional Resolutions is not approved, the Ordinary Resolutions 3, 4, 5 and 6 would not be passed.

13. ABSTENTION FROM VOTING

13.1 Proposed Placement

Pursuant to Rules 804 and 812(2) of the Catalist Rules, the Subscriber and his associates must abstain from voting on the Ordinary Resolution approving the Proposed Placement.

Further, pursuant to Rule 919 of the Catalist Rules, an interested person and any associate of the interested person must abstain from voting on the resolutions approving the interested person transactions involving themselves and/or their associates. Such interested persons and their associates shall not act as proxies nor accept appointments as proxies in relation to such resolutions unless specific voting instructions had been given by the Shareholders.

Accordingly, Mr. Lim Chwee Kim will abstain, and will ensure that his associates will abstain, from voting on the Proposed Placement, and will not accept any nominations to act as proxy for any Shareholder in approving the Proposed Placement at the EGM unless specific instructions as to voting are given by such Shareholder in the proxy instrument.

13.2 Proposed Scheme Share Issue

As Mr. Jason Sim Chon Ang, Mr. Sim Choon Joo, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng, each a Director of the Company, had submitted their proof of debts and, following adjudication of their proof of debts, all of the aforementioned Directors (save for Mr. Sim Choon Joo) are also Participating Creditors who are entitled to be allotted and issued Scheme Shares in accordance with the terms of the Scheme, the aforementioned Directors (save for Mr. Sim Choon Joo) will abstain, and will ensure that their respective associates will abstain, from voting on the Proposed Scheme Share Issue in respect of themselves.

13.3 Proposed Whitewash Resolution

Pursuant to the Whitewash Waiver granted by the SIC, Mr. Lim Chwee Kim, parties acting in concert with him and parties not independent of him and his concert parties will abstain from voting on the Ordinary Resolution in respect of the Proposed Whitewash Resolution, and will not accept any nominations to act as proxy for any Shareholder in approving the Proposed Whitewash Resolution at the EGM unless specific instructions as to voting are given by such Shareholder in the proxy instrument.

14. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be held at Lorong Koo Chye Sheng Hong Temple Association (2nd Floor Conference Room), No. 15, Arumugam Road, Singapore 409960 on 31 May 2017 at 2.00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications the resolutions in respect of the Proposed Placement and the Proposed Scheme Share Issue at the EGM, as set out in the Notice of EGM.

15. ACTION TO BE TAKEN BY SHAREHOLDERS

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he 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 reach the registered office of the Company at 11 Tampines Street 92, #03-05 Tampines BizHub, Singapore 528872 not later than 48 hours before the time fixed for the EGM. The completion and return of the proxy form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

A Depositor shall not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his

name in the Depository Register, as certified by the CDP to the Company at least 72 hours before the time fixed for the EGM.

16. 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 Placement, the Proposed Scheme Share Issue and the Group, 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.

In respect of the IFA Letter, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Proposed Placement, the Proposed Scheme Share Issue and the Group are fair and accurate in all material respects.

17. CONSENT FROM THE IFA

SAC Capital Private Limited, the IFA to the Recommending Directors in relation to the Proposed Whitewash Resolution and the parent company of the Sponsor, has given and has not withdrawn its written consent to the issue of this Circular, with the inclusion of its name and the IFA Letter as set out in **Appendix A** to this Circular and all references thereto, in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 11 Tampines Street 92, #03-05 Tampines BizHub, Singapore 528872, during normal business hours from the date of this Circular up to and including the date of the EGM:

(a) the Placement Agreement;

(b) the unconditional irrevocable undertaking letters from Mr. Jason Sim Chon Ang and Mr. Sim Choon Joo as mentioned in Section 2.7 of this Circular;

(c) the Constitution of the Company;

(d) the IFA Letter;

(e) the Annual Report of the Company for FY 2014; and

(f) the consent letter from the IFA.

Yours faithfully,

For and on behalf of the Board
Jason Holdings Limited

Wui Heck Koon
Lead Independent Director
16 May 2017

SAC CAPITAL PRIVATE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200401542N)

1 Robinson Road #21-02 AIA Tower
Singapore 048542

16 May 2017

To: The Recommending Directors of Jason Holdings Limited
(in relation to the Proposed Whitewash Resolution)

Mr. Jason Sim Chon Ang
Mr. Sim Choon Joo
Mr. Wui Heck Koon
Mr. Karam Singh Parmar
Mr. Tan Lai Heng

Dear Sirs

THE PROPOSED WHITEWASH RESOLUTION FOR WAIVER BY INDEPENDENT SHAREHOLDERS OF THEIR RIGHTS TO RECEIVE A MANDATORY GENERAL OFFER FROM MR. LIM CHWEE KIM AND HIS CONCERT PARTIES

*Unless otherwise defined or the context otherwise requires, all terms defined in the circular dated 16 May 2017 (the "**Circular**") shall have the same meanings herein.*

1. INTRODUCTION

1.1 The Scheme

On 1 December 2016, Jason Holdings Limited (the "**Company**") filed an application with the High Court of the Republic of Singapore (the "**Court**") under Section 210 of the Companies Act (Chapter 50) (the "**Act**") seeking, *inter alia*, that the Company be at liberty to convene a meeting of creditors (the "**Court Meeting**") within eight (8) weeks (or such other period as may be ordered by the Court) of the date of the order of the Court, for the purposes of considering, and if thought fit, approving with or without modification, a scheme of arrangement (the "**Scheme**") proposed to be made between the Company and its creditors.

At the Court Meeting convened on 1 February 2017, the creditors under the Scheme present and voting on the resolution (either in person or by proxy) had unanimously approved the Scheme proposed by the Company. The Scheme was sanctioned by the Court on 15 March 2017 and is administered by the Scheme Manager (as defined in the Circular). The Scheme took effect on and from 22 March 2017, when a copy of the court order sanctioning the Scheme was lodged with the Accounting and Corporate Regulatory Authority of Singapore. The Scheme involves, *inter alia*, payment of cash for an aggregate value amounting to the Scheme Consideration (as defined in paragraph 3.1.1(c)(ii) below) and the allotment and issuance of an aggregate of 513,253,613 new ordinary shares in the capital of the Company ("**Shares**") (the "**Scheme Shares**") at S$0.001 for each of the Scheme Shares (the "**Scheme Issue Price**") to the Participating Creditors (as defined in the Circular) (the "**Proposed Scheme Share Issue**").

In connection with the Scheme, the Company had, on 21 December 2016 (the "**Announcement Date**"), announced that it had entered into a binding conditional placement term sheet dated 20 December 2016 (the "**Placement Term Sheet**") with Mr. Lim Chwee Kim (the "**Subscriber**"), who is a director and controlling shareholder of the Company. Subsequently, on 27 February 2017, the Company announced that it had entered into the placement agreement dated 24 February 2017 (the "**Placement Agreement**") with the Subscriber such that 2,000,000,000 new Shares (the "**Placement Shares**") will be allotted and issued to the Subscriber for an aggregate subscription amount of S$1,000,000, at S$0.0005 (the "**Placement Price**") for each Placement Share (the "**Proposed Placement**").

1.2 The Proposed Whitewash Resolution

As at the Latest Practicable Date, the Subscriber is the Non-Executive Chairman and the controlling shareholder of the Company, and holds 19.81% of the total Shares in the Company. On completion of the Proposed Placement, the Subscriber will be issued 2,000,000,000 Placement Shares, representing approximately 73.28% of the Enlarged Share Capital (as defined in paragraph 3.1.1 below) of the Company.

Under Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**"), except with the consent of the Securities Industry Council of Singapore (the "**SIC**"), where any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of a company, such person must extend a mandatory general offer for all remaining issued shares in the company concerned which he and/or his concert parties do not already own, control or have agreed to acquire.

Accordingly, pursuant to Rule 14 of the Code, the Subscriber and parties acting in concert with him may be obliged to make a mandatory general offer for the Company.

The SIC had on 8 February 2017 granted the Subscriber a waiver (the "**Whitewash Waiver**") of the requirement for the Subscriber to make a mandatory general offer for the Company under Rule 14 of the Code, subject to, *inter alia*, (a) a majority of holders of voting rights of the Company approve at a general meeting, before the issue of the Placement Shares, a resolution (the "**Proposed Whitewash Resolution**") by way of a poll to waive their rights to receive a general offer from the Subscriber and parties acting in concert with the Subscriber; and (b) the appointment of an independent financial adviser (the "**IFA**") to advise the shareholders of the Company ("**Shareholders**") other than the Subscriber and his concert parties and parties not independent of them (collectively, the "**Independent Shareholders**") in relation to the Proposed Whitewash Resolution.

The Company has appointed us as the IFA to the directors who are regarded as independent in respect of the Proposed Whitewash Resolution (the "**Recommending Directors**") to express an opinion on whether the Proposed Whitewash Resolution is prejudicial to the interests of the Independent Shareholders.

2. TERMS OF REFERENCE

We have been appointed as the IFA to the Recommending Directors in relation to the Proposed Whitewash Resolution.

We are not and were not involved in any aspect of the negotiations entered into by the Company and its subsidiaries (the "**Group**") in connection with the Proposed Whitewash Resolution or in the deliberations leading up to the decision by the Directors to undertake the Proposed Placement and the Proposed Whitewash Resolution. Accordingly, we do not, by this letter, warrant the merits of the Proposed Placement and/or the Proposed

Whitewash Resolution, other than to express an opinion on whether the Proposed Whitewash Resolution is prejudicial to the interests of the Independent Shareholders.

We have not conducted a comprehensive review of the business, operations or financial condition of the Company or the Group. We have also not evaluated the strategic or commercial merits or risks of the Proposed Placement or the future growth prospects or earnings potential of the Group after the completion of the Proposed Placement. Accordingly, we do not express any view as to the prices at which the Shares may trade upon completion of the Proposed Placement or on the future financial performance of the Group after the completion of the Proposed Placement.

In the course of our evaluation, we have held discussions with the Directors and the Company's professional advisers and have relied on the information and representations, whether written or verbal, provided to us by the Directors and the Company's professional advisers, including the information contained in the Circular. The Directors (including those who may have delegated detailed supervision of the Circular) have confirmed that, having made all reasonable enquiries and to the best of their knowledge and belief, (a) all material information available to them in connection with the Proposed Placement and the Proposed Whitewash Resolution has been disclosed in the Circular; (b) such information is true and accurate in all material respects; and (c) there is no other information or fact, the omission of which would cause any information disclosed to us or the facts stated in the Circular to be inaccurate, incomplete or misleading in any material respect.

Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified such information or representations and accordingly cannot and do not warrant or accept responsibility for the accuracy, completeness or adequacy of these information or representations. We have, however, made reasonable enquiries and exercised our judgment (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or facts.

Save as disclosed, all information relating to the Group that we have relied upon in arriving at our opinion and advice has been obtained from the Circular, publicly available information, the Directors and/or their professional advisers. We have not independently assessed and do not warrant or accept any responsibility as to whether the aforesaid information adequately represents a true and fair position of the financial, operational and business affairs of the Group at any time or as at 8 May 2017 (the "**Latest Practicable Date**"). We have also not made any independent evaluation or appraisal of the assets and liabilities of the Group and have not been furnished with any such evaluation or appraisal***.***

The scope of our appointment does not require us to express, and we do not express, any view on the future growth prospects, financial position and earnings potential of the Group. We have not been provided with, nor do we have access to, any business plan or financial projections of the future performance of the Group and we did not conduct any discussions with the Directors and/or the Company's professional advisers on any such business plan or financial projections of the Group.

Our opinion and advice, as set out in this letter, are based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as of, the Latest Practicable Date. We assume no responsibility to update, revise or reaffirm our opinion and advice in the light of any subsequent development after the Latest Practicable Date that may affect our opinion and advice contained herein.

In arriving at our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or unique needs and constraints of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice in relation to the Proposed Whitewash Resolution should be considered in the context of the entirety of this letter and the Circular.

The Company has been separately advised by its own advisers in the preparation of the Circular (other than this letter). We have had no role or involvement and have not provided any advice, financial or otherwise, in the preparation, review and verification of the Circular (other than this letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this letter).

3. THE SCHEME AND THE PROPOSED PLACEMENT

3.1 The Scheme

3.1.1 Terms of the Scheme

As set out in section 3.1 of the Circular, certain key terms of the Scheme are set out below as follows:

(a) the Scheme shall only apply to the Existing Creditors (as defined in the Circular);

(b) the aggregate amount of the Approved Claims (as defined in the Circular) of the Participating Creditors as determined by the Scheme Manager as at the Latest Practicable Date is approximately S$7,580,752.35[1];

(c) the gross proceeds from the Proposed Placement of S$1,000,000 will be utilised in the following manner:

(i) up to S$250,000 shall be used for the payment of professional fees in relation to the Proposed Placement and the Scheme and fund the Company's working capital to facilitate the restructuring; and

(ii) the balance amount of S$750,000 shall be used to pay the Participating Creditors to compromise in full all actual and contingent claims against the Company (the "**Scheme Consideration**");

(d) in addition to the Scheme Consideration, a total of 513,253,613 Scheme Shares will be issued to the Participating Creditors at the Scheme Issue Price on a *pari passu* basis; and

(e) the payment of the Scheme Consideration and issuance of the Scheme Shares to the Participating Creditors shall constitute a full and final settlement of all liabilities owed by the Company to the Existing Creditors. Any claim of an Existing Creditor against the Company which was not lodged on or before the proof of debt cut-off date on 26 January 2017, 4.00 p.m., shall be forever waived, released, discharged

[1] The aggregate amount of Approved Claims of the Participating Creditors is based on the preliminary adjudication by the Scheme Manager of the proof of debts submitted and may be subject to changes upon final adjudication by the Scheme Manager.

and extinguished, and the Existing Creditor shall not have any rights, interests and claims whatsoever against the Company in respect of such claim.

Based on the preliminary adjudication of the proof of debts submitted, the Scheme Consideration amounts to a recovery of approximately 9.89% to the Participating Creditors and the aggregate value for the Scheme Shares to be issued and allotted to the Participating Creditors amounts to an additional recovery of approximately 6.77% to the Participating Creditors. The abovementioned recovery to the Participating Creditors may be subject to changes upon final adjudication by the Scheme Manager.

Under the Scheme, the Company shall allot and issue 513,253,613 Scheme Shares on a *pari passu* basis to the Participating Creditors at the Scheme Issue Price of S$0.001. The Scheme Shares represent approximately 237.62% of the Company's issued and paid-up share capital of 216,000,000 Shares as at the Latest Practicable Date and approximately 18.81% of the enlarged issued and paid-up share capital of the Company of 2,729,253,613 Shares, assuming an aggregate of 2,513,253,613 new Shares (comprising 2,000,000,000 Placement Shares and 513,253,613 Scheme Shares are allotted and issued following the completion of the Proposed Placement and the Proposed Scheme Share Issue (the "**Enlarged Share Capital**").

Further details on the terms of the Scheme are set out in section 3 of the Circular and Appendix B to the Circular, and Shareholders are advised to read the information carefully.

3.1.2 Conditions Precedent

The Scheme is subject to, *inter alia*, the following conditions precedent being met:

(a) completion of the Proposed Placement pursuant to the Placement Agreement having taken place in such manner satisfactory to the Company and the Subscriber; and

(b) the approval of the Shareholders for the allotment and issue of the Scheme Shares.

Full details of the conditions precedent of the Scheme are set out in section 3.4 of the Circular and Shareholders are advised to read the information carefully.

3.1.3 Rationale for the Scheme and Proposed Scheme Share Issue and the Use of Proceeds

The rationale for the Scheme and Proposed Scheme Share Issue and the use of proceeds are set out in sections 3.7 and 3.8 of the Circular respectively, and Shareholders are advised to read the information carefully.

3.2 The Proposed Placement

3.2.1 Terms of the Proposed Placement

In connection with the Scheme and pursuant to the Placement Term Sheet, the Company had, on 24 February 2017, entered into the Placement Agreement with the Subscriber, pursuant to which the Company shall allot and issue to the Subscriber 2,000,000,000 Placement Shares at the Placement Price of S$0.0005.

The Placement Shares represent approximately 925.9% of the Company's issued and paid-up share capital of 216,000,000 Shares as at the Latest Practicable Date and approximately 73.28% of the Enlarged Share Capital of the Company.

The Placement Shares shall be allotted and issued free from any Encumbrances (as defined in the Circular) and shall rank *pari passu* in all respects with and carry all rights similar to the existing Shares, except that they will not rank for any dividend, right, allotment or other distribution, accruing on a Record Date (as defined in the Circular) which falls on or before the Placement Completion Date (as defined in the Circular).

3.2.2 Information on the Subscriber

The Subscriber is the Non-Executive Chairman and controlling Shareholder of the Company. As at the Latest Practicable Date, the Subscriber holds 42,800,000 Shares representing 19.81% of the issued and paid-up share capital of the Company.

3.2.3 Conditions Precedent

Completion of the Proposed Placement is conditional upon, *inter alia,* the following being fulfilled (or waived by the Subscriber):

(a) the Subscriber having undertaken and completed due diligence investigations on all operational, financial and legal matters and considerations in relation to the Company, and the results of such due diligence investigations being satisfactory to the Subscriber in his sole and absolute discretion;

(b) the approval of the Scheme by (i) the board of directors of the Company (the "**Board**"), (ii) the creditors of the Company, and/or (iii) such other necessary party in compliance with the requirements of Section 210 of the Act, and such approval remaining in full force and effect as of the completion of the Proposed Placement;

(c) the approval of the Proposed Placement and the issue of Placement Shares by (i) the Board and (ii) the Shareholders;

(d) the sanction of the Scheme by the Court pursuant to the Act and a copy of such court order sanctioning the Scheme being lodged with the Accounting and Corporate Regulatory Authority of Singapore in accordance with Section 210(5) of the Act;

(e) all regulatory approvals being obtained and not withdrawn, including without limitation, the approval-in-principle from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for (i) the allotment and the issue of the Placement Shares and Scheme Shares, and (ii) the dealing in and quotation for the Placement Shares and Scheme Shares on the SGX-ST, and where any of the aforesaid confirmation, waiver or approval is obtained subject to any conditions, such conditions being reasonably acceptable to the Subscriber;

(f) the satisfaction of any condition(s) that may be imposed by SGX-ST, insofar as such condition(s) need to be fulfilled, and provided further that such confirmation, waiver and approval are not revoked, rescinded or cancelled; and

(g) the SIC having granted the Subscriber and his concert parties (and not having revoked or repealed such grant) the Whitewash Waiver, subject to (i) any conditions that the SIC may impose, provided that such conditions are reasonably acceptable to the Subscriber and his concert parties, and (ii) the Independent Shareholders approving at the extraordinary general meeting (the "**EGM**") the Proposed Whitewash Resolution.

Full details of the conditions precedent of the Proposed Placement are set out in section 2.5 of the Circular and Shareholders are advised to read the information carefully.

3.2.4 Shareholders' Undertakings

Each of the following Shareholders has given unconditional and irrevocable undertakings to the Subscriber to, *inter alia*, (i) vote in respect of an aggregate of approximately 26.12% of the total number of issued Shares in favour of the resolutions to approve the Proposed Placement and all other matters in connection therewith at the EGM, and (ii) not sell or otherwise dispose of their respective Shares:

(a) Mr. Jason Sim Chon Ang, the legal and beneficial owner of 51,028,000 Shares representing approximately 23.62% of the total number of issued Shares; and

(b) Mr. Sim Choon Joo, the legal and beneficial owner of 5,400,000 Shares representing approximately 2.50% of the total number of issued Shares.

