

**CIRCULAR DATED 27 NOVEMBER 2018**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT 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 ordinary shares in the capital of CSC Holdings Limited (the “**Company**”) represented by physical share certificate(s), you should immediately forward this Circular, the enclosed Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or the transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

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



**CSC HOLDINGS LIMITED**

(Company Registration No.: 199707845E)  
(Incorporated in the Republic of Singapore)

**CIRCULAR TO SHAREHOLDERS**

**in relation to**

**THE PROPOSED ADOPTION OF A GENERAL MANDATE FOR  
INTERESTED PERSON TRANSACTIONS**

**Independent Financial Adviser to the Independent Directors**



**NOVUS CORPORATE FINANCE PTE. LTD.**

(Company Registration No.: 201723484W)  
(Incorporated in the Republic of Singapore)

**IMPORTANT DATES AND TIMES:**

Last date and time for lodgement of Proxy Form	: 9 December 2018 at 10.00 a.m.
Date and time of Extraordinary General Meeting	: 12 December 2018 at 10.00 a.m.
Place of Extraordinary General Meeting	: 2 Tanjong Penjuru Crescent Singapore 608968

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## DEFINITIONS

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For the purposes of this Circular, the following definitions apply throughout unless the context requires otherwise:

### **Companies, Organisations and Agencies**

<b>“Authority”</b>	:	Monetary Authority of Singapore
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Company”</b>	:	CSC Holdings Limited
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“Independent Financial Adviser” or “IFA”</b>	:	Novus Corporate Finance Pte. Ltd., the independent financial adviser to the Independent Directors in respect of the proposed IPT Mandate
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“THAB”</b>	:	THAB Development Sdn Bhd
<b>“THH”</b>	:	Tat Hong Holdings Ltd
<b>“THH Group”</b>	:	THH and its subsidiaries
<b>“THI”</b>	:	Tat Hong International Pte Ltd
<b>“THM”</b>	:	Tat Hong Machinery Pte Ltd
<b>“Triplestar”</b>	:	Triplestar Holdings Pte Ltd
<b>“TSP”</b>	:	Triplestar Properties Sdn Bhd
<b>“WB TOP3”</b>	:	WB TOP3 Development Sdn Bhd

### **General**

<b>“1HFY2019”</b>	:	The 6 months ended 30 September 2018 of FY2019
<b>“associated company”</b>	:	A company in which at least 20.0% but not more than 50.0% of its shares are held by the Company or the Group

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## DEFINITIONS

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<b>“Associate(s)”</b>	:	<p>(a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:</p> <ul style="list-style-type: none"><li>(i) his immediate family;</li><li>(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and</li><li>(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;</li></ul> <p>(b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more</p>
<b>“Board”</b>	:	The board of Directors
<b>“Business Day”</b>	:	A day (other than a Saturday, Sunday or public holiday) on which banks, the SGX-ST, CDP and the Share Registrar are open for business in Singapore
<b>“Circular”</b>	:	This circular to Shareholders dated 27 November 2018
<b>“Companies Act”</b>	:	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
<b>“Controlling Shareholder”</b>	:	<p>A person who:</p> <ul style="list-style-type: none"><li>(a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares and subsidiary holdings in a company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling shareholder; or</li><li>(b) in fact exercises control of a company</li></ul>
<b>“Directors”</b>	:	The directors of the Company as at the Latest Practicable Date

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## DEFINITIONS

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<b>“EGM”</b>	:	The extraordinary general meeting of the Company to be held on 12 December 2018 at 10.00 a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968, notice of which is set out on pages N-1 to N-2 of this Circular
<b>“Existing Share Capital”</b>	:	2,221,762,546 Shares (excluding 20,520,000 treasury shares)
<b>“FY”</b>	:	The financial year ended 31 March
<b>“IFA Letter”</b>	:	The letter dated 27 November 2018 from the IFA to the Independent Directors in relation to the proposed IPT Mandate
<b>“Independent Directors”</b>	:	The Directors who are deemed to be independent in respect of the proposed IPT Mandate
<b>“Independent Shareholders”</b>	:	The Shareholders who are deemed to be independent for the purposes of voting on the proposed IPT Mandate
<b>“Interested Persons”</b>	:	The interested persons who fall within the proposed IPT Mandate, as set out in Section 2.5 of this Circular
<b>“Interested Person Transactions”</b>	:	Transactions with the Group that fall within the scope of the proposed IPT Mandate, as set out in Section 2.6 of this Circular
<b>“IPT Mandate”</b>	:	The general mandate from Shareholders proposed to be obtained by the Company at the EGM pursuant to Chapter 9 of the Listing Manual, permitting the Company, its subsidiaries and associated companies to enter into the Interested Person Transactions with the Interested Persons
<b>“Latest Practicable Date”</b>	:	9 November 2018, being the latest practicable date prior to the printing of this Circular
<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST, as may be amended or modified from time to time
<b>“Mainboard Rules”</b>	:	The Listing Manual Section A: Rules of Mainboard issued by the SGX-ST, as may be amended, supplemented or revised from time to time
<b>“Notice of EGM”</b>	:	The notice of EGM set out on pages N-1 to N-2 of this Circular
<b>“NTA”</b>	:	Net tangible assets

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## DEFINITIONS

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“ <b>Ordinary Resolution</b> ”	:	The ordinary resolution set out in the Notice of EGM
“ <b>Register of Members</b> ”	:	Register of members of the Company
“ <b>Review Procedures</b> ”	:	The review procedures for determining the transaction prices of the Interested Person Transactions, details of which are set out in Section 2.8 of this Circular
“ <b>Securities Account</b> ”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“ <b>Securities and Futures Act</b> ”	:	Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time
“ <b>Shareholders</b> ”	:	Registered holders of Shares except that where the registered holder is CDP, the term “ <b>Shareholders</b> ” shall, in relation to such Shares and where the context admits, mean the Depositors whose direct Securities Accounts maintained with CDP are credited with Shares
“ <b>Share(s)</b> ”	:	The issued ordinary share(s) in the capital of the Company
“ <b>subsidiaries</b> ”	:	Has the meaning ascribed to it in Section 5 of the Companies Act, and “ <b>subsidiary</b> ” shall be construed accordingly
“ <b>Substantial Shareholder</b> ”	:	A person (including a corporation) who has an interest or interests in one or more voting shares in the Company and the total votes attached to that share or those shares is not less than 5.0% of the total votes attached to all voting shares of the Company

### Currencies and Units of Measurements

“ <b>S\$</b> ”	:	Singapore dollars, the lawful currency of the Republic of Singapore
“ <b>%</b> ”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository Register**” and “**Depository Agent**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

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

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

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## DEFINITIONS

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Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Securities and Futures Act or the Mainboard Rules or any modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the Securities and Futures Act or the Mainboard Rules or such modification thereof, as the case may be.

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

Any discrepancies in the figures in this Circular between the figures listed 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.

### **Cautionary Note on Forward-Looking Statements**

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

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## LETTER TO SHAREHOLDERS

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### CSC HOLDINGS LIMITED

(Company Registration No.: 199707845E)  
(Incorporated in the Republic of Singapore)

#### Board of Directors

Dr. Leong Horn Kee (*Independent Non-Executive Chairman*)  
See Yen Tarn (*Group Chief Executive Officer & Executive Director*)  
Teo Beng Teck (*Non-Executive Director*)  
Tan Hup Foi @ Tan Hup Hoi (*Independent Director*)  
Ong Tiew Siam (*Independent Director*)

#### Registered Office

2 Tanjong Penjuru Crescent  
Singapore 608968

27 November 2018

To: The Shareholders of CSC Holdings Limited

Dear Sir/Madam

### THE PROPOSED ADOPTION OF A GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

#### 1. INTRODUCTION

##### 1.1 Purpose of this Circular

The Board is proposing to convene the EGM to be held on 12 December 2018 at 10.00 a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968 to seek Shareholders' approval for the proposed adoption of the IPT Mandate; and

In connection therewith, this Circular has been prepared to provide Shareholders with information relating to the IPT Mandate, and to seek Shareholders' approval in respect of the same at the EGM. The Notice of EGM is set out on pages N-1 to N-2 of this Circular.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Circular.

#### 2. THE PROPOSED ADOPTION OF THE IPT MANDATE

##### 2.1 Chapter 9 of the Listing Manual

2.1.1 Chapter 9 of the Listing Manual governs transactions in which a listed company or any of its subsidiaries or associated companies (known as an "**entity at risk**") enters into or proposes to enter into with a party who is an interested person of the listed company. The purpose is to guard against the risk that interested persons could influence the listed company, its subsidiaries or associated companies to enter into transactions with it that may adversely affect the interests of the listed company or its shareholders.