As announced by the Company on 12 October 2016, the Shares held by Mr. Jason Sim Chon Ang were seized to satisfy the judgment debt for the claim by CIMB Securities (Singapore) Pte Ltd ("**CIMB**") against him. Based on information available to the Company as at the Latest Practicable Date, the execution under the writ of seizure and sale has yet to be completed, indicating that CIMB has not completed the sale or transfer of Shares to a purchaser.

As further announced by the Company on 1 December 2016 and 3 December 2016, bankruptcy applications had been taken out by Australia and New Zealand Banking Group Limited, Singapore Branch ("**ANZ**") against each of the above Shareholders, and as at the Latest Practicable Date, the hearing of the bankruptcy applications have been adjourned to 25 May 2017.

Assuming there are no changes to the aforementioned status up to the date of the EGM, the aforementioned Shareholders remain the registered and legal owners of the Shares and may vote in accordance with the undertakings provided.

3.2.5 Rationale for the Proposed Placement and Use of Proceeds

The rationale for the Proposed Placement and the use of proceeds are set out in section 2.8 of the Circular, and Shareholders are advised to read the information carefully.

4. THE PROPOSED WHITEWASH RESOLUTION

As at the Latest Practicable Date, the Subscriber is the Non-Executive Chairman and the controlling Shareholder of the Company, and holds 19.81% of the total Shares in the Company. On the completion of the Proposed Placement, the Subscriber will be issued 2,000,000,000 Placement Shares, representing approximately 73.28% of the Enlarged Share Capital of the Company.

Based on the above, the Proposed Placement may result in the Subscriber holding more than 30% of the voting rights of the Company and accordingly, the Subscriber and parties acting in concert with him may be obliged to make a mandatory general offer for the Company pursuant to Rule 14 of the Code.

The SIC had on 8 February 2017 granted the Subscriber a waiver of the requirement for the Subscriber to make a mandatory general offer for the Company under Rule 14 of the Code as a result of the Proposed Placement, subject to certain conditions, as set out in section 5.2 of the Circular and Shareholders are advised to read the information carefully.

Independent Shareholders should also note that:

(a) the Proposed Placement is conditional, among other things, upon the passing of the Proposed Whitewash Resolution by the Independent Shareholders. In view of this, in the event that the Proposed Whitewash Resolution is not approved by the Independent Shareholders, the Proposed Placement will not proceed. Independent Shareholders should also note that the Scheme is conditional upon the completion of the Proposed Placement;

(b) by voting in favour for the Proposed Whitewash Resolution, they will be waiving their rights to receive a general offer for their Shares from the Subscriber at the highest price paid by the Subscriber and his concert parties for the Shares in the six (6) months preceding the commencement of the offer which they would have otherwise been obliged to make for the Shares in accordance with Rule 14 of the Code; and

(c) upon the completion of the Proposed Placement, the Subscriber and his concert parties will hold Shares carrying over 49% of the enlarged voting rights of the Company and accordingly, will be free to, as a group, acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer.

5. EVALUATION OF THE PROPOSED WHITEWASH RESOLUTION

In the course of our evaluation of the Proposed Whitewash Resolution, we have examined the following factors which have a significant bearing on our assessment:

(a) the rationale of the Proposed Placement and use of proceeds;

(b) the historical financial performance and condition of the Group;

(c) the reasonableness of the terms of the Proposed Placement;

(d) the financial effects of the Proposed Placement and the Proposed Scheme Share Issue on the Group; and

(e) other relevant considerations.

5.1 Rationale of the Proposed Placement and use of proceeds

The rationale of the Proposed Placement and use of proceeds, as set out in section 2.8 of the Circular, is reproduced in italics below:

"Based on the latest available draft management accounts of the Company as at 31 May 2016, the Company's current liabilities (excluding contingent liabilities) were in the aggregate sum of approximately S$1.25 million, which far exceeded its current assets of approximately S$0.41 million. In particular, the Company only had cash and bank balances in the sum of S$14,700.20. In addition, the Company had contingent liabilities in the sum of approximately S$14.33 million as at 31 May 2016, of which approximately S$7.03 million were unsecured debts owed to certain of the Existing Creditors.

Since 31 May 2016, the aggregate liabilities owed by the Company to the Existing Creditors had increased due to the accumulation of contractual interest under the corporate guarantees to the bank creditors as well as further services and/or fees incurred to certain other Existing Creditors. At the same time, the cash balance of S$14,700.20 has since been fully utilised by the Company.

In view of the foregoing, the Company requires funds in order to carry out the Scheme and restructure its debts and liabilities. The gross proceeds from the Proposed Placement will be S$1,000,000. The Company intends to use up to 25% of the proceeds from the Proposed Placement for the payment of professional fees in relation to this Proposed Placement and the Scheme and fund the Company's working capital to facilitate the restructuring, and the balance 75% of the proceeds from the Proposed Placement to compromise in full all actual and contingent claims against the Company pursuant to the Scheme.

The Board is of the opinion that, after taking into consideration that there are no bank facilities available to the Group:

(a) the working capital available to the Group is not sufficient to meet its present requirement; and

(b) with the net proceeds of the Proposed Placement, the working capital available to the Group will not be sufficient to meet its present requirements.

The Board is of the view that the Proposed Placement is crucial in the restructuring of the Company's debts and liabilities and allows the Company to explore and undertake any future business or restructuring plans so that the Company is better placed for negotiations with potential investors to invest and/or inject new businesses into the Group and to formulate a trading resumption proposal for submission to the SGX-ST by 31 October 2017.

In addition, at the time when the Company commenced discussions with its creditors on possible debt restructuring plans, the Proposed Placement and the Scheme were the only viable debt restructuring proposal for the Company and its creditors as the Company had not received any other formal and/or reasonably viable debt restructuring proposals. The Scheme has since been unanimously approved by the Participating Creditors at the Court Meeting and has taken effect on and from 22 March 2017, when a copy of the court order sanctioning the Scheme was lodged with ACRA.

The Company believes that the Proposed Placement will allow the Company to address its solvency issues, facilitate the execution of any future business or restructuring plans and provide an opportunity for Shareholders to benefit from the potential rehabilitation of the Company. The Proposed Placement is an integral aspect of the Company's debt restructuring plan, and if the Proposed Placement is not approved, the Scheme which has been approved by the Participating Creditors and sanctioned by the Court may not be consummated."

5.2 Historical Financial Performance and Condition of the Group

The salient historical financial information of the Group for the financial years ended 31 December 2013, 31 December 2014 and 31 December 2015 ("**FY2013**", "**FY2014**" and "**FY2015**" respectively) is set out below:

Consolidated Statement of Comprehensive Income	**-----Audited-----**	**----------Unaudited----------**	
(S$'000)	**FY2013**	**FY2014 (restated)[1]**	**FY2015**
Revenue	32,992	39,990	23,240
Gross profit/ (loss)	5,845	7,555	(1,015)
Profit/ (loss) before income tax	(1,896)	207	(13,793)
Profit/ (loss) attributable to owners of the Company	(1,842)	213	(13,753)

Statements of Financial Position	**-----Audited-----**	**----------Unaudited----------**	
(S$'000)	**31 December 2013**	**31 December 2014 (restated)[1]**	**31 December 2015**
Current assets[2]	47,159	37,230	29,477
Current liabilities	28,884	23,982	27,244
Working capital	18,275	13,248	2,233
Non-current assets	2,720	2,412	234
Non-current liabilities	6,659	6,154	27
Equity attributable to owners of the Company	14,306	9,475	2,497

Consolidated Statement of Cash Flows	**-----Audited-----**	**----------Unaudited----------**	
(S$'000)	**FY2013**	**FY2014 (restated)[1]**	**FY2015**
Net cash from/ (used in) operating activities	(3,487)	(2,874)	7,867
Net cash (used in) investing activities	(224)	(26)	(120)
Net cash from/ (used in) financing activities	9,787	(4,418)	(7,558)
Net increase/ (decrease) in cash and cash equivalents	6,076	(7,318)	189
Cash and cash equivalents at end of financial year[3]	7,232	(86)	103

Source: Annual report of the Group for FY2014 and announcement of the Group's unaudited financial statements for FY2015 with restated FY2014 figures.

Notes:

(1) As disclosed in the announcement by the Special Committee of the Company titled "Update on Review by Special Committee" dated 31 May 2016, BDO LLP was engaged by Jason Parquet Specialist (Singapore) Pte. Ltd. ("**JPS**") to perform certain agreed-upon procedures ("**AUPs**") on the revenue and cost of goods sold ("**COGS**") of JPS for the six-month financial period ended 30 June 2015 ("**HY2015**"). In the same announcement, BDO found that: (i) S$4.3 million of material-off-site claims that did not meet the revenue recognition criteria were recognised as revenue for HY2015, (ii) the revenue schedule as at 30 June 2015 was not reconciled to the general ledger for HY2015, and (iii) the COGS of each project under review was not reconciled from the project actual cost schedule to the general ledger. As such, comparative results for FY2014 have been restated to include the material-off-site adjustment resulting in restatement of revenue by approximately $145,000 and cost of sales by approximately $60,000.

(2) A property loan of S$6.0 million taken by JPS was secured by the legal mortgage of the Group's leasehold land and building ("**Mortgaged Property**"), and supported by a corporate guarantee by the Company. Subsequent to the financial year ended 31 December 2015, as announced by the Company on 9 May 2016, the mortgagee of the Mortgaged Property has appointed receivers over the Mortgaged Property. The net book value of the Mortgaged Property was S$8,600,000 as at 31 December 2015 (31 December 2014: S$1,825,000). The Mortgaged Property has been reclassified as a current asset as at 31 December 2015. On 3 March 2017, the Company announced the completion of the sale of the Mortgaged Property on 28 February 2017.

(3) After netting off bank overdraft.

Shareholders should note that as disclosed in the unaudited FY2015 results announcement on 1 June 2016, the Company highlighted that the unaudited FY2015 results were subject to certain limitations relating to the preparation of the financial statements (the "**Limitations**") including, *inter alia*, the findings relating to the AUPs by BDO LLP and that the FY2015 results have not been reviewed or audited by the independent auditor.

In addition, the Board was of the view that as at the date of the unaudited FY2015 results announcement, there could be a potential material impact on the going concern assumption used in the preparation of the Group's consolidated financial statements for FY2015 and potential qualification(s) and / or disclaimer(s) by the independent auditor, BDO LLP, on the Group's consolidated financial statements for FY2015.

We note the following:

(a) the Group's total revenue increased by S$7.0 million from S$33.0 million in FY2013 to S$40.0 million in FY2014, mainly due to an increase in revenue contribution from the Distribution segment[2], attributable to significant improvement in contribution from the China market, while the Myanmar market also recorded maiden contribution in FY2014.

The Group's total revenue decreased by S$16.8 million from S$40.0 million in FY2014 to S$23.2 million in FY2015, arising from a decrease in (i) revenue from the Projects segment[3] by 42.8% or S$11.8 million, mainly due to the continued challenging conditions faced by its main contractor customers in the construction industry in Singapore arising from property cooling measures implemented by the government and due to less upgrading of units by its retail customers, (ii)

[2] The Distribution segment business is the trading of timber marble, granite flooring, wall panel and table top to the retailers.

[3] The Projects segment business is providing timber, marble and granite flooring, wall panel and countertop solutions to private and public residential and commercial property developments.

Distribution segment revenue by 39.8% or S$4.9 million in FY2015 as compared to FY2014 as the Group faced a decline in the construction industry in the countries in which it operated, and (iii) a S$3.0 million discount given to customers;

(b) the Group's gross profit increased by S$1.7 million from S$5.8 million in FY2013 to S$7.6 million in FY2014. This was mainly due to (i) more projects under the Projects and Distribution segments that commanded higher value pricing, (ii) a significant decrease in the cost of timber per revenue dollar from the Projects segment, and (iii) a decrease in subcontract costs from the Projects segment due to better cost management.

The Group turned a gross loss of S$1.0 million in FY2015 mainly due to a decline in the profit margin of the Projects segment from a gross profit margin of 18.8% in FY2014 to a gross loss margin of 14.4% in FY2015. This was mainly attributed to a (i) S$2.7 million write-off of inventories, (ii) a S$3 million discount given to customers, and (iii) an increase in labour and subcontractor cost per revenue dollar from the Projects segment from 21.0% in FY2014 to 31.0% in FY2015 also contributed to the drop in gross margin;

(c) the Group turned a net profit before tax of S$0.2 million in FY2014 as compared to a net loss of S$1.9 million in FY2013, mainly attributable to (i) the increase in gross profit from FY2013 to FY2014 as discussed above, and (ii) a decrease in other expenses by S$0.9 million from FY2013 to FY2014. The decrease in other expenses was mainly due to the absence of an allowance made in FY2013 for doubtful trade receivables of S$0.6 million due from Poh Lian Construction (Pte.) Ltd. and Qing Bee Enterprise, and a reversal of allowance in FY2014 for doubtful trade receivables amounting to S$0.3 million.

The Group incurred a net loss before income tax of S$13.8 million in FY2015 as compared to a net profit before income tax of S$0.2 million in FY2014, mainly due to (i) the decrease in gross profit from FY2014 to FY2015 as discussed above, and (ii) a increase in other expenses by S$5.2 million from FY2014 to FY2015. The increase in other expenses was mainly due to a S$0.7 million increase in allowance for doubtful trade receivables in FY2015, other receivables written off of S$2.9 million from irrecoverable deposits during the year and the provision for performance bond call amounting to S$1.5 million in FY2015;

(d) the Group's working capital had gradually declined from S$18.3 million as at 31 December 2013 to S$2.2 million as at 31 December 2015;

(e) the Group's equity attributable to owners of the Company decreased from a S$14.3 million as at 31 December 2013 to S$2.4 million as at 31 December 2015, mainly due to the net loss of S$13.8 million incurred in FY2015;

(f) the Group recorded operating cash outflows of S$3.5 million and S$2.9 million in FY2013 and FY2014 respectively as compared to an operating cash inflow of S$7.9 million in FY2015, mainly due to the decrease in trade and other receivables and the increase in trade and other payables in FY2015.

The Group utilised cash outflows from investing activities of S$0.2 million, S$26,000 and S$0.1 million in FY2013, FY2014 and FY2015 respectively. The increase in investing cash outflow in FY2015 mainly arose from purchase of plant and equipment.

The Group recorded a net financing cash inflow of S$9.8 million in FY2013, as compared to net financing cash outflows of S$4.4 million and S$7.6 million in FY2014 and FY2015 respectively. The increase in cash used in financing activities

in FY2015 was mainly due to the repayment of a loan from director and a reduction in bank borrowings; and

(g) the Group's cash and cash equivalents had generally been decreasing from S$7.2 million in FY2013 to S$0.1 million in FY2015.

Furthermore, as set out in section 2.8 of the Circular, based on the latest available draft management accounts of the Company as at 31 May 2016, the Company's current liabilities (excluding contingent liabilities) were in the aggregate sum of approximately S$1.25 million, which far exceeded its current assets of approximately S$0.41 million. In particular, the Company only had cash and bank balances in the sum of S$14,700.20. In addition, the Company had contingent liabilities in the sum of approximately S$14.33 million as at 31 May 2016, of which approximately S$7.03 million were unsecured debts owed to certain of the Existing Creditors.

Since 31 May 2016, the aggregate liabilities owed by the Company to the Existing Creditors had increased due to the accumulation of contractual interest under the corporate guarantees to the bank creditors as well as further services and/or fees incurred to certain other Existing Creditors. At the same time, the cash balance of S$14,700.20 has since been fully utilised by the Company.

A summary of the salient announcements and key events relating to the Group for the period commencing 12 months prior to the Announcement Date and ending on the Latest Practicable Date is set out below:

Date	Event
4 January 2016	Announcement on the lapse of long stop date of the sale and purchase agreements in respect of the proposed acquisition of the entire share capital of Top Creation Investment (HK) Limited and the remaining 40% shareholding interests in White Cubic Pte. Ltd. and the termination of the proposed renounceable non-underwritten rights issue.
8 January 2016	Announcement on request for trading halt pending the release of an announcement.
13 January 2016	Announcement on request for voluntary suspension with immediate effect as the trading halt requested on 8 January 2016 had expired.
14 January 2016	Announcement on material findings noted in the internal auditors' report ("**IA Report**") on, *inter alia*, (i) the potential overstatement of approximately S$2 million in the profit and loss position of the Group for HY2015 due to lapses in the Group's internal controls systems of timely and adequate recording of transactions, (ii) the commissioning of its external auditors to perform certain AUPs on the Group's revenue and COGS for HY2015 and to quantify the amount of misstatement in the HY2015 results announcement, and (iii) the commissioning of a special independent committee ("**Special Committee**") to review the findings of the IA Report in detail, as well as to conduct a comprehensive review and assessment of the cash flow projections for the Group in the next 12 months.
29 February 2016	Announcement on application made to SGX-ST for a two-month extension of time to announce the Group's unaudited full year results for FY2015 from the current deadline of 29 February 2016 to 30 April 2016, and a two-month extension of time to hold its annual general meeting for FY2015 from the current deadline of 30 April 2016 to 30 June 2016 (collectively, the "**Extension Application**").

Date	Event
18 March 2016	Announcement on the receipt of waiver from SGX-ST, with no objection to the Extension Application subject to certain conditions.
31 March 2016	Announcement on the receipt of a litigation claim against JPS by Far East Engineering & Construction Pte Ltd ("**FEEC**"), a sub-contractor of JPS where FEEC executed the orders of court by way of writs of seizure and sale on certain assets of JPS at JPS' warehouse and premises.
5 April 2016	Announcement on the receipt of a claim by Radwell Pte Ltd ("**Radwell**"), a substantial shareholder of the Company, against JPS, for a sum of approximately S$1.3 million, being an alleged claim for declared dividends which were converted into a loan from Radwell which is still outstanding.
8 April 2016	Announcement on the receipt of a claim by DBS Bank Ltd ("**DBS**"), against each of the Company and JPS for the sum of approximately S$7.29 million pursuant to banking facilities which were cancelled in the same letter of demand.
18 April 2016	Announcements regarding the resignation of Mr. Andrew Loke Yew Kong as Group Financial Controller and Company Secretary and the appointment of Ms. Alison Yong Mue Fun as Group Financial Controller and Company Secretary.
25 April 2016	Announcement on the 2nd application for a 16 days extension of time to announce its unaudited full year results for FY2015 and to hold its annual general meeting for FY2015, and a two-month extension of time to announce its unaudited quarterly results for the three-month financial period ended 31 March 2016 ("**3M2016**") from the current deadline of 15 May 2016 to 15 July 2016 (collectively, the "**2nd Extension Application**").
27 April 2016	Announcement on a charge by the Ministry of Manpower ("**MOM**") with one count of failing to take adequate safety measures at a workplace under section 12(2) read with section 50(b) of the Workplace Safety and Health Act (the "**MOM Charge**").
3 May 2016	Announcement on application to wind up JPS by Radwell, pursuant to the statutory demand received on 5 April 2016 (the "**Winding Up Application**").
9 May 2016	Announcement on receipt of approval by the Accounting and Corporate Regulatory Authority for the extension of time to hold the Company's annual general meeting for FY2015 to 30 June 2016.
9 May 2016	Announcement on the appointment of joint and several receivers ("**Receivers**") of the JP Building located at 16 Tampines Street 92, Singapore 528873 ("**Mortgaged Property**") by DBS, being the mortgagee under the mortgage in respect of the Mortgaged Property.
10 May 2016	Announcement on the receipt of a claim by Malayan Banking Berhad ("**MBB**") against each of the Company and JPS, demanding for immediate repayment of the sum amounting to approximately S$1.7 million that is due and owing under the banking facilities granted by MBB to JPS, the repayment of which was guaranteed by the Company.
12 May 2016	Announcement on the 3rd application (to supersede the 2nd Extension Application) for a further one month extension of time to announce its unaudited full year results for FY2015 and to hold its annual general meeting for FY2015, and a two and a half months extension to announce its unaudited quarterly results for 3M2016 from the current deadline of 15 May 2016 to 31 July 2016 (collectively, the "**3rd Extension Application**").

Date	Event
17 May 2016	Announcements on, *inter alia*, the following: (a) A demand by Australia and New Zealand Banking Group Limited, Singapore Branch ("**ANZ**") for full repayment of the sum amounting to approximately S$1.69 million that is due and owing under banking facilities granted by ANZ to JPS, the repayment of which was jointly and severally guaranteed by the Company, Mr. Jason Sim Chon Ang and Mr. Sim Choon Joo (the "**JPS Directors**") (the "**ANZ Demand**"); (b) the termination of a dormitory tenancy agreement with Labourtel Management Corporation Pte. Ltd.; (c) a claim by Soil-Build (Pte.) Ltd. ("**Soil-Build**"), the main contractor of a sub-contract for installation of timber entered into with JPS against Etiqa Insurance Pte. Ltd. ("**Etiqa**"), the issuer of a performance bond executed in favour of Soil-Build, demanding for immediate repayment of the sum amounting to approximately S$100,000 that is due and owing by Etiqa under the terms of the performance bond; and (d) a number of other claims by various contractors against JPS comprising that from SAC Freight Pte Ltd, Bostik Findley (Malaysia) Sdn Bhd (Singapore Branch), Safeplux Electrical Engineering Pte Ltd, Blue Star Engineering & Construction Pte Ltd and Nidhi Engineering & Construction Pte Ltd.
17 May 2016	Announcement on the receipt of a claim by United Overseas Bank Limited ("**UOB**") against each of the Company and JPS, demanding for immediate repayment of the sum amounting to approximately S$1.77 million pursuant to certain banking facilities granted by UOB to JPS, the repayment of which was guaranteed by the Company.
18 May 2016	Announcement on the receipt of a claim by Tati Trading Pte Ltd ("**Tati**") against JPS demanding for repayment of the sum of approximately S$505,000 that is due and owing by JPS.
20 May 2016	Announcement on the adjournment of hearing before the High Court for the Winding Up Application by Radwell against JPS to 10 June 2016.
21 May 2016	Announcement on the receipt of claims against JPS from Salsagoff Engineering Pte Ltd for the repayment of the sum of approximately S$110,000 and FRR Construction Pte Ltd for the repayment of approximately S$40,000.

Date	Event
25 May 2016	Announcement on, *inter alia*, (a) the appointment of Ernst & Young Advisory Pte. Ltd. ("**EY**") to perform a review of the findings of the IA Report and conduct an assessment into certain account balances of the Income Statement and Balance Sheet of JPS for FY2015, and Ernst & Young Solutions LLP to provide financial advisory services; (b) the potential breaches of fiduciary duties in the management and the administration of JPS highlighted in the report by EY ("**EY Report**"); (c) the legal advice sought by the Special Committee on the legal implications of the findings in the EY Report and the preliminary assessment of the legal counsel; and (d) the following measures to be implemented by the Special Committee to safeguard the interests and assets of the Group and protect the interests of minority shareholders of the Company: (i) suspend Mr. Jason Sim Chon Ang from his position as CEO of the Group, following which he shall remain a non-executive director of the Company; (ii) suspend Mr. New Sze Wei from his key executive position as Operations Director of the Group; and (iii) look into the appointment of an interim CEO, who shall report directly to the Special Committee and shall report any irregularities to the Special Committee and the Board.
25 May 2016	Announcement on, *inter alia*, the receipt of a letter from SGX-ST, among other matters, directing the Board to comply with Rule 720 of the Catalist Rules with immediate effect and that the SGX-ST's approval must therefore be sought should there be any proposed change to the composition of the Board and/or key executive officers, and the receipt of a notice of resignation of Mr. New Sze Wei on 1 May 2016.
26 May 2016	Announcement on the receipt of claims by Hyundai Engineering & Construction Co, Ltd on performance bonds issued by Ergo Insurance Pte. Ltd. and Etiqa Insurance Berhad for the immediate repayment of the sum amounting to approximately S$160,000 and S$400,000 respectively.
1 June 2016	Announcement on, *inter alia*, the findings of the agreed-upon procedures performed by BDO LLP ("**BDO AUP Findings**") and the restatement of unaudited HY2015 financial statements, with adjustment of S$4.3 million made to the revenue for HY2015 as certain material-off-site claims did not meet the criteria to be recognised as revenue and correspondingly, the same amount was reversed from trade and other receivables in the HY2015 financial results.
1 June 2016	Announcement of the unaudited results for FY2015 financial statements (with the restated comparative unaudited results for FY2014 to include the material-off-site adjustment), which reported a net loss attributable to owners of the Company of S$13.8 million in FY2015, as compared to a net profit of S$0.2 million in FY2014.

Date	Event
2 June 2016	Announcements on, *inter alia*, (i) the commencement of legal suit by ANZ against the JPS Directors in relation to the ANZ Demand (the "**ANZ Suit**"), (ii) the termination of a hire-purchase agreement by MBB and a letter of demand demanding for repayment of the sum of approximately S$116,000 that is due and owing by JPS pursuant to the hire-purchase agreement, and (iii) a claim by Tiong Seng Contractors (Pte.) Ltd. demanding for repayment of the sum of approximately S$390,000 that is due and owing by JPS.
3 June 2016	Announcement on the receipt of waiver from SGX-ST, with no objection to the 3rd Extension Application, subject to certain conditions.
8 June 2016	Announcement on JPS' admission to the MOM Charge and JPS was convicted and sentenced to pay a fine of $110,000.
9 June 2016	Announcement on the receipt of claims against JPS from Mega Coating Private Limited for the repayment of the sum of approximately S$92,000 and Enfield Chemicals Singapore Pte Ltd for the repayment of approximately S$22,000.
10 June 2016	Announcement on the appointment of Mr. Chee Yoh Chuang and Mr. Abuthahir Abdul Gafoor, both care of RSM Corporate Pte Ltd, as joint and several liquidators of JPS, as a result of the court order for JPS to be wound up pursuant to the Winding Up Application.
15 June 2016	Update announcement on, *inter alia*, the following: (a) FEEC's failure to complete the writs of seizure and sale proceedings before the commencement of the Winding Up Application by Radwell against JPS and hence, it will not be able to enforce the writs of seizure and sale; and (b) Tati will not be pursuing the letter of demand through the commencement of legal action as stocks in JPS warehouse were given to Tati to offset approximately S$435,000 owing to Tati.
30 June 2016	Announcement on the resignation of Mr. Teo Meng Keong as Company Secretary of the Company with effect from 30 June 2016.
18 July 2016	Update announcement on, *inter alia*, that the JPS Directors had filed their defence in respect of the ANZ Suit on 23 June 2016.
20 July 2016	Announcement on the 4th extension application for the extension of time to hold its annual general meeting for FY2015 ("**FY2015 AGM**") to such date whereby the FY2015 AGM shall be held within two months of finalising the creditors agreement ("**Creditors Agreement**") pursuant to the liquidation of JPS, and an extension to announce its unaudited 3M2016 financial results from the current deadline of 31 July 2016 to such date whereby the 3M2016 financial results shall be announced within 2 months of finalising the Creditors Agreement (collectively, the "**4th Extension Application**").
4 August 2016	Announcement on the change in registered office of the Company to 11 Tampines Street 92, #03-05, Tampines BizHub, Singapore 528872 with effect from 5 August 2016.
4 August 2016	Announcement on investigations by the Commercial Affairs Department ("**CAD**") against Mr. Jason Sim Chon Ang on a possible offence under the Penal Code (Chapter 224), pursuant to the provisions of the Criminal Procedure Code (Chapter 68, 2012 Revised Edition).

Date	Event
6 August 2016	Clarification announcement on the news articles published in The Straits Times and The Business Times that as far as the Board is aware, the investigations conducted by CAD on a possible offence under the Penal Code are only against Mr. Jason Sim Chon Ang and not against JPS.
16 September 2016	Announcement on the interviews of Mr. New Sze Wei, an employee of JPS, and Ms. Amy Chan Mei Lin, a former employee of JPS, by the CAD in relation to an investigation on a possible offence under the Penal Code.
16 September 2016	Announcement on the receipt of a claim against the Company by KPMG Services Pte. Ltd. ("**KPMG**") for payment of the sum of approximately S$41,000, in respect of tax invoices issued by KPMG for services rendered and disbursements incurred.
20 September 2016	Update announcement on, *inter alia*, the liquidation of JPS whereby the joint and several liquidators of JPS had a creditors' meeting on 1 September 2016 with JPS' creditors to update the status of the liquidation of JPS.
2 October 2016	Announcement on the receipts of (i) a statutory demand from ANZ against the Company for repayment of the sum amounting to approximately S$1.74 million that is due and owing by the Company as guarantors for banking facilities granted by ANZ to JPS, and (ii) a claim from ShareInvestor Pte Ltd for repayment of the sum amounting to approximately S$5,900 that is due and owing by the Company pursuant to an unpaid invoice.
3 October 2016	Announcement on the receipt of statutory demands by the JPS Directors from ANZ for the repayment of the sum amounting to approximately S$1.74 million in relation to the ANZ Demand.
12 October 2016	Announcement on, *inter alia*, the seizure of a total of 51,028,000 ordinary shares held by Mr. Jason Sim Chon Ang pursuant a judgment obtained by CIMB Securities in its claim against Mr. Jason Sim Chon Ang for approximately S$1.3 million.
21 October 2016	Announcement on the receipt of a letter from SGX-ST, stating that the SGX-ST is unable to accede to the Company's request for the 4th Extension Application as there is no clear certainty that subsequent to the completion of the liquidation of JPS, the Company would have the ability to meet the extended deadlines applied for.
16 November 2016	Announcement on, *inter alia*, the application to wind up the Company by ANZ pursuant to the elapsed of 21 days since the service of the statutory demand to the Company (the "**ANZ Winding Up Application**").
1 December 2016	Announcement on bankruptcy application filed against Mr. Sim Choon Joo by ANZ on 10 November 2016, pursuant to the elapsed of 21 days since the service of the statutory demand to Mr. Sim Choon Joo (the "**SCJ Bankruptcy Application**").
3 December 2016	Announcement on, *inter alia*, the filing of an application for the Scheme with the Court by the Company, proposed to be made between the Company and its creditors.
3 December 2016	Announcement on bankruptcy application filed against Mr. Jason Sim Chon Ang by ANZ on 10 November 2016, pursuant to the elapsed of 21 days since the service of the statutory demand to Mr. Jason Sim Chon Ang (the "**Jason Bankruptcy Application**").
5 December 2016	Announcement on the adjournment of hearing before the Court for the ANZ Winding Up Application in light of the Company's application for the Scheme.

Date	Event
8 December 2016	Announcement on, *inter alia*, the Scheme granted by the Court on 7 December 2016, subject to certain terms.
21 December 2016	Announcement of the Placement Term Sheet with the Subscriber.
22 December 2016	Announcement on the adjournment of hearing before the Court for the SCJ Bankruptcy Application and the Jason Bankruptcy Application by ANZ to 5 January 2017, pending settlement negotiations between the parties.
5 January 2017	Announcement on the adjournment of hearing before the Court for the SCJ Bankruptcy Application and the Jason Bankruptcy Application by ANZ to 26 January 2017.
26 January 2017	Announcement on the adjournment of hearing before the Court for the SCJ Bankruptcy Application and the Jason Bankruptcy Application by ANZ to 9 February 2017 for settlement discussion between the parties.
28 January 2017	Announcement on, *inter alia*, (i) the application to SGX-ST on 5 January 2017 for an extension of time to submit a proposal through its sponsor to SGX-ST with a view to resume trading in the Company's Shares (the "**Resumption Proposal**") by 12 January 2017, and (ii) the receipt of no objection by SGX-ST on 27 January 2017 to granting an extension of time for the Resumption Proposal to 31 October 2017, subject to certain conditions.
2 February 2017	Announcement on, *inter alia*, the approval of the Scheme by the Scheme Creditors at the Court Meeting convened on 1 February 2017.
9 February 2017	Announcement on the adjournment of hearing before the Court for the SCJ Bankruptcy Application and the Jason Bankruptcy Application by ANZ to 23 February 2017 for settlement discussion between the parties.
16 February 2017	Announcement on the grant of extension of time from the Court for the Moratorium[4] to 31 March 2017.
22 February 2017	Announcement on the filing of an application for Court sanction of the Scheme and the hearing of the sanction application has been fixed on 15 March 2017.
24 February 2017	Announcement on the adjournment of hearing before the Court for the SCJ Bankruptcy Application and the Jason Bankruptcy Application by ANZ to 16 March 2017 for settlement discussion between the parties.
27 February 2017	Announcement on, *inter alia,* the entry into the Placement Agreement with the Subscriber.
28 February 2017	Clarification to the announcement dated 27 February 2017 on the entry of the Placement Agreement on that, *inter alia*, each of Mr. Wui Heck Koon, Mr. Karam Singh Parmar, Mr. Tan Lai Heng, Mr. Jason Sim Chon Ang and Mr. Sim Choon Joo, being Directors, had submitted their proof of debt and, subject to adjudication of their proofs of debt, may be Participating Creditors who are entitled to be allotted and issued Scheme Shares in accordance with the terms of the Scheme.

[4] Based on the announcement by the Company on 3 December 2016, the filing of an application for the Scheme includes the Moratorium whereby no action or proceeding in Singapore shall be proceeded with, continued or commenced against the Company except with leave of the Court pursuant to Section 210(10) of the Act, such Moratorium to apply for 4 months from the date of the order of Court until the approval and sanction of the Scheme, with the Company be at liberty to apply for an extension of the Moratorium.

Date	Event
3 March 2017	Announcement on the completion of the sale of the Mortgaged Property by the Receivers on 28 February 2017 and the transfer of the Mortgaged Property was made to the purchaser, Evorich Holdings Pte. Ltd., for a consideration of S$8.3 million. In addition, the proceeds of S$8.3 million had been used to repay professional fees and incidental costs, and borrowings from DBS and the balance proceeds of S$103,601 shall be returned to JPS.
16 March 2017	Announcements on, *inter alia*, the sanction of the Scheme by the Court on 15 March 2017, and the adjournment of hearing before the Court for the SCJ Bankruptcy Application and the Jason Bankruptcy Application by ANZ to 13 April 2017 for settlement discussion between the parties.
22 March 2017	Announcement on summons issued by MOM ("**MOM Summons**") pursuant to Sections 115 and 153(1) of the Criminal Procedure Code (Cap. 68) against Mr. Jason Sim Chon Ang.
27 March 2017	Announcement on the lodgement of the court order sanctioning the Scheme with the Accounting and Corporate Regulatory Authority of Singapore and the Scheme taking effect on and from 22 March 2017.
4 April 2017	Announcement on the adjournment of the mention in relation to the MOM Summons to 25 April 2017 for Mr. Jason Sim Chon Ang to submit his written representations.
17 April 2017	Announcement on the adjournment of hearing before the Court for the SCJ Bankruptcy Application and the Jason Bankruptcy Application by ANZ to 25 May 2017 for further settlement discussion between the parties.
26 April 2017	Announcement on the adjournment of the mention in relation to the MOM Summons to 16 May 2017 for the prosecutors to consider their reply to representations from Mr. Jason Sim Chon Ang.
4 May 2017	Announcement on the receipt of the listing and quotation notice on 3 May 2017 from the SGX-ST for the listing of, and quotation for the 2,000,000,000 Placement Shares and 513,253,613 Scheme Shares, subject to certain conditions.

Shareholders should further take note of any announcements which may be released by the Company after the Latest Practicable Date which are relevant to the Proposed Placement, the Proposed Scheme Share Issue and other related corporate actions.

5.3 The reasonableness of the terms of the Proposed Placement

5.3.1 Financial position of the Group

Based on the latest announced unaudited financial statements of the Group for FY2015 announced on 1 June 2016, the Group recorded a net asset value ("**NAV**") of S$2.5 million as at 31 December 2015, or a NAV per share of S$0.0116 based on 216,000,000 issued Shares. Accordingly, the Placement Price of S$0.0005 represents a discount of 95.7% to the unaudited NAV per Share as at 31 December 2015.

However, Shareholders should note that as disclosed in the unaudited FY2015 results announcement, the Company highlighted that the unaudited FY2015 results were subject to certain Limitations including, *inter alia*, the findings relating to the AUPs by BDO LLP and that the FY2015 results have not been reviewed or audited by the independent auditor. In addition, the Board was of the view that as at the date of the unaudited FY2015 results announcement, there could be a potential material impact on the going concern assumption used in the preparation of the Group's consolidated financial statements for FY2015 and potential qualification(s) and / or disclaimer(s) by the independent auditor, BDO LLP, on the

Group's consolidated financial statements for FY2015.

Furthermore, we note that as set out in section 2.8 of the Circular, based on the latest available draft management accounts of the Company as at 31 May 2016, the Company's current liabilities (excluding contingent liabilities) were in the aggregate sum of approximately S$1.25 million, which far exceeded its current assets of approximately S$0.41 million. In particular, the Company only had cash and bank balances in the sum of S$14,700.20. In addition, the Company had contingent liabilities in the sum of approximately S$14.33 million as at 31 May 2016, of which approximately S$7.03 million were unsecured debts owed to certain of the Existing Creditors.

Since 31 May 2016, the aggregate liabilities owed by the Company to the Existing Creditors had increased due to the accumulation of contractual interest under the corporate guarantees to the bank creditors as well as further services and/or fees incurred to certain other Existing Creditors. At the same time, the cash balance of S$14,700.20 has since been fully utilised by the Company.

Based on the foregoing, we understand from the Directors that the Company and the Group[5] is in a net liabilities position based on the latest available management accounts of the Company. Therefore, the Placement Price of S$0.0005 represents a premium over the net liabilities position of the Group as at 31 May 2016 based on the latest available management accounts of the Company.

The Directors have also confirmed that, to the best of their knowledge and belief, the Group continues to remain in a net liabilities position as at the Latest Practicable Date.

Therefore, we wish to highlight that our analyses in relation to the financial position of the Group are subject to the limitations set out above.

5.3.2 Historical market prices of the Shares

On 8 January 2016, the Company requested a trading halt of the Shares. On 14 January 2016, the Company announced that it had, on 6 January 2016, received the IA Report from the Internal Auditors on the findings of the AUPs which covered the six-month period ended 30 June 2015. The IA Report highlighted material findings, *inter alia*, where there had been lapses in the Group's internal controls systems in respect of timely and adequate recording of transactions, resulting in the failure to identify omissions in the recognition of cost of goods sold in relation to certain revenue recognised in the six-month period ended 30 June 2015. In view of the lack of clarity on the quantum of misstatement in relation to the financial results for the period ended 30 June 2015, the trading halt of the Shares was converted to a trading suspension on 13 January 2016.