2.1.2 For the purposes of Chapter 9 of the Listing Manual:

- (a) an "**approved exchange**" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual;



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## LETTER TO SHAREHOLDERS

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- (b) an “**associate**” in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means his immediate family (i.e. spouse, children, adopted children, step-children, siblings and parents), the trustees of any trusts of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more. An “**associate**” in relation to a substantial shareholder or controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more;
- (c) an “**associated company**” means a company in which at least 20% but not more than 50% of its shares are held by the listed company or group;
- (d) a “**chief executive officer**” means the most senior executive officer who is responsible under the immediate authority of the board of directors for the conduct of the business of the listed company;
- (e) a “**controlling shareholder**” is a person who holds directly or indirectly 15% or more of the nominal amount of all voting shares in the listed company (unless otherwise excepted by the SGX-ST) or in fact exercises control over a company;
- (f) an “**entity at risk**” means:
  - (i) the listed company;
  - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
  - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company;
- (g) an “**interested person**” shall mean a director, chief executive officer or controlling shareholder of the listed company, or an associate of such director, chief executive officer or controlling shareholder; and
- (h) an “**interested person transaction**” means a transaction between an entity at risk and an interested person, and a “**transaction**” includes the provision or receipt of financial assistance, the acquisition, disposal or leasing of assets, the provision or receipt of services, the issuance or subscription of securities, the granting of or being granted options, and the establishment of joint ventures or joint investments, whether or not in the ordinary course of business and whether or not entered into directly or indirectly.

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## LETTER TO SHAREHOLDERS

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2.1.3 An immediate announcement and/or shareholders' approval would be required in respect of transactions with interested persons if the value of the transaction is equal to or exceeds certain financial thresholds.

In particular, an immediate announcement is required where:

- (a) the value of the proposed transaction is equal to or more than 3% of the latest audited NTA of the listed group; or
- (b) the aggregate value of all transactions (including the subject transaction) entered into with the same interested person during the same financial year is equal to or more than 3% of the latest audited NTA of the listed group.

In addition to an immediate announcement, shareholders' approval is required where:

- (a) the value of the proposed transaction is equal to or more than 5% of the latest audited NTA of the listed group; or
- (b) the aggregate value of all transactions (including the subject transaction) entered into with the same interested person during the same financial year is equal to or more than 5% of the latest audited NTA of the listed group.

Transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person.

The above requirements for immediate announcement and/or for shareholders' approval do not apply to any transaction below S\$100,000 and certain transactions such as those set out in Rules 915 and 916 of the Listing Manual which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested person and hence excluded from the ambit of Chapter 9 of the Listing Manual.

2.1.4 Based on the latest audited consolidated financial statements of the Company and the Group for the financial year ended 31 March 2018, the consolidated NTA of the Group was S\$157,749,000. Accordingly, in relation to the Group, for the purposes of Chapter 9 of the Listing Manual, in the current financial year and until such time as the audited consolidated financial statements of the Group for the current financial year are published, Shareholders' approval is required where:

- (a) the transaction is of a value equal to, or more than, approximately S\$7,887,000, being 5% of the Group's latest audited NTA as at 31 March 2018; or
- (b) the transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, S\$7,887,000. The aggregation will exclude any transaction that has been approved by Shareholders previously or is the subject of aggregation with another transaction that has been approved by Shareholders.

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## LETTER TO SHAREHOLDERS

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2.1.5 Chapter 9 of the Listing Manual, however, permits a listed company to seek a general mandate from its shareholders for recurrent transactions of revenue or trading nature or those necessary for its day-to-day operations such as the purchase or sale of supplies and materials, which may be carried out with interested persons of the listed company. It should be noted that no such mandate can be sought for the purchase or sale of assets, undertakings or businesses. In addition, a general mandate is subject to annual renewal.

### 2.2 Background and Rationale

The Group's core business includes the provision of foundation and geotechnical engineering works, soil investigation, instrumentation and specialised surveying works, sales and lease of foundation engineering equipment and accessories and property business. As part of its business, the Group has entered and is anticipated to enter into transactions including but not limited to transactions with persons who are considered "interested persons" as defined in Chapter 9 of the Listing Manual. Such transactions are recurring transactions that are likely to occur with some degree of frequency and are part of the day-to-day operations of the Group, and could arise at any time.