Prior to the trading suspension, the last transacted price of the Shares was S$0.062 on 5 January 2016. Based on the then-latest publicly available financial information of the Group, being its unaudited financial statements for the 6 months ended 30 June 2015 ("**6M2015**") which was announced on 14 August 2015, the Group recorded a net profit of S$0.3 million for 6M2015 and shareholders' equity amounted to S$15.0 million (or S$0.070 per Share) as at 30 June 2015. In comparison, based on the latest available draft management accounts as at 31 May 2016 set out in section 2.8 of the Circular, the Group is in a net liabilities position as at 31 May 2016.

[5] Comprising its wholly-owned subsidiary, Jason Parquet Specialist (Singapore) Pte. Ltd., and its 60% equity interest in White Cubic Pte. Ltd. Based on the announcement by the Company on 10 June 2016, Jason Parquet Specialist (Singapore) Pte. Ltd. has been placed in compulsory liquidation. We further understand from the Directors that White Cubic Pte. Ltd. was in a net liabilities position as at 31 May 2016.

Having regard to the trading suspension which had been in effect since January 2016 and the significant deterioration in the Group's operating performance and shareholders' equity since then, we are of the view that it would not be meaningful to benchmark the Placement Price against the historical market prices of the Shares.

5.3.3 Terms of the Placement Price and the Scheme Issue Price

We note that the Placement Price of S$0.0005 per Share that will be allotted and issued to the Subscriber is lower than the Scheme Issue Price of S$0.001 per Share that will be allotted and issued to the Participating Creditors under the Scheme.

Notwithstanding the above, we have considered the following:

(a) at the time when the Company commenced discussions with its creditors on possible debt restructuring plans, the Proposed Placement and the Scheme were the only viable debt restructuring proposal for the Company and its creditors as the Company had not received any other formal and/or reasonable viable debt restructuring proposals;

(b) in addition to the 513,253,613 Scheme Shares that will be issued to the Participating Creditors at the Scheme Issue Price, the Participating Creditors will be receiving some cash distributions arising from the balance amount of S$750,000 of the gross proceeds from the Proposed Placement;

(c) the Scheme Issue Price was agreed as part of the terms of the Scheme to restructure the Company's debt and liabilities to convert the Existing Creditors' debts into equity;

(d) the rationale of the Scheme, *inter alia*, that the Company believes that the Proposed Scheme Share Issue under the Scheme will allow the Company to address its solvency issues, facilitate the execution of any future business or restructuring plans and provide an opportunity for Participating Creditors to benefit from the potential rehabilitation of the Company. The Proposed Scheme Share Issue is an integral aspect of the Scheme and the Company's debt restructuring plan and if the Proposed Scheme Share Issue is not approved, the Scheme which has been approved by the Participating Creditors and sanctioned by the Court will be terminated;

(e) the Placement Price was negotiated between the Company and the Subscriber after taking into account the current financial condition of the Company and the terms of the Scheme; and

(f) the Proposed Placement is undertaken in connection with the Scheme and the Board's view that the Proposed Placement is crucial in the restructuring of the Company's debts and liabilities and allows the Company to explore and undertake any future business or restructuring plans so that the Company is better placed for negotiations with potential investors to invest and/or inject new businesses into the Group and to formulate a trading resumption proposal for submission to the SGX-ST by 31 October 2017.

5.4 Financial Effects of the Proposed Placement and the Proposed Scheme Share Issue on the Group

The *pro forma* financial effects of the Proposed Placement and the Proposed Scheme Share Issue on the Group have been set out in section 4 of the Circular and are based on the latest audited consolidated financial statements of the Group for FY2014 and the unaudited consolidated financial statements of the Group for FY2015. Such analysis has been prepared strictly for illustrative purposes only and do not reflect the actual financial results or the future financial performance and condition of the Group after the Proposed Placement and the Proposed Scheme Share Issue, including without limitation, the events occurring subsequent to 31 December 2014 or 31 December 2015 (as the case may be) in relation to the Group as publicly disclosed by the Company from time to time. In view of the foregoing, Shareholders and/or investors of the Company are cautioned against placing undue reliance on the unaudited consolidated financial statements for FY2015 and the *pro forma* financial effects of the Proposed Placement and the Proposed Scheme Share Issue disclosed therein. Shareholders should note the bases and assumptions made in the computation of such financial effects set out in the Circular.

We note the following:

(a) based on the Group's latest audited consolidated balance sheet as at 31 December 2014, the NTA per Share of the Group would decrease from 6.81 cents as at 31 December 2014 to 0.01 cents;

(b) based on the Group's latest announced unaudited consolidated balance sheet as at 31 December 2015, the NTA per Share of the Group would decrease from 1.13 cents as at 31 December 2015 to 0.01 cents;

(c) based on the Group's latest audited consolidated statement of comprehensive income for FY2014, the earnings per Share of the Group would decrease from 0.19 cents in FY2014 to 0.02 cents; and

(d) based on the Group's latest announced unaudited consolidated statement of consolidated income for FY2015, the loss per Share of the Group would decrease from 6.37 cents in FY2015 to 0.50 cents.

5.5 Other Relevant Considerations

5.5.1 Inter-conditionality of the Proposed Scheme Share Issue, the Proposed Placement and the Proposed Whitewash Resolution

Shareholders should note that the resolutions relating to the Proposed Scheme Share Issue, the Proposed Placement and the Proposed Whitewash Resolution are inter-conditional upon each other, and none of the above resolutions will be proceeded with in the event that any of the above resolutions are not passed.

Accordingly, if the resolution relating to the Proposed Whitewash Resolution is not passed, none of the resolutions relating to the Proposed Placement and the Proposed Scheme Share Issue would be taken to have been passed, and the Scheme which has been approved by the Participating Creditors and sanctioned by the Court will be terminated.

5.5.2 Absence of alternative debt restructuring proposals

As at the Latest Practicable Date, only the Scheme has been approved by creditors on 1 February 2017 and sanctioned by the Court on 15 March 2017, and we understand that the creditors have agreed to the Scheme taking into consideration of, *inter alia*, the Subscriber undertaking the Proposed Placement.

In addition, we understand that at the time when the Company commenced discussions with its creditors on possible debt restructuring plans, the Proposed Placement and the Scheme were the only viable debt restructuring proposal for the Company and its creditors as the Company had not received any other formal and/or reasonably viable debt restructuring proposals.

5.5.3 Trading halt and subsequent trading suspension of the Shares since 8 January 2016

We note that the trading in the Shares on the SGX-ST had been halted, and subsequently suspended, since 8 January 2016.

As set out in section 2.8 of the Circular, the Board is of the view that the Proposed Placement is crucial in the restructuring of the Company's debts and liabilities and allows the Company to explore and undertake any future business or restructuring plans so that the Company is better placed for negotiations with potential investors to invest and/or inject new businesses into the Group and to formulate a trading resumption proposal for submission to the SGX-ST by 31 October 2017.

Based on the announcement made by the Company on 28 January 2017, it is currently expected that barring unforeseen circumstances, after the completion of the Proposed Placement and the Scheme, the Company would commence to seek potential investors to invest and/or inject new businesses in the Group and to formulate the trading resumption proposal with a view to resume trading in the Shares.

The Proposed Placement and the Proposed Scheme Share Issue under the Scheme represent a viable proposal, which is acceptable to all relevant stakeholders of the Company, towards submitting a trading resumption proposal to the SGX-ST by 31 October 2017 and the resumption of trading of the Shares.

5.5.4 Dilution effect on the Independent Shareholders

The potential changes in the shareholding structure of the Company pursuant to the Proposed Placement and the Proposed Scheme Share Issue, as set out in section 5.5 of the Circular, (i) as at the Latest Practicable Date, (ii) after the Proposed Placement but before the Proposed Scheme Share Issue, and (iii) after the Proposed Placement and the Proposed Scheme Share Issue are set out below:

	As at the Latest Practicable Date		After the Proposed Placement but before the Proposed Scheme Share Issue		After the Proposed Placement and the Proposed Scheme Share Issue[1]	
	Direct Interest No. of Shares	%	Direct Interest No. of Shares	%	Direct Interest No. of Shares	%
Subscriber	42,800,000	19.81	2,042,800,000	92.18	2,042,800,000	74.85
Other Participating Creditors[2]	-	-	-	-	505,741,330[3]	18.53
Independent Shareholders	173,200,000	80.19	173,200,000	7.82	180,712,283	6.62
Total	**216,000,000**	**100.00**	**2,216,000,000**	**100.00**	**2,729,253,613**	**100.00**

Notes:

(1) Assuming that all of ordinary resolutions 3, 4, 5 and 6 relating to the proposed allotment and issue of Scheme Shares to each of Mr. Jason Sim Chon Ang, Mr. Wui Heck Koon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng, being Directors who had submitted their proof of debts and, following adjudication of their proof of debts, are also Participating Creditors who are entitled to be allotted and issued Scheme Shares in accordance with the terms of the Scheme, are approved by Shareholders at the EGM and the maximum number of Scheme Shares stated in ordinary resolutions 3, 4, 5 and 6 are subsequently allotted and issued to these Directors. The number of Scheme Shares proposed to be allotted and issued to the Participating Creditors, including the Directors, are based on the preliminary adjudication of the Scheme Manager and may be subject to changes upon final adjudication of the Scheme Manager.

(2) Other Participating Creditors refers to Participating Creditors other than Mr. Jason Sim Chong Ang, Mr. Wui Heck Khoon, Mr. Karam Singh Parmar and Mr. Tan Lai Heng, who are Directors of the Company.

(3) Assuming such Participating Creditors do not already hold Shares immediately prior to the allotment and issue of the Scheme Shares.

Assuming the completion of the Proposed Placement but before the Proposed Scheme Share Issue, the aggregate shareholding interests of the Subscriber will increase from 19.81% as at the Latest Practicable Date to 92.18% following the allotment and issuance of the Placement Shares.

Assuming the completion of the Proposed Placement and the Proposed Scheme Share Issue, the aggregate shareholding interests of the Subscriber will increase from 19.81% as at the Latest Practicable Date to 74.85% following the allotment and issuance of the Placement Shares.

As set out above, the aggregate shareholding interest of the existing Independent Shareholders (excluding the Other Participating Creditors) may potentially be diluted from 80.19% as at the Latest Practicable Date to 7.82% after the completion of the Proposed Placement but before the Proposed Scheme Share Issue, and to 6.62% after the completion of the Proposed Placement and the Proposed Scheme Share Issue.

5.5.5 Implications of the approval of the Proposed Whitewash Resolution

By voting in favour for the Proposed Whitewash Resolution, the Independent Shareholders will be waiving their rights to receive a general offer for their Shares from the Subscriber at the highest price paid by the Subscriber and his concert parties for the Shares in the six (6) months preceding the commencement of the offer which they would have otherwise been obliged to make for the Shares in accordance with Rule 14 of the Code; and

Pursuant to obtaining the Independent Shareholders' approval for the Proposed Whitewash Resolution, the Subscriber and his concert parties will hold Shares carrying over 49% of the enlarged voting rights of the Company and accordingly, will be free to, as a group, acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer.

5.5.6 Residual value of the Group in the event of winding-up or liquidation

In view of the net liabilities position of the Group based on the latest available draft management accounts as at 31 May 2016, it appears unlikely that Shareholders would be able to realise any value from their Shares in the event of a winding-up or liquidation of the Group in the absence of a successful debt restructuring exercise.

5.5.7 No assurance of improvement to the Group's financial position and performance or enhancement of shareholder value

Shareholders should note that there is no assurance that the injection of new funds from the proceeds of the Proposed Placement and/or the steps taken or future plans to be implemented by the Company after the Proposed Placement and the Scheme to improve its financial position and performance will be successful or would result in an enhancement of shareholder value.

5.5.8 Abstention from voting

As set out in section 13 of the Circular, we note that:

(a) the Subscriber will abstain, and will ensure that his associates will abstain, from voting on the Proposed Placement, and will not accept any nominations to act as proxy for any Shareholder in approving the Proposed Placement at the EGM unless specific instructions as to voting are given by such Shareholder in the proxy instrument; and

(b) pursuant to the Whitewash Waiver granted by the SIC, the Subscriber, parties acting in concert with him and parties not independent of him and his concert parties will abstain from voting on the resolution in respect of the Proposed Whitewash Resolution, and will not accept any nominations to act as proxy for any Shareholder in approving the Proposed Whitewash Resolution at the EGM unless specific instructions as to voting are given by such Shareholder in the proxy instrument.

Accordingly, the Proposed Placement would proceed only if a majority of the Independent Shareholders were to vote in favour of the Proposed Whitewash Resolution.

5.5.9 Shareholders' Undertaking

Mr. Jason Sim Chon Ang and Mr. Sim Choon Joo, who collectively hold approximately 26.12% of the total Shares as at the Latest Practicable Date have unconditionally and irrevocably undertaken to the Subscriber to, *inter alia*, (a) vote their Shares in favour of the resolutions to approve the Proposed Placement and all other matters in connection

therewith at the EGM (including the Proposed Whitewash Resolution) and (b) not sell or otherwise dispose of their respective Shares.

However, as set out in section 2.7 of the Circular, Shareholders should note that the Shares held by Mr. Jason Sim Chon Ang were seized to satisfy the judgment debt for the claim by CIMB against him. Based on information available to the Company as at the Latest Practicable Date, the execution under the writ of seizure and sale has yet to be completed, indicating that CIMB has not completed the sale or transfer of Shares to a purchaser.

In addition, bankruptcy applications had been taken out by ANZ against each of the above Shareholders, and as at the Latest Practicable Date, the hearing of the bankruptcy applications have been adjourned to 25 May 2017. Assuming there are no changes to the aforementioned status up to the date of the EGM, the aforementioned Shareholders remain the registered and legal owners of the Shares and may vote in accordance with the undertakings provided.

6. OUR OPINION AND ADVICE

In arriving at our opinion in respect of the Proposed Whitewash Resolution, we have taken into account the following key considerations:

(a) the rationale for the Proposed Placement and use of proceeds, as set out in paragraph 5.1 of this letter;

(b) the historical financial performance and condition of the Group, as set out in paragraph 5.2 of this letter;

(c) the reasonableness of the terms of the Proposed Placement, as set out in paragraph 5.3 of this letter;

(d) the financial effects of the Proposed Placement and the Proposed Scheme Share Issue on the Group, as set out in paragraph 5.4 of this letter; and

(e) other relevant considerations as follows:

  (i) the inter-conditionality of the Proposed Scheme Share Issue, the Proposed Placement and the Proposed Whitewash Resolution;

  (ii) the absence of alternative debt restructuring proposals, as set out in paragraph 5.5.2;

  (iii) the trading halt and subsequent trading suspension of the Shares since 8 January 2016;

  (iv) the dilution effect on the Independent Shareholders, as set out in paragraph 5.5.4 of this letter;

  (v) the implications of the approval of the Proposed Whitewash Resolution, as set out in paragraph 5.5.5 of this letter;

  (vi) the residual value of the Group in the event of winding-up or liquidation in the absence of a successful debt restructuring exercise;

  (vii) there being no assurance of improvement to the Group's financial position and performance or enhancement of shareholder value after the injection of new funds from the proceeds of the Proposed Placement and/or the steps

taken or future plans to be implemented by the Company subsequent to the Proposed Placement and the Proposed Scheme Share Issue under the Scheme;

(viii) the Subscriber, parties acting in concert with him and parties not independent of him abstaining from voting on the Proposed Whitewash Resolution (as the case may be) at the EGM; and

(ix) the Shareholders' undertaking to the Subscriber to vote in favour of, *inter alia*, the ordinary resolutions relating to the Proposed Placement and the Proposed Whitewash Resolution, as set out in paragraph 5.5.9 of this letter.

Based on the above considerations, we are of the opinion that, on balance, the Proposed Whitewash Resolution, in the context of the Proposed Placement (which terms are fair and reasonable), is not prejudicial to the interests of the Independent Shareholders. Accordingly, we advise the Recommending Directors to recommend the Independent Shareholders to vote in favour of the Proposed Whitewash Resolution.

Our opinion and advice are addressed to the Recommending Directors in connection with and for the purposes of their consideration of the Proposed Whitewash Resolution. The recommendation to be made by them to the Independent Shareholders shall remain the responsibility of the Recommending Directors. Whilst a copy of this letter may be reproduced in the Circular, neither the Company nor the Directors may reproduce, disseminate or quote this letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of SAC Capital Private Limited in each specific case, except for the forthcoming EGM and for the purposes of the Proposed Whitewash Resolution.

Our opinion and advice are governed by, and construed in accordance with, the laws of Singapore. Our opinion and advice are strictly limited to the matters stated herein and do not apply by implication to any other matter.

Yours faithfully
For and on behalf of
SAC CAPITAL PRIVATE LIMITED

Bernard Lim
Executive Director

SCHEME OF ARRANGEMENT DATED 12TH DAY OF JANUARY 2017

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC / OS 1249 / 2016)

In the matter of Section 210 of the Companies Act (Cap. 50)

And

In the matter of **JASON HOLDINGS LIMITED** (Singapore UEN No. 201119167Z)

JASON HOLDINGS LIMITED
(Singapore UEN No. 201119167Z)

… Applicant

SCHEME OF COMPROMISE AND ARRANGEMENT
PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CAP. 50)

Between

JASON HOLDINGS LIMITED
(Singapore UEN No. 201119167Z)

And

THE EXISTING CREDITORS
(AS DEFINED IN THIS SCHEME OF ARRANGEMENT)

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1. PREAMBLE

1.1. The Company was incorporated under the Act on 12 August 2011 and listed on the Catalist Board of SGX-ST on 25 September 2012.

1.2. The Company is a holding company with two subsidiaries, namely Jason Parquet Specialist (S) Pte Ltd (In Compulsory Liquidation) ("**JPS**") and White Cubic Pte Ltd ("**WC**"). JPS is a wholly-owned subsidiary of the Company and was in the business of (i) renovation, contractors and interior design services; and (ii) manufacturing of plywood, parquet, wooden building materials and timber related materials. JPS used to be the Company's main operating subsidiary before it was wound up by the High Court of the Republic of Singapore on 10 June 2016. The Company also owns 60% of the shareholding in WC. WC is in the business of (i) wholesale of ceramic, stone and mosaic tiles; and (ii) brick-laying, stone setting and cement works.

1.3. Based on the financial status of the Company as at 31 May 2016, the Company is practically insolvent as its aggregate liabilities (including contingent liabilities) exceed its total assets. The Company requires funds in order to carry out the Scheme and restructure its debts and liabilities.

1.4. In this regard, on 20 December 2016, the Company entered into the Placement Term Sheet with the Subscriber. As part of the terms of the Placement Term Sheet, the Company proposes and agrees, subject to acceptance by the requisite majority of Existing Creditors and Shareholders at the Court Meetings and approval by the Court of the Scheme pursuant to Section 210 of the Act, to implement the Scheme. The gross proceeds from the Proposed Share Placement will be S$1,000,000.00. The Company intends to use up to 25% of the proceeds from the Proposed Share Placement for the payment of professional fees in relation to the Proposed Share Placement and Scheme and fund the Company's working capital to facilitate the restructuring, and the balance proceeds from the Proposed Share Placement to compromise in full all actual and contingent claims against the Company pursuant to the Scheme.

2. DEFINITIONS AND INTERPRETATION

2.1. In the Scheme, unless otherwise defined herein or except where the context or subject matter otherwise indicates or requires, words shall have the same meaning ascribed to them by the Act.