As the Group undertakes major construction and engineering projects, its business and operations are heavily dependent on the supply and availability of plant and machinery, as well as office, yard and workers' accommodation. Tat Hong Holdings Ltd ("**THH**") and its subsidiaries (the "**THH Group**") and Tat Hong Machinery Pte Ltd ("**THM**") are a group of companies principally involved in the rental, sale and upkeep of heavy equipment, machinery and accessories. It is in line with the Group's ordinary course of business to enter into transactions with the THH Group and THM for available resources as long as the terms of the relevant transactions are assessed to be in its commercial interests and that of the Group, taking into consideration factors such as pricing competitiveness and priority and/or flexibility in terms of delivery. It is the Group's intention to continue to purchase and rent equipment and machinery such as cranes from the THH Group and THM.

Similarly, the Group leases or rents office premises, yard and workers' accommodation from other parties, including the THH Group. There are entities within the THH Group which own office building facilities, yard and workers' accommodation that are rented out to the Group and other third parties, and earn rental income as part of their business. Where the lease conditions, including rental, offered by the THH Group are competitive or favourable, it would be in the commercial interests of the Group to lease or rent such facilities from the THH Group to be used for the Group's business and operations.

As part of its core business, the Group has also been engaged to provide foundation engineering works such as piling work for projects which other parties such as CMC Construction Pte Ltd have been awarded. The Group's strong design and build capabilities with a comprehensive range of foundation and geotechnical engineering facilities proves to be a valuable resource to the industry. It is the Group's intention to continue to provide services wherever it is assessed to be in the commercial interests of the Group.

The Group has also provided shareholder's loans to its joint ventures in Malaysia. THAB Development Sdn Bhd ("**THAB**") is a joint venture entered into between the Group, Tat Hong International Pte Ltd ("**THI**"), AME Land Sdn Bhd and BP Lands Sdn Bhd to undertake mixed property development in Iskandar Malaysia. Pursuant to the Shareholders Agreement dated 25 October 2013, the Group and THI subscribed for shares equivalent to 5% and 25% of the enlarged share capital of THAB respectively. THAB, an associated company of THI, is developing an industrial development in the Nusajaya area of Iskandar

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## LETTER TO SHAREHOLDERS

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Malaysia (the “**Development**”). Iskandar Malaysia is set to become Southern Peninsular Malaysia’s most developed region where living, entertainment, environment and business seamlessly converge within a bustling metropolis. As a partner in THAB, the Group is able to participate in future creation of value through the Development in Iskandar Malaysia. In October 2013, the Group granted a shareholder’s loan of RM 4.4 million (equivalent to S\$1.7 million) to THAB. In FY2018, the Group had granted additional shareholder’s loans of RM2.8 million (equivalent to S\$0.9 million) to THAB for financing of property development. In 1HFY2019, the Group had granted an additional shareholder’s loan of RM0.7 million (equivalent to S\$0.2 million) to THAB for financing of property development. The shareholder’s loans granted by the Group to THAB is according to its shareholding proportion in THAB.

WB TOP3 Development Sdn Bhd (“**WB TOP3**”) is a joint venture entered into between the Group, Triplestar Properties Sdn Bhd (“**TSP**”), Bluecrest Holding Pte Ltd and WB Land (Ainsdale) Sdn Bhd for the development of commercial properties in Seremban, Negeri Sembilan, Malaysia. Pursuant to the Shareholders Agreement dated 14 September 2017, the Group and TSP each subscribed for 19% of the enlarged share capital of WB TOP3. As a partner in WB TOP3, the Group is able to expand its investment and development portfolio in Malaysia, and diversify its revenue stream to achieve potential enhancement in shareholder value. In 1HFY2019, the Group had granted a shareholder’s loan of S\$972,196 to WB TOP3 for the financing of a land acquisition. The shareholder’s loan granted by the Group to WB TOP3 is also according to its shareholding proportion in WB TOP3.

It is anticipated that the Group will, in the ordinary course of business, enter into transactions with the Interested Persons and such transactions are likely to occur with some degree of frequency. Past transactions between the Group and the Interested Persons for FY2018 are set out in Appendix II.