2.2. Words denoting the singular number only shall, where applicable, include the plural number and *vice versa*, and words denoting persons only shall, where applicable, include firms and corporations.

2.3. Words importing any gender shall, where applicable, include the other gender and references to any person shall, where applicable, include that person's successor and permitted assigns.

2.4. Any reference to a statutory provision shall include such provision and any regulations made in pursuance thereof as may from time to time be modified or re-enacted whether before or after the date of the Scheme.

2.5. Any reference in the Scheme to a time of day shall be a reference to Singapore time, unless otherwise stated.

2.6. The following words and phrases in the Scheme shall have the meanings set out opposite them

Act	The Companies Act (Chapter 50 of Singapore), as may be amended, varied or supplemented from time to time.

Approved Claim	The Claim of a Participating Creditor against the Company to the extent admitted by the Scheme Manager, or established by a Participating Creditor in proceedings in accordance with Clause 6.3.
Ascertainment Date	30 December 2016.
Bank Creditor(s)	The Bank Creditors are MBB, ANZ, UOB, SCB, being the bank creditors of JPS to whom the Company had provided corporate guarantees for liabilities owed by JPS.
Business Day	A day (other than a Saturday or Sunday or public holiday) on which commercial banks are open for business in Singapore.
CDP	The Central Depository (Pte) Limited.
Chairman	The chairman of the Court Meeting or any other Creditors' Meeting(s).
Claim	The claim of an Existing Creditor against the Company subsisting as at the Ascertainment Date arising out of any transaction, act or omission of the Company whether the claim be present or contingent or whether liquidated or sounding only in damages and whether in contract or tort or howsoever arising, which is not secured by any Security.
Commencement Date	The date on which the Scheme, if approved, becomes effective and binding in accordance with the Act, save that in the event of an appeal against the Court's approval of the Scheme, the Commencement Date shall be such date as the Court of Appeal of the Republic of Singapore may determine for the purpose of the Scheme upon the disposal of such appeal.
Company	Jason Holdings Limited.
Completion	The date on which all of the Company's liabilities and obligations in respect of all Approved Claims are fully discharged in accordance with the terms of the Scheme and the requirements in Clause 9.1 of the Scheme are satisfied.
Completion Long Stop Date	Has the meaning ascribed to it in Clause 9.2.
Conditions Precedent	The conditions set out in Clause 4 of the Scheme.
Constitution	The constitution of the Company.
Court	The High Court of the Republic of Singapore.
Court Meeting	The meeting of Participating Creditor to be convened and held at 4.00 p.m. on 1 February 2017 at One Raffles Quay, North Tower, Level 18, Singapore 048583 and any adjournment thereof, under the directions of the Court pursuant to Section 210 of the Act, for the purpose of considering and, if thought fit, approving (with or without modifications) the Scheme.
Court Order	The order of Court sanctioning the Scheme under Section 210 of the Act.

Creditors' Meeting	A meeting of the Existing Creditors convened in accordance with Clause 12 of the Scheme.
Depositor	Has the meaning ascribed to it in Section 81SF of the SFA.
Depository agent	Has the meaning ascribed to it in Section 81SF of the SFA.
Depository Register	Has the meaning ascribed to it in Section 81SF of the SFA.
Directors	The directors of the Company.
Disputed Claims	Any portion of a Claim stated in a Proof of Debt which is disputed by the Company to be due or payable, whether in whole or in part.
Entitlement	A Participating Creditor's entitlement to the payment to be made under the terms of the Scheme.
Existing Creditors	All known and unknown unsecured creditors of the Company (including without limitation, those as set out in the list of known unsecured creditors stipulated in **Appendix 3**) who has a Claim, and "**Existing Creditor**" shall be construed accordingly.
JPS	Jason Parquet Specialist (S) Pte Ltd (In Compulsory Liquidation), a wholly-owned subsidiary of the Company.
Listing Approval	Approval to be granted by the SGX-ST for the dealing in and quotation of the Scheme Shares on the Official List of the SGX-ST.
Notice of Court Meeting	The notice convening the Court Meeting to be sent by the Company to the Existing Creditors of the Company.
Ordinary Resolution	A resolution passed at any Creditors' Meeting with the support of a majority in number of the Participating Creditors present and voting (whether in person or by proxy) on the resolution and whose Approved Claims at that time in aggregate constitute more than fifty percent (50%) of the total Approved Claims of all the Existing Creditors present and voting on the resolution.
Participating Creditor	An Existing Creditor whose Claim against the Company has been partially or fully admitted by the Scheme Manager in accordance with Clause 6.3, or a person to whom such an Approved Claim has been assigned (irrespective of whether the assignment takes place before or after the admission of the Claim by the Company).
Placement Price	S$0.0005 for each of the Placement Shares.
Placement Proceeds	Proceeds amounting to the sum of S$1,000,000 raised pursuant to the Proposed Share Placement.
Placement Shares	2,000,000,000 new ordinary shares in the capital of the Company to be issued by the Company to the Subscriber.
Placement Term Sheet	The binding conditional placement term sheet dated 20

	December 2016 entered into between the Company and the Subscriber in connection with the Proposed Share Placement, a copy of which is annexed hereto in **Appendix 1**.
Proof of Debt	A proof of debt of an Existing Creditor in respect of its Claim in the form annexed in **Appendix 4** or in such other form as may be acceptable to the Scheme Manager.
Proof of Debt Cut-Off Date	26 January 2017 by no later than 4.00 p.m.
Proposed Share Placement	The allotment and issuance by the Company to the Subscriber of the Placement Shares at the Placement Price pursuant to the Placement Term Sheet
S$ and cents	Singapore Dollars, being the lawful currency of the Republic of Singapore.
Scheme	This scheme of arrangement dated 12 January 2017 (or as amended from time to time) proposed in accordance with Section 210 of the Act.
Scheme Consideration	The sum of S$750,000 from the Placement Proceeds to be utilised to pay the Participating Creditors in accordance with Clause 5.1 of the Scheme.
Scheme Issue Price	S$0.001 for each of the Scheme Share.
Scheme Manager	Ms Ee Meng Yen Angela of Ernst & Young Solutions LLP, or any other person appointed in accordance with Clause 13.1 of the Scheme.
Scheme Period	The period of time between the Commencement Date and the date of termination of the Scheme pursuant to Clause 10.
Scheme Shares	The 513,253,613 new Shares to be issued to the Participating Creditors in accordance with Clause 3.3.1 (b) of the Scheme.
Security	Any mortgage, pledge, lien, charge, assignment, debenture or other security on or against any property, right or entitlement or other security interest given by the Company.
SFA	Securities and Futures Act (Chapter 289) of Singapore, as may be amended, varied or supplemented from time to time.
SGX-ST	Singapore Exchange Securities Trading Limited.
Shareholders	Registered holders of Shares in the register of members of the Company, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares, mean the Depositors whose securities accounts maintained with CDP are credited with Shares.
Shares	The enlarged issued and paid-up ordinary shares in the share capital of the Company after taking into account Placement Shares and Scheme Shares.

Special Resolution	A resolution passed at any Creditors' Meeting with the support of a majority in number of the Participating Creditors present and voting (whether in person or by proxy) on the resolution and whose Approved Claims at that time in aggregate constitute more than seventy-five percent (75%) of the total Approved Claims of all the Participating Creditors present and voting on the resolution.
Subscriber	Mr Lim Chwee Kim.
Transfer Instrument	A transfer instrument (in the form annexed hereto as **Appendix 6**) to be duly executed by a Participating Creditor and a transferee in respect of any assignment and transfer of all rights, title, interest and benefits under and arising from the Scheme in relation to a Claim, subject to the terms of the Scheme.
Unsecured Creditor	An Existing Creditor who is not a Bank Creditor, including those as identified hereto in **Appendix 3**.
WC	White Cubic Pte Ltd, a 60%-owned subsidiary of the Company.

3. THE SCHEME

3.1. Background

Based on the financial status of the Company as at 31 May 2016, the Company is practically insolvent as its aggregate liabilities (including contingent liabilities) exceed its total assets. Unless the Company restructures its debts and liabilities, the Company will likely be liquidated with close to no return to its creditors and Shareholders.

3.2. Proposed Share Placement

3.2.1. On 20 December 2016, the Company has entered into a Placement Term Sheet with the Subscriber in connection with the Proposed Share Placement. Pursuant to the Proposed Share Placement and in consideration of the Placement Proceeds, the Company will allot and issue the Placement Shares to the Subscriber at the Placement Price.

3.2.2. The Proposed Share Placement is to provide funds for the Company to carry out the Scheme and restructure its debts and liabilities. The gross proceeds from the Proposed Share Placement will be S$1,000,000.00. The Company intends to use up to 25% of the proceeds from the Proposed Share Placement for the payment of professional fees in relation to the Proposed Share Placement and Scheme and fund the Company's working capital to facilitate the restructuring, and the balance proceeds from the Proposed Share Placement to compromise in full all actual and contingent claims against the Company pursuant to the Scheme.

3.2.3. The Placement Shares represent approximately 73.28% of the total enlarged number of Shares, after taking into account the Scheme Shares and the Placement Shares to be issued. The Placement Term Sheet is valid for a period of six (6) months from the date of the Placement Term Sheet.

3.3. Scheme Consideration and Scheme Shares

3.3.1. Pursuant to this Scheme, the Participating Creditors shall receive the following:

(a) cash payments for an aggregate value amounting to the Scheme Consideration (being part of the Placement Proceeds) in accordance with Clause 7; and

(b) the Scheme Shares to be allotted and issued to the Participating Creditors on a *pari passu* basis at the Scheme Issue Price.

and in consideration, the Company shall be completely and absolutely released and discharged of all and any claims which the Participating Creditors have (whether actual, contingent and/or otherwise against the Company) in accordance with Clauses 5 and 6.

3.3.2. For illustration purposes only, based on the assumption that the Participating Creditors are limited to the list of creditors as at 31 August 2016 provided by the Company which is set out in Appendix 3 and the quantum of the Approved Claims of such Participating Creditors is consistent with the information made available by the Company to the Scheme Manager, and after taking into account the revisions made to the amounts owed by the Company to Malayan Banking Berhad, Standard Chartered Bank (Singapore) Limited and United Overseas Bank Limited as at 31 October 2016, the approximate recovery rates in connection with the payment of the Scheme Consideration and the allotment and issue of Scheme Shares to the Participating Creditors are as follows:

(a) the Scheme Consideration amounts to a recovery of approximately 9% to the Participating Creditors;

(b) the aggregate value for the Scheme Shares issued at the Scheme Issue Price amounts to an additional recovery of approximately 6% to the Participating Creditors, and the Participating Creditors will hold, collectively, approximately 18.81% of the total enlarged number of Shares, after taking into account the Scheme Shares and the Placement Shares to be issued.

The actual rate of recovery remains subject to the adjudication of the proof of debts submitted by the Existing Creditors.

3.3.3. Details of the change in the shareholding structure of the Company after the issuance of the Scheme Shares are set out hereto in **Appendix 2**.

4. CONDITIONS PRECEDENT

The implementation of the Scheme is subject, *inter alia*, to the following conditions precedent being satisfied:

4.1 completion of the Proposed Share Placement pursuant to the definitive agreement to be entered into between the Company and the Subscriber in relation to the Proposed Share Placement having taken place in such manner satisfactory to the Company and the Subscriber;

4.2 all approvals, consents, licences, permits, waivers and exemptions (including but not limited to the Listing Approval) (collectively, "**Approvals**"), being obtained, and where such Approval is subject to conditions, (i) such conditions being reasonably acceptable to the Company, and (ii) if such conditions are required to be fulfilled on or before Completion, such conditions having been fulfilled on or before such date, and such Approvals remaining in full force and effect as of Completion;

4.3 approval of the Scheme by at least a majority in number representing three-fourths (75%) in value of the Participating Creditors present and voting at the Court Meeting;

4.4 the sanction of the Scheme by the Court pursuant to the Act and a copy of the Order of the Court sanctioning the Scheme being lodged with the Registrar pursuant to Section 210(5) of the Act;

4.5 the approval of the shareholders of the Company for the allotment and issue of the Scheme Shares; and

4.6 the transactions contemplated in this Scheme not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Scheme by any legislative, executive or regulatory body or authority of Singapore which is applicable to any party.

5. PAYMENT OF SCHEME CONSIDERATION AND ALLOTMENT AND ISSUE OF SCHEME SHARES TO PARTICIPATING CREDITORS

5.1 Payment of Scheme Consideration to Participating Creditors

5.1.1 Subject to Clauses 5.1.3 and 6.3 below, the Company shall make payment or procure payment of the Scheme Consideration to the Participating Creditors as soon as practicable after completion of the Proposed Share Placement. The Scheme Consideration shall be distributed and paid to all Participating Creditors on a *pari passu* basis.

5.1.2 The Scheme Manager shall notify the Participating Creditors of the date on which the payment of the Scheme Consideration being made to the Participating Creditors pursuant to Clause 5.1.1 above.

5.1.3 If there is a dispute as to the existence or quantum of a Participating Creditor's claim under the Proof of Debt lodged by such Participating Creditor, the Scheme Manager shall be entitled to direct the Company not to make payment or procure payment of the Scheme Consideration to such Participating Creditor pursuant to the Scheme in respect of the disputed debt or claim pending the final resolution of the dispute.

5.2 Allotment and Issue of Scheme Shares to Participating Creditors

5.2.1 Subject to Clauses 5.2.2, 5.2.3 and 6.3 below, the Company shall, as soon as practicable after completion of the Proposed Share Placement, allot and issue the Scheme Shares attributable to each Participating Creditor on a *pari passu* basis pursuant to Clause 3.3 above in the following manner:

(a) In respect of the Participating Creditors who wish to deposit their respective Scheme Shares with CDP in scripless form: (i) the Participating Creditors shall notify the Company (through the Scheme Manager) in writing of the details of the securities account that they maintain with CDP and/or any registered depository agent using the form annexed hereto in Appendix 5 (together with their proof of debt), and (ii) the Company would then register the relevant Scheme Shares in the name of CDP and provide instructions to CDP to credit such number of Scheme Shares into the respective securities accounts of the relevant Participating Creditors, provided that the relevant Participating Creditors shall undertake to or procure to execute such other documents as may be necessary to effect such issue of Scheme Shares; and

(b) In respect of the Participating Creditors who do not notify the Company in writing of details of their securities accounts pursuant to Clause 5.2.1(a)(i) above or wish to hold their Scheme Shares in scrip form: (i) the Participating Creditors shall notify the Company (through the Scheme Manager) in writing of their Singapore address to which they wish to receive the physical share certificate using the form annexed hereto in Appendix 5 (together with their

proof of debt), (ii) the Company shall take all necessary action to register their holdings of the Scheme Shares by Completion in the register of members of the Company, and (iii) the Company shall cause its share registrar to mail (at the risk of the Participating Creditor to whom such physical share certificate(s) are sent) such physical share certificate(s) to each such Participating Creditor and to the Singapore address provided by the Participating Creditor pursuant to limb (i) above or (where the Company was not notified of such other Singapore address) its Singapore address last known to the Company;

provided that the number of Scheme Shares to be allotted and issued to each Participating Creditor shall be rounded down to the nearest whole Scheme Share and any fractions of a Scheme Share arising from such allotment and issue shall be disregarded. Participating Creditors shall not be paid for any fractions of a Scheme Share which are disregarded.

5.2.2 For the avoidance of doubt, this Scheme Document shall not constitute an offer or an invitation in any place outside Singapore, where, to any person to whom, it would be unlawful to make such an offer or invitation. Due to such potential restrictions, notwithstanding anything to the contrary in this Scheme, the allotment and issue of the Scheme Shares shall be made only to Participating Creditors who are not considered Overseas Participating Creditors. None of such Overseas Participating Creditors shall have any claim whatsoever against the Company, the Scheme Manager or CDP in connection therewith.

For the purpose of this Clause 5.2.2, an "**Overseas Participating Creditors**" means a Participating Creditor whose following address is outside Singapore

(i) its registered address recorded with CDP or the depository agent in respect of its securities account as notified to the Company pursuant to Clause 5.2.1(a); or

(ii) its address as notified to the Company or its last known address pursuant to Clause 5.2.1(b).

5.2.3 If there is a dispute as to the existence or quantum of a Participating Creditor's claim under the Proof of Debt lodged by such Participating Creditor, the Scheme Manager shall be entitled to direct the Company not to allot and issue the Scheme Shares to such Participating Creditor pursuant to the Scheme in respect of the disputed debt or claim pending the final resolution of the dispute.

5.2.4 The Scheme Manager shall notify the Participating Creditors of the date on which the Scheme Shares will be issued and allotted to the Participating Creditors.

5.2.5 The Company makes no other representations and warranties in relation to the Company and the Scheme Shares, and each of the Participating Creditors shall not have relied on any such representations and warranties and will accept (and be allotted and issued) the Scheme Shares based on its own due diligence and independent assessment of the Company.

5.3 The payment of the Scheme Consideration in accordance with Clause 5.1 and the allotment and issuance of the Scheme Shares to the Participating Creditors in accordance with Clause 5.2 shall constitute a full and final settlement of all liabilities owed by the Company to the Participating Creditors.

5.4 Notwithstanding the Shareholders' approval of the allotment and issuance of Placement Shares to the Subscriber and Scheme Shares to the Participating Creditors and the Listing Approval and the approval in-principle to be granted by the SGX-ST for the dealing in and quotation of the Placement Shares on the Official List of the SGX-ST, trading of the Shares

(including the Placement Shares and Scheme Shares) may remain suspended until the Company has satisfied the requirements of SGX-ST for resumption of trading and the Company may be delisted if it fails to meet such requirements within the SGX-ST approved timeframe (including any extensions thereof).

6. PROOF OF DEBT, DETERMINATION OF ENTITLEMENT AND EXTINGUISHMENT OF CLAIMS

6.1 Each Existing Creditor of the Company shall lodge a Proof of Debt in respect of its Claim by the Proof of Debt Cut-Off Date as notified to the Existing Creditors by the Company in the Notice of Court Meeting.

6.2 Existing Creditors who have not submitted a Proof of Debt in accordance with Clause 6.1 above on or before the Proof of Debt Cut-Off Date shall not be entitled to vote at any Creditors' Meeting or be entitled to any distribution, payments or benefits under the Scheme. Any Claim of a creditor against the Company which is not lodged by the Existing Creditor on or before the Proof of Debt Cut-Off Date shall be forever waived, released, discharged and extinguished, and the Existing Creditor shall not have any rights, interests and claims whatsoever against the Company in respect of such Claim.

6.3 The adjudication of the Proofs of Debt for the purposes of determining the Approved Claim and entitlement to distribution of each Existing Creditor shall be carried out as follows:

6.3.1 The Scheme Manager shall adjudicate the Proofs of Debt submitted under Clause 6.1 above and shall notify each Existing Creditor of its decision or determination with respect to that Existing Creditor's Approved Claim and entitlement to distribution within thirty (30) days of the Commencement Date.

6.3.2 Any Existing Creditor who disputes the decision or determination of the Scheme Manager pursuant to Clause 6.3.1 shall:

6.3.2.1 give written notice thereof to the Scheme Manager at Ernst & Young Solutions LLP, One Raffles Quay, North Tower, Level 18, Singapore 048583 (Attention: Ms Ee Meng Yen Angela / Mr Martin Chua) within seven (7) days after service on it by the Scheme Manager of such decision or determination;

6.3.2.2 commence any dispute resolution proceedings pre-agreed with the Company or, if there is none, submit an application to the Court to determine the dispute within fourteen (14) days after service on it of a request by the Scheme Manager to commence such proceedings; and

6.3.2.3 comply with such determination on costs or order for costs in respect of all costs in respect of all costs and expenses incurred by that Existing Creditor in relation to or arising from its commencement of dispute resolution proceedings or application to the Court to determine the dispute. The Scheme Manager shall not be liable to that Existing Creditor for any and all costs, fees and expenses incurred by that Existing Creditor in disputing such decision or determination and in relation to or arising from its commencement of dispute resolution proceedings or application to the Court.

6.3.3 Any Existing Creditor who fails to comply with the provisions under Clause 6.3.2 above shall be deemed to have admitted and accepted the decision or determination of the Scheme Manager as notified to such Existing Creditors in the Scheme Manager's notice.

6.4 For the purposes of determining the Approved Claim of each Existing Creditor, the Claim of each Existing Creditor which is not denominated in a currency other than S$ shall be converted into S$ at the currency conversion rates published or reported in Reuters on the Ascertainment Date.

6.5 Where there have been any mutual credits, mutual debts or other mutual dealings between the Company and any Existing Creditor, such credits, debts or dealings shall be set-off against the debts and liabilities to which each party is or may be subject and only the balance shall be used for the purposes of calculating and determining an Existing Creditor's Approved Claim and entitlement to distribution.

6.6 Each Existing Creditor shall promptly provide the Scheme Manager with all such information and documents requested by the Scheme Manager which are relevant to its Claim in its Proof of Debt, or to the determination of the amount of its Approved Claim and entitlement to distribution.

6.7 The Participating Creditors shall accept the payments under the Scheme given to them in full satisfaction and complete discharge of all Claims and all other claims whether in contract or tort or otherwise against the Company, which arose out of or had its origin in any and all agreements, transactions, dealings and/or matters effected or entered into or occurring at any time on or prior to the Ascertainment Date and all interest, costs, charges, fees and expenses incurred in connection therewith. Upon Completion, all such claims and all other security or undertaking given by the Company in connection with such claims shall forever be waived, released, discharged and extinguished.

7. MODE OF PAYMENT OF SCHEME CONSIDERATION

7.1. Any and all distributions or payments of Scheme Consideration by the Company under the Scheme shall be made by sending a cheque for such sum payable to the relevant Participating Creditor by post to the last known registered address of the Participating Creditor. Every such cheque shall be made payable to the order of the Participating Creditor to whom it is sent and payment of the cheque by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque shall be sent at the risk of the Participating Creditor.

7.2. If for any reason whatsoever, any payment made to a Participating Creditor pursuant to Clause 7.1 of the Scheme is not received by that Participating Creditor and such non-receipt of payment is not the result of any fault on the part of the Company, such Participating Creditor shall be deemed to have waived all its rights in relation to that payment upon the expiry of six (6) months from the date of such payment being made.

8. MORATORIUM AND INTEREST

8.1. During the Scheme Period and subject to Clause 6.3, no action or proceeding (whether *in rem* or *in personam* or otherwise) in Singapore, including without limitation proceedings for the recovery of a debt or damages by civil action, by arbitration or by proceedings before the small claims tribunal, proceedings by way of execution on a judgment; proceedings to levy distress or proceedings in the nature of distress; proceedings to wind up the Company or place the Company under judicial management; proceedings to enforce or execute against the assets of the Company; or any arrest, attachment, sequestration, seizure, detention, enforcement, execution against any assets of the Company, shall be proceeded with, continued or commenced against the Company for the enforcement of rights in equity or law by creditors of the Company, except with leave of the Court pursuant to Section 210(10) of the Act.

8.2. During the Scheme Period, no principal, interest (whether contractual, default, penalty or otherwise), fees, commission or any amount owing by the Company to the Existing Creditors

as at the Ascertainment Date shall be paid or be payable by the Company to any of the Existing Creditors, except in accordance with the terms of the Scheme, and no Existing Creditor shall exercise any right of appropriation, amalgamation of accounts or counterclaim or set-off against the Company in relation to such principal, interest, fees, commission or any amount owing by the Company to the Existing Creditors as at the Ascertainment Date.

8.3. During the Scheme Period, all claims for any interest (whether contractual, default, penalty or otherwise), costs, fees and expenses accruing after the Ascertainment Date on any Claims in accordance with the terms of any agreement existing between the parties, shall not be payable by the Company. Upon Completion, all such claims for interest, costs, fees and expenses shall be waived by the Existing Creditors against the Company and shall be deemed to be forever extinguished. For the avoidance of doubt, the Scheme shall not apply to any right which any of the Existing Creditors may have against any party other than the Company (including but not limited to the rights of the respective Bank Creditors against JPS as principal borrower in respect of bank facilities granted by the Bank Creditors to JPS) and such rights shall not be discharged or absolved by the Scheme.

8.4. Any Existing Creditor who receives or recovers, at any time, on or after the Commencement Date, from the Company any sum in discharge of any portion of its Approved Claim, shall within two (2) Business Days after it receives or recovers such sum (other than the payments made pursuant to the Scheme), notify the Company of the amount and currency so received, how it was received or recovered and whether it represents principal or interest or other sums. Such Existing Creditor shall, within two (2) Business Days after receiving a request from the Company, pay to the Company an amount equal to the sum so received or recovered (free and clear of all deductions or withholdings) and the Company shall cause such monies from the Existing Creditor to be distributed to the Participating Creditors under the Scheme.

9. COMPLETION OF THE SCHEME

9.1. The Scheme shall be completed and concluded immediately and absolutely upon all of the Company's liabilities and obligations in respect of all Approved Claims being fully discharged in accordance with the provisions of the Scheme and all Disputed Claims (if any) having either been discharged in accordance with Clause 6.3 or been determined not to be Claims against the Company pursuant to legal or other proceedings commenced under Clause 6.3.2.2 ("**Completion**").

9.2. Completion shall take place no later than twelve (12) months from the Commencement Date ("**Completion Long Stop Date**").

10. TERMINATION OF THE SCHEME

10.1. The Scheme shall terminate immediately and absolutely upon any of the following events:

10.1.1. lapse of the Completion Long Stop Date pursuant to Clause 9.2;

10.1.2. the failure to satisfy any of the Conditions Precedent set out in Clause 4 of the Scheme;

10.1.3. there has been any non-payment of the Scheme Consideration and/or non-issuance of Scheme Shares to the Participating Creditors in accordance with Clause 5.1 and such non-compliance has not been waived pursuant to a Special Resolution passed at a Creditors' Meeting within thirty (30) Business Days of the non-compliance;

10.1.4. in the opinion of the Scheme Manager, there has been any other material non-compliance with the provisions of the Scheme and it is in the interests of the Participating Creditors that the Scheme should be terminated;

10.1.5. any time prior to the Completion of the Scheme, a resolution is passed or an order is made for the winding up of the Company, or an order is made for the Company to be placed under judicial management and for the appointment of a judicial manager, or a receiver and/or manager or other similar officer is appointed over the undertakings, properties or assets of the Company; or

10.1.6. a material situation has arisen which in the opinion of the Scheme Manager makes it improbable that the Company will be able to perform its obligations under the Scheme.

10.2. The Company shall have the option to terminate the Scheme should there be a breach or failure by any Existing Creditor to comply with, adhere to and/or perform its obligations under Clause 8 of the Scheme.

10.3. In the event that the Scheme is terminated other than pursuant to Clause 10.1.1 above, the Scheme shall cease to be binding on the Existing Creditors and each Existing Creditor shall be entitled to exercise any and all of its rights, powers and remedies against the Company as if the Scheme was never proposed but each Existing Creditor in so exercising its rights, power and remedies as aforesaid shall give credit to the Company for all sums received from the Company under the Scheme in reduction or extinction of that Existing Creditor's Claim.

10.4. The relevant Existing Creditor irrevocably undertakes to procure that any existing legal, arbitration, insolvency, enforcement or other proceedings commenced by that Existing Creditor prior to Ascertainment Date against the Company in relation to any liabilities owing or payable (whether contingently or otherwise) by the Company shall be withdrawn and discontinued with no order as to costs within fourteen (14) days of Completion, failing which, the Company shall be entitled to seek the appropriate orders or awards against the Existing Creditor from the relevant court or tribunal to enforce and/or give effect to this undertaking.

10.5. For the avoidance of doubt, Clauses 10.3 and 10.4 above shall survive the termination of this Scheme.

11. VOTING AT THE COURT MEETING

11.1. Existing Creditors who wish to vote at the Court Meeting shall submit a Proof of Debt in respect of its Claim to the Company c/o Ernst & Young Solutions LLP, One Raffles Quay, North Tower, Level 18, Singapore 048583 (Attention: Ms Ee Meng Yen Angela / Mr Martin Chua) on or before the Proof of Debt Cut-Off Date.

11.2. The value of a Claim for purposes of voting at the Court Meeting shall be determined by the proposed Scheme Manager in consultation with the Company, and for this purpose, the proposed Scheme Manager shall be entitled to have regard to all relevant information whether supplied by the Existing Creditor or otherwise made available to the proposed Scheme Manager.

11.3. For the purpose of determining whether or not the statutory majority in value of the Existing Creditors present (whether in person or by proxy) and voting who are entitled to vote at the Court Meeting has been achieved in accordance with Section 210(3AB) of the Act, the Claims of each Existing Creditor which are not denominated in S$ shall be converted into S$ at the the currency conversion rates published or reported in Reuters on the Ascertainment Date.

11.4. Existing Creditors who wish to vote but who are unable to attend the Court Meeting in person may appoint a proxy to attend and vote at the Court Meeting on their behalf. Proxy Forms must be completed, signed and returned in accordance with the instructions printed thereon. If an Existing Creditor fails to lodge a Proxy Form at the office of Ernst & Young Solutions LLP, One Raffles Quay, North Tower, Level 18, Singapore 048583 (Attention: Ms Ee Meng

Yen Angela / Mr Martin Chua) at least twenty-four (24) hours before the time fixed for the Court Meeting, the proxy of such Creditor shall not be entitled to vote at the Court Meeting unless so admitted to vote at the discretion of the Chairman of the Court Meeting.

11.5. The completion and return of a Proxy Form by an Existing Creditor does not preclude him from attending and voting at the Court Meeting in person should he subsequently decide to do so. In such event, the relevant Proxy Forms shall be deemed to be revoked.

11.6. For the avoidance of doubt, the admission by the proposed Scheme Manager and/or the Company of a Claim for the purpose of voting at the Court Meeting shall not constitute an admission by the proposed Scheme Manager and/or the Company of any such claim for the purpose of determining the Approved Claim of that Existing Creditor under the Scheme and the Entitlement of the Existing Creditor under the Scheme or any purposes apart from voting at the Court Meeting.

12. CREDITORS' MEETINGS

12.1. After the Commencement Date, the Company or the Scheme Manager may, whenever it thinks fit or appropriate, convene a Creditors' Meeting to propose an Ordinary Resolution or (if required by its Constitution and/or the Act and/or the Scheme) a Special Resolution as the Company may in its sole discretion deem fit, in respect of any matters arising in connection with the terms and/or implementation of the Scheme.

12.2. After the Commencement Date, the Company shall convene a Creditors' Meeting upon the submission of a written request from any one or more Participating Creditors whose Approved Claims subsisting at the relevant time in aggregate constitute not less than twenty percent (20%) of the total Approved Claims of all Participating Creditors subsisting at such relevant time. In the event that the Company fails to convene and hold a Creditors' Meeting within thirty (30) days after the date of any request of such Participating Creditors, then those requesting Participating Creditors may convene a Creditors' Meeting.

12.3. Unless expressly stated that a Special Resolution is required, the Participating Creditors shall have the power by Ordinary Resolution to approve any variation and/or decision to be taken regarding the Scheme.

12.4. The following provisions shall apply to any Creditors' Meeting:

12.4.1. Any accidental omission to give notice of meeting or the non-receipt of notice by any Participating Creditor shall not invalidate any meeting or the proceedings thereat.

12.4.2. Any notice of meeting shall be accompanied by a Proxy Form to be issued by the Company (in such form as may be determined by the Company) and each Participating Creditor shall, at least twenty-four (24) hours before the Creditors' Meeting, lodge the Proxy Form with the Company c/o Ernst & Young Solutions LLP, One Raffles Quay, North Tower, Level 18, Singapore 048583 (Attention: Ms Ee Meng Yen Angela / Mr Martin Chua). If a Participating Creditor fails to lodge a Proxy Form at least twenty-four (24) hours before the Creditors' Meeting, that Participating Creditor shall not be entitled to vote at the Creditors' Meeting unless so admitted to vote at the discretion of the chairman of the Creditors' Meeting.

12.4.3. Any Participating Creditor which is not a natural person must appoint a proxy to attend and vote on its behalf at all Creditors' Meetings and any Participating Creditor may appoint any natural person to be its proxy or attorney to attend and vote on its behalf at any or all Creditors' Meetings. No Participating Creditor shall be entitled to appoint more than one (1) proxy or attorney to attend and vote at any Creditors' Meeting and the proxy or attorney shall not be allowed to attend and vote at any Creditors' Meeting except in the absence of its appointor. A Participating Creditor may revoke the appointment of any person as its proxy or attorney by giving written notice

thereof to the Company.

12.4.4. At any such meeting, two (2) Participating Creditors present in person or by proxy shall form a quorum for the transaction of business and no business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

12.4.5. The Company shall be entitled to nominate the chairman of the meeting, but if no representative of the Company is present within thirty (30) minutes of the time appointed for the holding of the meeting, the Participating Creditors present in person or by proxy shall choose one of their number to be Chairman.

12.4.6. If within half an hour from the time appointed for any meeting, a quorum of Participating Creditors is not present, the meeting shall stand adjourned to such place and time at the discretion of the Chairman, and if at such adjourned meeting, a quorum is still not present, any one (1) Participating Creditor present shall form a quorum and may transact any business which a Creditors' Meeting is competent to transact.

12.4.7. The Chairman may, with consent of the Participating Creditors present at the meeting, adjourn the meeting from time to time and from place to place, to a place and time determined by the Company.

12.4.8. Any meeting at which it is proposed to: (i) pass an Ordinary Resolution shall be called by giving at least fourteen (14) Business Days' notice in writing to the Participating Creditors; and/or (ii) pass a Special Resolution shall be called by giving at least twenty-one (21) Business Days' notice in writing to the Participating Creditors.

13. SCHEME MANAGER

13.1. The Company shall appoint the Scheme Manager before the Commencement Date on terms to be agreed between the Scheme Manager and the Company and such appointment shall continue until terminated in accordance with Clause 13.4 below. All remuneration payable to the Scheme Manager pursuant to such appointment shall be the sole responsibility of the Company. The Company shall pay the Scheme Manager all remuneration, costs, fees and expenses (including but not limited to the fees of his legal advisers and/or other professional advisers) due to the Scheme Manager.

13.2. The Company shall do everything that is necessary to give effect to the directions and instructions of the Scheme Manager, to the extent reasonably necessary and expedient to enable the Scheme Manager to carry out his functions under the Scheme, and the Company shall not prevent, frustrate, object to or otherwise prejudice the carrying out by the Scheme Manager of his duties and functions under the Scheme.

13.3. Duties of Scheme Manager

13.3.1. The Scheme Manager shall implement the Scheme and shall carry out the duties and obligations imposed by the provisions of the Scheme and the administration of the provisions of the Scheme as Scheme Manager, including but not limited to computing, facilitating and effecting the payments to be made to the Participating Creditors in accordance with Clauses 5 and 6.3 herein.

13.3.2. To the extent that, in the Scheme Manager's reasonable opinion, there is any doubt as to whether the Scheme Manager may execute, perform or do any act, matter or thing under the powers conferred upon him under the Scheme then that act, matter or thing may be executed, performed or done with the Ordinary Resolution of the Participating Creditors.

13.3.3. Subject to Clause 13.3.7 below, the Scheme Manager shall comply with any resolution duly passed at a Creditors' Meeting unless and to the extent varied or rescinded by an order of the Court.

13.3.4. The Scheme Manager may at any time apply to the Court:

(a) for any order or direction in relation to any particular matter arising in connection with the carrying out of his powers, duties or functions under the Scheme or the construction or interpretation of any specific provision of the Scheme and shall do all such things as the Court may order or sanction; and/or

(b) for any order or direction in connection with any allegations raised by any Existing Creditor against the Scheme Manager or in respect of or arising from any resolution passed at a Creditors' Meeting.

13.3.5. The Scheme Manager may engage and pay lawyers, accountants, financial and other professional advisers and consultants to advise and assist the Scheme Manager in the exercise of its rights and the performance or discharge of its duties as the Scheme Manager, in submitting any application to the Court for directions or order regarding the Scheme or any issue, dispute or concern arising from the Scheme or any resolution passed at a Creditors' Meeting and the initiation, prosecution, conduct, withdrawal or settlement of any Claim.

13.3.6. The Scheme Manager may rely on any representation, notice or document believed by it to be genuine, correct and appropriately authorised and any statement made by any person regarding any matters which may reasonably be assumed to be within its knowledge or within its power to verify.

13.3.7. Notwithstanding anything to the contrary in the Scheme:

(a) The Scheme Manager shall not be obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality; and

(b) The Scheme Manager shall act in accordance with any direction or order of the Court and shall not be liable to any person whatsoever for doing so.

13.4. Appointment, Resignation and Removal of the Scheme Manager

13.4.1. The Court may, upon an application by the Company or the Scheme Manager, by order appoint any person or persons as Scheme Manager whether in substitution of, or in addition to, the person then holding appointment as the Scheme Manager or to fill any vacancy resulting from death or bankruptcy.

13.4.2. A Scheme Manager shall cease to hold office as the Scheme Manager upon the occurrence of any of the following events:

(a) the Scheme Manager may resign at any time by giving at least thirty (30) days' notice to the Company;

(b) the passing of an Ordinary Resolution at a Creditors' Meeting convened for the purpose of appointing any person or persons to replace the Scheme Manager;

(c) upon the making of an order of the Court for the removal or replacement of the Scheme Manager; and

(d) the death or bankruptcy of the Scheme Manager.

13.4.3. Every person who ceases to be a Scheme Manager shall make available to its successor such documents and records in its possession and provide such assistance as the successor Scheme Manager may reasonably request for the purposes of performing any functions or duties as Scheme Manager under the Scheme.

13.5. The Scheme Manager shall not be held liable for any loss or damage of any kind whatsoever (including any special, punitive, indirect or consequential loss), whether or not foreseeable, arising out of or in connection with the performance of its obligations under the Scheme except to the extent that any such loss or damage arises from the bad faith, willful default, gross negligence, fraud or dishonesty of the Scheme Manager. This provision shall remain in full force and effect notwithstanding the termination, resignation or removal of the Scheme Manager.

13.6. In exercising his powers and carrying out his functions under the Scheme, the Scheme Manager shall be deemed at all times to act as agent for and on behalf of the Company. Nothing in the Scheme shall constitute the Scheme Manager as an agent of any Existing Creditor.

14. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

14.1. All procedural amendments, including any extension or abridgment of time in connection with anything to be done under the Scheme (save in respect of any payment obligations of the Company under the Scheme), shall be approved by Ordinary Resolution passed at a Creditors' Meeting.

14.2. All substantive modifications and/or amendments to and decisions to be taken regarding the Scheme shall be approved by Special Resolution passed at a Creditors' Meeting. Any proposed modification, amendment and/or decision to be taken with respect to any payment obligations of the Company under the Scheme shall be regarded as a substantive modification and/or amendment to the Scheme.

14.3. Save as provided for under Clauses 14.1 and 14.2 above, any modifications and/or amendments to the terms of the Scheme and any decisions to be taken regarding the Scheme shall be approved by Ordinary Resolution passed at a Creditors' Meeting.

14.4. For the avoidance of doubt and subject to Clauses 14.1 and 14.2 above, the Scheme Manager shall determine whether a proposed modification, amendment and/or decision to be taken regarding the Scheme is procedural or substantive in nature or otherwise and any such determination by the Scheme Manager shall be conclusive and binding on all parties to the Scheme.

15. ASSIGNMENT OF APPROVED CLAIM

15.1. No Participating Creditor shall assign or transfer any of its rights, title, interests and/or benefits under the Scheme except as expressly provided hereunder.

15.2. A Participating Creditor (the "**Transferor**") may at any time absolutely assign and transfer to any person (the "**Transferee**") all its rights, title, interest and benefits under and arising from the Scheme, in whole and not in part, by delivering to the Scheme Manager a Transfer Instrument executed by both the Transferor and Transferee. Such Transferee shall, by delivery of such Transfer Instrument to the Scheme Manager, be deemed to have agreed to be bound by and subject to the terms of the Scheme.

15.3. Notwithstanding service or delivery of a Transfer Instrument to the Scheme Manager, the Scheme Manager shall have no obligation or duty to accept or act upon the Transfer Instrument and may at its absolute discretion withhold making any payment or distribution

under the Scheme to the Transferee and the Transferor identified in the Transfer Instrument until:

15.3.1. the Scheme Manager is satisfied that the Transfer Instrument had been duly, validly and effectively executed by the Transferor and the Transferee (in the form and substance satisfactory to the Scheme Manager) and/or by any person duly and lawfully empowered to do so on behalf of the Transferor and/or the Transferee; and

15.3.2. the identities of the Transferor and/or the Transferee have been verified to the satisfaction of the Scheme Manager, and the Scheme Manager may for the foregoing purpose require the Transferor and/or Transferee to furnish to the Scheme Manager such information, evidence and/or legal opinion as the Scheme Manager may consider appropriate at the expense of the Transferor or Transferee.

15.4. A Transferee shall become a Participating Creditor in place of the Transferor (and such Transferor shall cease to be an Existing Creditor) for the purpose of the Scheme when the Transferee's name has been recorded in the Register of Participating Creditors and confirmation in writing of the transfer has been provided by the Scheme Manager to the Transferee.

15.5. No Transferee shall be entitled to receive under the Scheme payment of any amount greater than that which the Transferor would have been entitled.

16. NOTICES

16.1. Every notice to be given to an Existing Creditor under the Scheme shall be in writing and delivered personally or sent by normal post or pre-paid registered post at the address of the Existing Creditor last known to the Company or by facsimile addressed to a facsimile number which facsimile number the Company understands to be the last known facsimile number of the Existing Creditor or by electronic mail to the Existing Creditors for whom the Company has an e-mail address in its records, which e-mail address the Company understands to be the last known e-mail address(es) of that Existing Creditor or any director, employee, agent or authorized representative of that Existing Creditor.

16.2. Any such notice shall be deemed to have been duly served (if given by electronic mail) immediately or (if given by facsimile) immediately (or if given by letter) on the date it was sent and in proving the same it shall be sufficient to show that the envelope containing the same was duly addressed, stamped and posted regardless of whether the said notice be actually received and whether the said notice is returned to the Company.

17. SEVERABILITY

17.1. If any provision in the Scheme shall be held to be invalid, illegal or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification as necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intentions of the Existing Creditors and the Company.

17.2. To the extent it is not possible to delete or modify the provision in whole or in part, under Clause 17.1, then such provision or part of it shall, to the extent that it is invalid, illegal or unenforceable, be deemed not to form part of the Scheme and the validity, legality and enforceability of the remainder of the Scheme shall, subject to any deletion or modification made under Clause 17.1, not be affected.

18. PROPER LAW AND JURISDICTION

18.1. The Scheme shall be exclusively governed by the laws of the Republic of Singapore.

18.2. The parties to the Scheme (including the Company and the Existing Creditors) hereby irrevocably submit to the exclusive jurisdiction of the courts of Singapore in relation to any legal actions or proceedings arising out of or in connection with the Scheme.

19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT, CHAPTER 53B OF SINGAPORE

A person who is not a party to the Scheme has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of the Scheme.

APPENDIX 1 – PLACEMENT TERM SHEET

Strictly Private & Confidential

PLACEMENT TERM SHEET

This is a binding term sheet ("**Term Sheet**") setting out the proposed principal terms for transaction described below and is not intended to be a complete description of all the terms in respect thereof. This Term Sheet will form the basis of the terms of the definitive agreement to be executed in connection with the transaction. This Term Sheet shall be valid for a period of six (6) months from the date hereof.

Issuer	:	Jason Holdings Limited
Subscriber	:	Lim Chwee Kim
No. of Placement Shares	:	2,000,000,000 new ordinary shares in the capital of the Issuer
Percentage of Enlarged Share Capital	:	Approximately 73.28% (after taking into consideration of the shares to be issued under the Scheme)
Placement Price	:	S$0.0005 per share
Total Placement Proceeds	:	S$1,000,000
Use of Proceeds	:	The proceeds shall be utilised by the Issuer for, *inter alia*, the following purposes:- (i) up to S$250,000 shall be used for the repayment of professional fees in relation to this Proposed Placement and the Scheme and to fund the Issuer's working capital to facilitate the restructuring; and (ii) the balance amount shall be used to satisfy in full all actual and contingent claims against the Issuer ("**Scheme Consideration**").
Scheme	:	Issuer shall propose a scheme under Section 210 of the Companies Act (Cap. 50 of Singapore), pursuant to which approximately S$750,000 and up to 513,253,613 shares ("**Scheme Shares**") will be issued to the Scheme Creditors to compromise and satisfy in full all actual and contingent claims against Issuer.
Event of Default	:	Standard events of default shall apply for a transaction of this nature.
Undertaking and Warranties	:	Standard undertakings and warranties clauses shall apply for a transaction of this nature.
Conditions Precedent	:	The completion of the Proposed Placement shall be subject to satisfaction (or waiver by the Subscriber at its sole discretion) of, *inter alia*, the following conditions precedents: (a) the Subscriber having undertaken and completed due diligence investigations on all operational, financial and legal matters and considerations in relation to the Issuer, and the results of such due diligence investigations being satisfactory to the Subscriber in its sole and absolute discretion; (b) the approval of the Scheme by (i) the Board of Directors of the Issuer, (ii) the creditors of the Issuer, and/or (iii) such other necessary party in compliance with the requirements of

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Section 210 of the Companies Act;

(c) the approval of the Proposed Placement by (i) Board of Directors and (ii) the shareholders of the Issuer;

(d) the sanction of the Scheme by the Singapore courts pursuant to Section 210(3) of the Companies Act and such Court Order having become final and effective;

(e) the lodgement of the Court Order with ACRA in accordance with Section 210(5) of the Companies Act;

(f) all regulatory approvals being obtained and not withdrawn, including without limitation, the approval-in-principle from the SGX-ST for (i) the allotment and the issue of the Placement Shares and Scheme Shares, and (ii) the dealing in and quotation for the Placement Shares and Scheme Shares on the SGX-ST, and where any of the aforesaid confirmation, waiver or approval is obtained subject to any conditions, such conditions being reasonably acceptable to the Subscriber;

(g) the satisfaction of any condition(s) that may be imposed by SGX-ST, insofar as such condition(s) need to be fulfilled, and provided further that such confirmation, waiver and approval are not revoked, rescinded or cancelled;

(h) the Securities Industry Council of Singapore ("**SIC**") having granted the Subscriber and its concert parties (and not having revoked or repealed such grant) a waiver of the Subscriber's obligation to make a mandatory offer under Rule 14 of the Singapore Code on Takeovers and Mergers (the "**Code**") for the shares in the Issuer not held by the Subscriber and its concert parties and from having to comply with the requirements of Rule 14 of the Code including but not limited to pre-clearance from the SIC on any issues in connection with the Proposed Placement that the Subscriber and/or the Issuer may consider necessary, subject to (i) any conditions that the SIC may impose, provided that such conditions are reasonably acceptable to the Subscriber and its concert parties; and (ii) the independent shareholders approving at a general meeting of the Issuer the whitewash resolution (the "**SIC Waiver**");

(i) the Issuer remaining listed on the SGX-ST and there being no notice or proposal for the delisting of the Issuer;

(j) there being no material adverse change (as reasonably determined by the Subscriber) in the business, operations, properties, prospects or financial condition of the Issuer;

(k) the respective representations and warranties of the Issuer set out in the Placement Agreement being true and correct;

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PLACEMENT TERM SHEET

(l) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore (including the SGX-ST and the SIC) which is applicable to the Issuer or the Subscriber;

(m) the Issuer has complied with or will comply with all legal and other requirements necessary for the issue of the Placement Shares and performance of its obligations under the Placement Agreement; and

(n) no prescribed occurrence of the following events in relation to the Issuer occurs other than as required or contemplated by the Scheme or the Proposed Placement:

(i) Injunctions: an injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme;

(ii) Resolution for winding up: any party resolving that the Issuer be wound up;

(iii) Order of Court for winding up: the making of an order by a court of competent jurisdiction for the winding up of the Issuer; and

(iv) Litigation: any legal proceedings or claims against the Issuer

Exclusivity : Subject to the written consent of the Subscriber, the Issuer shall not, and shall procure that none of its directors, subsidiaries, employees, agents or professional advisers shall;

(a) initiate, engage in, continue or enter into any discussions, negotiations or correspondences with any third party (other than the relevant professional advisers for this Proposed Placement) relating to:

(i) fund raising exercise, including but not limited to, subscription for any shares in the Issuer and/or issuance of convertible instruments by the Issuer; or

(ii) any corporate exercise, including but not limited to, acquisition of any assets or such exercise that may lead to issuance of shares by the Issuer.

(b) directly or indirectly solicit or invite enquiries, proposals or offers in relation to the matters set out in (a) above; or

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(c) grant to any third party access to the confidential information, books, accounts, records and other information relating to the Issuer and its subsidiaries or to the employees for the purposes of evaluating the possible transaction with a view to consummate any corporate exercise in relation to the matters set out in (a) above.

The exclusivity period shall for a period of six (6) months from the date of signing of this term sheet or upon the termination of this Proposed Placement, whichever is earlier.

Confidentiality : Each of the parties shall keep confidential and shall not disclose to any other person, nor use for any purpose except the purposes of the transactions contemplated under this Term Sheet any information obtained from the other parties as a result of negotiating, entering into or implementing the transactions contemplated under this Term Sheet other than information which:

(a) is required to be disclosed by operation of law or any stock exchange regulations or any binding judgment or order, or any requirement of a competent authority;

(b) is reasonably required to be disclosed in confidence to a party's professional advisers for use in connection with the transactions contemplated under this Term Sheet; or

(c) is or becomes within the public domain (otherwise than through the default of the recipient party).

No public announcement or press release in connection with the subject matter of this Term Sheet shall be made or issued by or on behalf of either party without the prior written approval of the other parties, except such as may be required by law or by any stock exchange or by any governmental authority. If any such announcement is to be made, the party making such announcement shall use its reasonable efforts to consult with the other parties prior to the release of such announcement.

Definitive Agreement : The Parties shall use their best endeavours to agree and sign a Placement Agreement or other such agreements in respect of the Proposed Placement (the "**Definitive Agreement**") on terms mutually agreed between the parties.

This Term Sheet is intended to summarise the key commercial terms that will underlie the agreements that the parties will reach in the future concerning the subject matter of this document. Those principles are not to be taken as exhaustive and, in any event, remain subject to modification or withdrawal as a result of further discussions.

Governing Law : The laws of the Republic of Singapore.



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PLACEMENT TERM SHEET

Dispute Resolution	:	All disputes in relation to the transaction contemplated herein shall, as far as possible, be settled amicably by the parties. If any such dispute is not settled amicably within 60 days from the date a party informs the other that such dispute has arisen, the dispute shall be exclusively referred to, and finally resolved by, arbitration in Singapore in accordance with Singapore International Arbitration Centre.

It is understood by the parties that this Term Sheet will serve as an aid for the drafting of the Placement Agreement only. The Placement Agreement to be entered into by the Parties will constitute the whole agreement between the parties and shall supercede any other agreements or arrangements between them relating to the subject matter of the Placement Agreement, whether such be written or oral.

This Term Sheet may be executed in counterparts (and by Parties hereto on different counterparts), each of which shall constitute an original but all of which when taken together shall constitute a single Term Sheet.

Dated this 20th day of December 2016

Issuer
For and on behalf of
Jason Holdings Limited

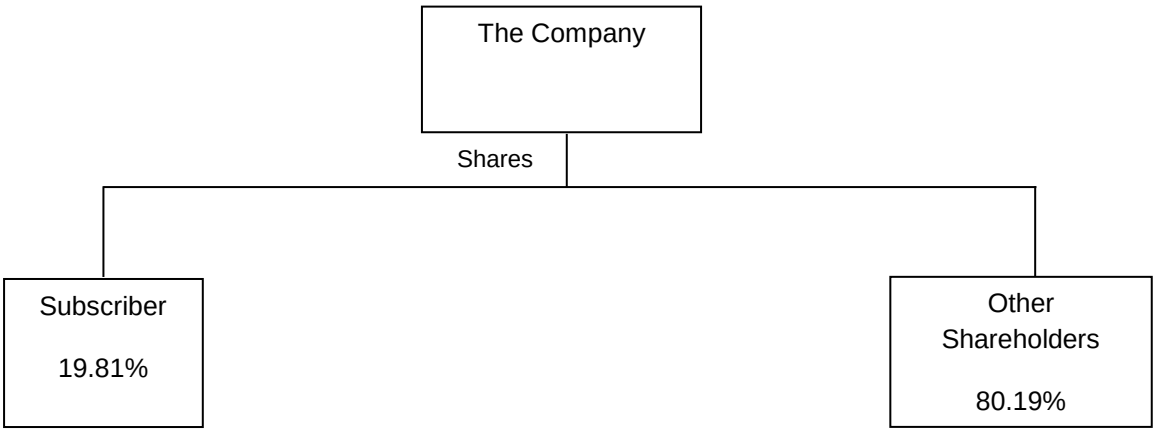
Name: Alex Wui Heck Kwan
Director

Subscriber

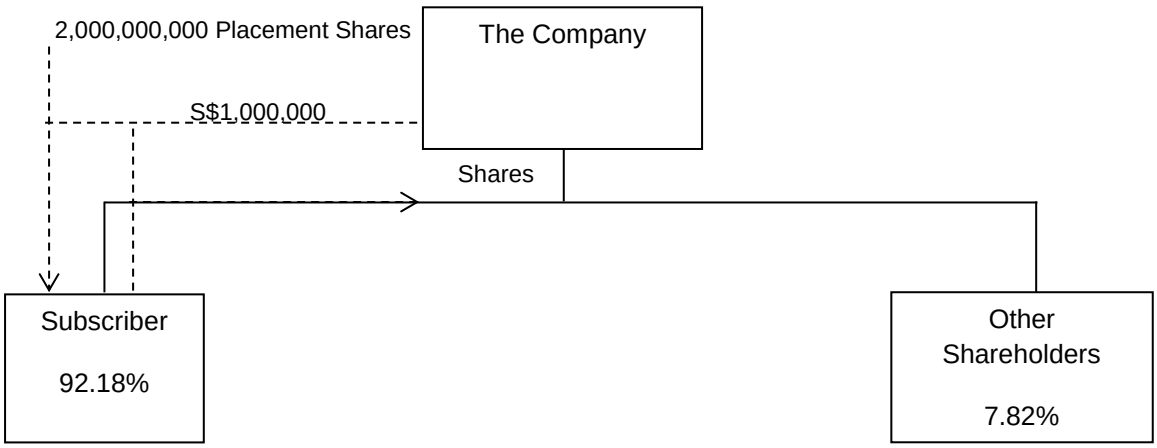
Lim Chwee Kim

APPENDIX 2 – SHAREHOLDING STRUCTURE

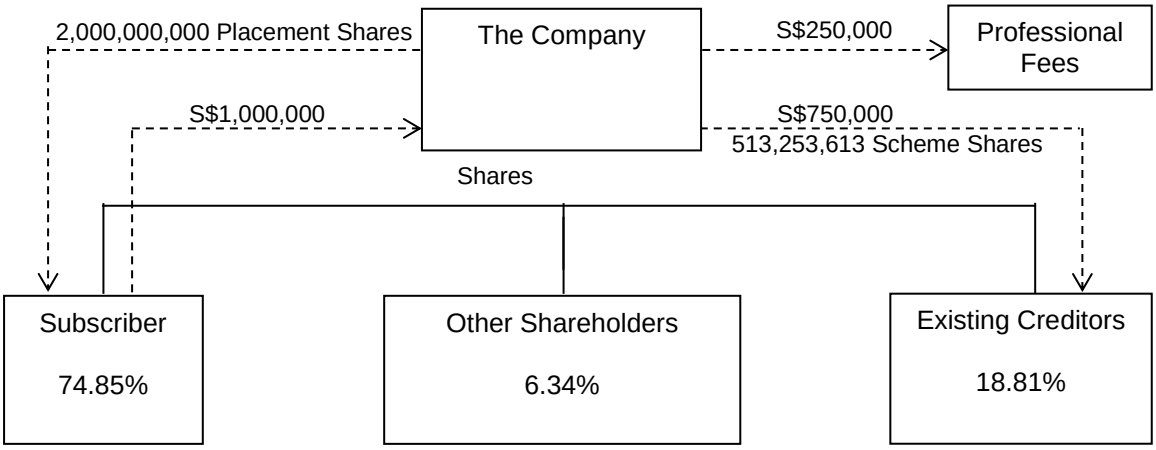
CURRENT STRUCTURE



STRUCTURE AFTER PROPOSED PLACEMENT



STRUCTURE AFTER SCHEME[1]



[1] Shareholdings of "Subscriber" and "Other Shareholders" after the Scheme do not take into account the Scheme Shares that will be allotted and issued to the Existing Creditors which is subject to *inter alia* Clause 6.3 of the Scheme.

APPENDIX 3 – LIST OF KNOWN EXISTING CREDITORS

Bank Creditors

1. Malayan Banking Berhad
2. Australia and New Zealand Banking Group Limited, Singapore Branch
3. Standard Chartered Bank (Singapore) Limited
4. United Overseas Bank Limited

Unsecured Creditors

5. V3 Venture Pte Ltd
6. BDO LLP
7. The Comptroller of Goods and Services Tax
8. Cre8 Singapore Pte Ltd
9. Drew & Napier LLC
10. Neo Garden Catering Pte Ltd
11. Ng & Fang Solicitors
12. Singapore Business Federation Foundation Limited
13. Share Investor Pte Ltd
14. Tian Yuan Law Firm
15. Yang Lee & Associates
16. Tricor Singapore Pte Ltd
17. City Life Advertising Pte Ltd
18. DTZ Debenham Tie Leung (SEA) Pte Ltd
19. KPMG Services Pte Ltd
20. Singapore Exchange Limited
21. The Central Depository (Pte) Limited
22. The Comptroller of Income Tax
23. Liberty Insurance Pte Ltd
24. Lim Chwee Kim
25. Sim Choon Joo
26. Tan Lai Heng
27. Jason Sim Chon Ang
28. Wui Heck Koon
29. Karam Singh Parmar
30. SAC Advisors Private Limited (f.k.a. Canaccord Genuity Singapore Pte. Ltd.)
31. Ernst & Young Solutions LLP
32. Rajah & Tann Singapore LLP

APPENDIX 4 – PROOF OF DEBT FORM

COMPANIES ACT
(CHAPTER 50)

PROOF OF DEBT FORM

1. Case Number

HC/OS 1249/2016

2. Name of Company

JASON HOLDINGS LIMITED
(Singapore UEN No. 201119167Z)

3. Particulars of Creditor Claiming Debt

Name of Creditor:_____

I/C/Passport No/Company/Business Registration No.:_____

Postal Address *(see note a)* _____

_____

Contact Nos. (Tel/Pager/HP):_____ **Fax No.:**_____

E-mail Address:_____

Creditor's Reference No. *(see note b)* **:** _____

4. Particulars Of Claim

Date Debt Incurred	Details of Debt *(Please see notes c, d and e)*	Currency	Amount
Total Amount of Debt (In Figures):			
Total Amount of Debt (In Words):			

5. **Security Held** *(Please indicate "Nil" if no securities are held by creditor)*

Brief Description

6. Particulars of Person Authorised to Complete this Proof of Debt Form

Name : _____

NRIC No./Passport No.: _____

Relationship to Creditor:_____

Name of Firm/Company: _____

(eg. Solicitors/Accountants etc)

Contact Nos. (Tel/pager/HP):_____**Fax No.**:_____

E-mail Address: _____

7. Signature of Creditor/Person Authorised to Complete this Proof of Debt Form

6.1. I declare that to the best of knowledge and belief, the company owes the creditor the amount claimed in box 4.

6.2. I declare that I am duly authorised by the creditor/under the seal of the creditor company (delete where applicable), to complete this proof of debt form.

Signature:_____ **Date:** _____

(Day)(Month)(Year)

WARNING

Lodging a false proof of debt is a criminal offence punishable with fine or imprisonment or both.

Note

a. Please inform the Company of any change in address.
b. Please indicate the reference number that will be quoted in future correspondence with the Company.
c. Examples of Debts are:
   - Goods Supplied
   - Services Rendered
   - Loan
   - Overdraft Facilities
   - Credit Card Facilities
   - Hire Purchase
   - Income Tax
   - CPF
   - Others (please specify)
d. Please attach copies of documents substantiating the debt. The onus is upon the creditor to prove the debt.
e. For claims made by an unauthorised person on behalf of a group of workmen and others employed by the company, please provide a schedule reflecting the name, identification/passport no., address, debt, description, period for which wages are due and the amount due, for each individual workmen/employee

APPENDIX 5 – FORM OF NOTIFICATION IN RESPECT OF ISSUE OF SCHEME SHARES

Date:

To: **Ms Ee Meng Yen Angela**
(in her capacity as Scheme Manager of
Jason Holdings Limited ("**Scheme Manager**"))
c/o Ernst & Young Solutions LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

Dear Sirs

JASON HOLDINGS LIMITED ("Company") – SCHEME OF ARRANGEMENT BETWEEN THE COMPANY AND THE EXISTING CREDITORS

- **Issue Of Scheme Shares**

We/I, _____ (*Name of Creditor*), refer to the scheme document dated 12 January 2017 ("**Scheme Document**") in relation to the scheme of compromise and arrangement between the Company and its existing creditors. Capitalised terms used but not otherwise defined herein shall have the same meaning as that ascribed in the Scheme Document.

We / I confirm that for the purposes of satisfying the Company's obligations to allot and issue the Scheme Shares (which we may be entitled to subject to adjudication of the proof of debts to be submitted) under Clauses 3.3.1(b) and 5.2 of the Scheme Document:

[*Please choose either Option (A) or (B)*]

(A) We / I wish to hold our / my Scheme Shares in scripless form and the Company and/or the Scheme Manager is hereby authorised and directed to credit the relevant number of Shares to which we are / I am entitled under the Scheme as follows:

☐ (1) Please credit all Shares to our / my following account with the CDP:

CDP account name	:	
CDP account number	:	

OR

☐ (2) Please credit all Shares to the following account with the CDP of the party identified below:

Party name	:	
NRIC no. (if individual) / UEN number (for non-individuals)	:	
CDP account name	:	

CDP account number	:	

OR

(B) We / I wish to hold our / my Scheme Shares in scrip form and the Company and/or Scheme Manager is hereby authorised and directed to issue the Scheme Shares and to place our / my name in respect of the Scheme Shares in the register of members of the Company. Please send the physical share certificate(s) in respect of such Scheme Shares to the following Singapore address:

Singapore address :

Signed by:

Option 1: For Existing Creditors who are individuals

_____

Name:
NRIC Number:

Option 2: For Creditors who are non-individuals

For and on behalf of
[*Insert name and UEN of Existing Creditor*]

_____

Authorised Signatory(2)
Name:
Position:

(2) The signatory should have the appropriate power and authorisation to sign off on behalf of the Existing Creditor company. Such signatory may be an existing director of the Existing Creditor, or any other person granted the appropriate power/authorisation to make the declaration here. The Scheme Manager shall be entitled to require that the creditor furnish the relevant supporting documentation evidencing such power / authorisation, before accepting the directions / nominations in this letter.

APPENDIX 6 – FORM OF TRANSFER INSTRUMENT

This Transfer is made on the [●] day of [●] between:

(1) **[Insert name]** (Registration No. [●]) of [insert address] (the "**Transferor**"); and

(2) **[Insert name]** (Registration No. [●]) of [insert address] (the "**Transferee**").

(each a "**Party**" and both collectively referred to herein as the "**Parties**")

Whereas:

(A) By a scheme of arrangement dated 12 January 2017 proposed under Section 210 of the Companies Act (Cap. 50) and approved by the High Court of the Republic of Singapore on [●] (the "**Scheme**"), the Transferor is an Existing Creditor of the transferee or successor in title of a Participating Creditor.

(B) The Transferor has agreed to assign and transfer to the Transferee all of the Transferor's rights, title, interest and benefits under and arising from the Scheme subject to the terms of the Scheme.

Now it is hereby agreed as follows:

1. Unless otherwise defined, the capitalised terms used throughout this document shall bear the same meanings as defined in the Scheme.

2. The Transferor hereby assigns and transfers absolutely to the Transferee all the Transferor's rights, title and interests under and arising from the Scheme and the full benefit and advantage thereof to hold the same unto the Transferee absolutely with effect from the date hereof.

3. The Transferee hereby absolutely, unconditionally and irrevocably agrees to be bound by and subject to the terms of the Scheme.

4. For purposes of the Scheme:

   (a) the Transferee hereby requests that all payments and distributions under the Scheme to the Transferee be effected by cheque or by bank transfer to the Transferee's bank account specified hereunder:

[insert Transferee's bank account number and address of bank at which the account is established]

The Transferee agrees that the fees and expenses incurred in connection with such bank transfer shall be borne by the Transferee and may be deducted from any sum payable to the Transferee under the Scheme.

   (b) the details of the Transferee for the purposes of paragraph 15.1 of the Scheme are as follows:

Address: [●]
Email: [●]
Fax: [●]

5. This Transfer Instrument shall be exclusively governed by the laws of the Republic of Singapore and the Parties irrevocably submit to the exclusive jurisdiction of the Courts of the Republic of Singapore.

IN WITNESS WHEREOF, the Parties have executed this Transfer Instrument as a deed on the date first above written.

THE TRANSFEROR
Signed, sealed and delivered)
By **[insert name]**)
For and on behalf of)
[insert name])
In the presence of:

THE TRANSFEREE
Signed, sealed and delivered)
By **[insert name]**)
For and on behalf of)
[insert name])
In the presence of:

JASON HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 201119167Z)
(the "**Company**")

All capitalised terms used in this Notice which are not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the circular to Shareholders dated 16 May 2017.

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held at Lorong Koo Chye Sheng Hong Temple Association (2nd Floor Conference Room), No. 15, Arumugam Road, Singapore 409960 on 31 May 2017 at 2.00 p.m., for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

THE PROPOSED ALLOTMENT AND ISSUE OF 2,000,000,000 PLACEMENT SHARES TO MR. LIM CHWEE KIM (THE NON-EXECUTIVE CHAIRMAN AND CONTROLLING SHAREHOLDER OF THE COMPANY) AT THE PRICE OF S$0.0005 FOR EACH PLACEMENT SHARE PURSUANT TO THE PROPOSED PLACEMENT

That, subject to and contingent upon the passing of Ordinary Resolutions 2 and 7:

(a) approval be and is hereby given for the proposed allotment and issue of 2,000,000,000 Placement Shares at the issue price of S$0.0005 for each Placement Share to Mr. Lim Chwee Kim (the Non-Executive Chairman and Controlling Shareholder of the Company) upon the terms and conditions of the Placement Agreement; and

(b) the Directors of the Company and each of them be and are hereby authorised to complete and to do all acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider necessary or expedient for the purposes of or in connection with and to give effect to this resolution (including any execution of any agreements or documents and procurement of third party consents for the Shares).

Note to Ordinary Resolution 1:

Pursuant to Rule 804, Rule 812(2) and Rule 919 of the Catalist Rules, Mr. Lim Chwee Kim and his associates will abstain from exercising any voting rights in relation to Ordinary Resolution 1.

ORDINARY RESOLUTION 2

THE PROPOSED ALLOTMENT AND ISSUE OF 513,253,613 SCHEME SHARES TO THE PARTICIPATING CREDITORS AT THE PRICE OF S$0.001 FOR EACH SCHEME SHARE IN ACCORDANCE WITH THE SCHEME

That, subject to and contingent upon the passing of Ordinary Resolutions 1 and 7:

(a) approval be and is hereby given for the proposed allotment and issue of 513,253,613 Scheme Shares at the issue price of S$0.001 for each Scheme Share to the Participating Creditors in full satisfaction and complete extinguishment and discharge of their Approved Claims in accordance with the terms of the Scheme; and

(b) the Directors of the Company and each of them be and are hereby authorised to complete and to do all acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider necessary or expedient for the purposes of or in connection with and to give effect to this resolution (including any execution of any agreements or documents and procurement of third party consents for the Shares).

ORDINARY RESOLUTION 3

THE PROPOSED ALLOTMENT AND ISSUE OF UP TO 2,688,313 SCHEME SHARES TO MR. JASON SIM CHON ANG IN ACCORDANCE WITH THE SCHEME

That, subject to and contingent upon the passing of Ordinary Resolutions 1, 2 and 7:

(a) approval be and is hereby given for the proposed allotment and issue of up to 2,688,313 Scheme Shares at the issue price of S$0.001 for each Scheme Share to Mr. Jason Sim Chon Ang in accordance with the terms of the Scheme; and

(b) the Directors of the Company and each of them be and are hereby authorised to complete and to do all acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider necessary or expedient for the purposes of or in connection with and to give effect to this resolution (including any execution of any agreements or documents and procurement of third party consents for the Shares).

Note to Ordinary Resolution 3:

Pursuant to Rule 804 and Rule 812(2) of the Catalist Rules, Mr. Jason Sim Chon Ang and his associates will abstain from exercising any voting rights in relation to Ordinary Resolution 3.

ORDINARY RESOLUTION 4

THE PROPOSED ALLOTMENT AND ISSUE OF UP TO 1,777,252 SCHEME SHARES TO MR. WUI HECK KOON IN ACCORDANCE WITH THE SCHEME

That, subject to and contingent upon the passing of Ordinary Resolutions 1, 2 and 7:

(a) approval be and is hereby given for the proposed allotment and issue of up to 1,777,252 Scheme Shares at the issue price of S$0.001 for each Scheme Share to Mr. Wui Heck Koon in accordance with the terms of the Scheme; and

(b) the Directors of the Company and each of them be and are hereby authorised to complete and to do all acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider necessary or expedient for the purposes of or in connection with and to give effect to this resolution (including any execution of any agreements or documents and procurement of third party consents for the Shares).

Note to Ordinary Resolution 4:

Pursuant to Rule 804 and Rule 812(2) of the Catalist Rules, Mr. Wui Heck Koon and his associates will abstain from exercising any voting rights in relation to Ordinary Resolution 4.

ORDINARY RESOLUTION 5

THE PROPOSED ALLOTMENT AND ISSUE OF UP TO 1,523,359 SCHEME SHARES TO MR. KARAM SINGH PARMAR IN ACCORDANCE WITH THE SCHEME

That, subject to and contingent upon the passing of Ordinary Resolutions 1, 2 and 7:

(a) approval be and is hereby given for the proposed allotment and issue of up to 1,523,359 Scheme Shares at the issue price of S$0.001 for each Scheme Share to Mr. Karam Singh Parmar in accordance with the terms of the Scheme; and

(b) the Directors of the Company and each of them be and are hereby authorised to complete and to do all acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider necessary or expedient for the purposes of or in

connection with and to give effect to this resolution (including any execution of any agreements or documents and procurement of third party consents for the Shares).

Note to Ordinary Resolution 5:

Pursuant to Rule 804 and Rule 812(2) of the Catalist Rules, Mr. Karam Singh Parmar and his associates will abstain from exercising any voting rights in relation to Ordinary Resolution 5.

ORDINARY RESOLUTION 6

THE PROPOSED ALLOTMENT AND ISSUE OF UP TO 1,523,359 SCHEME SHARES TO MR. TAN LAI HENG IN ACCORDANCE WITH THE SCHEME

That, subject to and contingent upon the passing of Ordinary Resolutions 1, 2 and 7:

(a) approval be and is hereby given for the proposed allotment and issue of up to 1,523,359 Scheme Shares at the issue price of S$0.001 for each Scheme Share to Mr. Tan Lai Heng in accordance with the terms of the Scheme; and

(b) the Directors of the Company and each of them be and are hereby authorised to complete and to do all acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider necessary or expedient for the purposes of or in connection with and to give effect to this resolution (including any execution of any agreements or documents and procurement of third party consents for the Shares).

Note to Ordinary Resolution 6:

Pursuant to Rule 804 and Rule 812(2) of the Catalist Rules, Mr. Tan Lai Heng and his associates will abstain from exercising any voting rights in relation to Ordinary Resolution 6.

ORDINARY RESOLUTION 7

THE PROPOSED WHITEWASH RESOLUTION FOR THE WAIVER BY INDEPENDENT SHAREHOLDERS OF THEIR RIGHTS TO RECEIVE A MANDATORY GENERAL OFFER FROM MR. LIM CHWEE KIM AND HIS CONCERT PARTIES

That, subject to and contingent upon the passing of Ordinary Resolutions 1 and 2 and the conditions in the letter from the SIC dated 8 February 2017 being fulfilled, the Independent Shareholders, do hereby, unconditionally and irrevocably waive their rights to receive a general offer from Mr. Lim Chwee Kim and his concert parties in accordance with Rule 14 of the Code, for all the Shares not already owned by Mr. Lim Chwee Kim and his concert parties, as a result of the allotment and issue of 2,000,000,000 new Shares to Mr. Lim Chwee Kim pursuant to the Proposed Placement.

Note to Ordinary Resolution 7:

Pursuant to the Whitewash Waiver, Mr. Lim Chwee Kim, parties acting in concert with him and parties not independent of them will abstain from exercising any voting rights in relation to Ordinary Resolution 7.

BY ORDER OF THE BOARD
JASON HOLDINGS LIMITED

Wui Heck Koon
Lead Independent Director
16 May 2017

Notes:

(1) A member (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.

(2) Where a member (other than a Relevant Intermediary) appoints two (2) proxies, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the instrument appointing the proxies.

(3) A Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to different share or shares held by him (which number and class of shares shall be specified).

"Relevant Intermediary" means:

(a) a banking corporation licensed under the Banking Act (Cap.19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services license to provide custodial services for securities under the Securities Futures Act (Cap.289) and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap.36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

(4) Completion and return of his instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.

(5) The instrument appointing a proxy must be deposited at the registered office of the Company at 11 Tampines Street 92, #03-05 Tampines BizHub, Singapore 528872, not less than forty-eight (48) hours before the time appointed for holding the EGM.

(6) A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register seventy-two (72) hours before the time appointed for holding the EGM.

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

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

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 seventy-two (72) hours before the time appointed for holding the EGM, 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) 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, 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, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

JASON HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No: 201119167Z)

PROXY FORM
EXTRAORDINARY GENERAL MEETING

I/We* _____ (Name) _____(NRIC/Passport* No.)

of _____ (Address)
being a member/members* of **Jason Holdings Limited** (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport* No.	Proportion of Shareholdings	
			No. of Shares	%

*and/or

Name	Address	NRIC/Passport* No.	Proportion of Shareholdings	
			No. of Shares	%

or, failing the person, or either or both of the persons, referred to above, the Chairman of the Extraordinary General Meeting of the Company ("**EGM**") as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the EGM to be held at Lorong Koo Chye Sheng Hong Temple Association (2nd Floor Conference Room), No. 15, Arumugam Road, Singapore 409960 on 31 May 2017 at 2.00 p.m. and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for/against* the resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/her/their* discretion, as he/she/they* will on any other matter arising at the EGM.

		On a poll	
	Ordinary Resolution	**Number of Votes For****	**Number of Votes Against****
1.	The proposed allotment and issue of 2,000,000,000 Placement Shares to Mr. Lim Chwee Kim (the Non-Executive Chairman and Controlling Shareholder of the Company) at the price of S$0.0005 for each Placement Share pursuant to the Proposed Placement		
2.	The proposed allotment and issue of 513,253,613 Scheme Shares to the Participating Creditors at the price of S$0.001 for each Scheme Share in accordance with the Scheme		
3.	The proposed allotment and issue of up to 2,688,313 Scheme Shares to Mr. Jason Sim Chon Ang in accordance with the Scheme		
4.	The proposed allotment and issue of up to 1,777,252 Scheme Shares to Mr. Wui Heck Koon in accordance with the Scheme		
5.	The proposed allotment and issue of up to 1,523,359 Scheme Shares to Mr. Karam Singh Parmar in accordance with the Scheme		
6.	The proposed allotment and issue of up to 1,523,359 Scheme Shares to Mr. Tan Lai Heng in accordance with the Scheme		
7.	The Proposed Whitewash Resolution for the waiver by the Independent Shareholders of their rights to receive a mandatory general offer from Mr. Lim Chwee Kim and his concert parties		

Dated this _____ day of _____ 2017

Total number of Shares held in:	No. of Shares
CDP Register	
Register of Members	

_____
Signature(s) of Member(s) or Common Seal of Corporate Member

* Please delete as appropriate

** If you wish to exercise all your votes "For" or "Against", please tick within the box provided. Alternatively, please indicate the number of votes as appropriate.

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 (Cap. 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

(2) A member of the Company (other than a Relevant Intermediary), entitled to attend and vote at a meeting of the Company is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

(3) Where a member (other than a Relevant Intermediary) appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

(4) 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).

"Relevant Intermediary" means:

(a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities Futures Act (Cap. 289) and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

(5) Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.

(6) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 11 Tampines Street 92, #03-05 Tampines BizHub, Singapore 528872, not less than forty-eight (48) hours before the time appointed for the EGM.

(7) A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register seventy-two (72) hours before the time set for the EGM.

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Personal Data Privacy:

By submitting an instrument appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 16 May 2017.