In view of the time-sensitive nature of commercial transactions, and the need for smooth and efficient conduct of business which is envisaged to include entering into transactions which are recurring in nature or in the ordinary course of business with the Interested Persons, the Directors are seeking the approval of Shareholders (which shall exclude Shareholders who are required to abstain from voting pursuant to Rule 920(1)(b)(viii) of the Listing Manual) for the proposed adoption of the IPT Mandate in respect of future transactions that the Group may enter into with the Interested Persons. This will enable the Group, which are considered to be “entities at risk” within the meaning of Chapter 9 of the Listing Manual, or any entity in the Group, in the ordinary course of business, to enter into Interested Person Transactions with the Interested Persons, provided that all such transactions are carried out on an arm’s length basis, on normal commercial terms consistent with the Group’s usual business practices and pricing policies and on terms which are generally not more favourable than those extended to or received from unrelated third parties and will not be prejudicial to the interests of the Group and the Independent Shareholders.

### **2.3 Scope of the IPT Mandate**

The proposed IPT Mandate will cover a range of transactions arising in the ordinary course of business operations of the Group as set out in Paragraph 2.6 below.

The proposed IPT Mandate will not cover any Interested Person Transaction which has a value below S\$100,000 as the threshold and aggregate requirements of the Chapter 9 of the Listing Manual do not apply to such transactions.

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## LETTER TO SHAREHOLDERS

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The proposed IPT Mandate will also not cover any transaction involving the provision of a loan by the Group to a joint venture with an interested person as such transactions are exempted from the requirement of Shareholders' approval pursuant to Rule 916(3) of the Listing Manual, provided that:–

- (a) the loan is extended by all joint venture partners in proportion to their equity and on the same terms;
- (b) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and
- (c) the Company confirms by an announcement that its audit committee is of the view that:
  - (i) the provision of the loan is not prejudicial to the interests of the Company and its minority shareholders; and
  - (ii) the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the Company and its minority shareholders.

Transactions that do not fall within the ambit of the proposed IPT Mandate will be subject to the relevant provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.

### 2.4 Validity Period

The proposed IPT Mandate is subject to the Independent Shareholders' approval at the EGM. If approved by the Independent Shareholders at the EGM, the proposed IPT Mandate will take effect from the passing of the ordinary resolution as set out in the Notice of EGM, and will continue in force until the conclusion of the next annual general meeting of the Company (unless sooner revoked or varied by the Company in general meeting) or the date by which the next annual general meeting is required by law to be held, whichever is earlier. Approval from the Independent Shareholders will be sought for the renewal of the proposed IPT Mandate at each subsequent annual general meeting, subject to satisfactory review by the Audit Committee of its continued application to the Interested Person Transactions.

### 2.5 Classes of Interested Persons

As at the Latest Practicable Date, TH Investments Pte Ltd, a wholly-owned subsidiary of Tat Hong Investments Pte Ltd, which is a wholly-owned subsidiary of Chwee Cheng & Sons Pte Ltd, owns 1,036,477,309 Shares (directly or indirectly) representing approximately 46.65% of the issued share capital of the Company, and is a Controlling Shareholder of the Company. Accordingly, TH Investments Pte Ltd, Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd and their Associates are deemed to be interested persons for the purpose of Chapter 9 of the Listing Manual.

Being joint trustees of the Chwee Cheng Trust constituted under a trust deed, which holds 43.56% of the issued share capital of Chwee Cheng & Sons Pte Ltd, each of the trustees, Mr. Ng San Tiong, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger, is deemed to be interested in 1,036,477,309 Shares held by TH Investments Pte Ltd. Accordingly, Mr. Ng San Tiong, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger are deemed to be interested persons for the purpose of Chapter 9 of the Listing Manual.

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## LETTER TO SHAREHOLDERS

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TSP is a company incorporated in Malaysia which shares are 75% held by Triplestar and 25% held by Mr. Ng Sang Kuey. Triplestar is wholly-owned by Mr. Ng San Tiong, a Controlling Shareholder of the Company, and his immediate family. Accordingly, TSP and Triplestar are each deemed Associates of Mr. Ng San Tiong and are each deemed interested persons for the purpose of Chapter 9 of the Listing Manual.

THH is a wholly-owned subsidiary of THSC Investments Pte Ltd, a subsidiary of Chwee Cheng & Sons Pte Ltd. As at the Latest Practicable Date, Chwee Cheng & Sons Pte Ltd and its Associates together have an interest of more than 30% in THH. Accordingly, the THH Group is deemed to be interested persons for the purpose of Chapter 9 of the Listing Manual.

As CMC Construction Pte Ltd, Technocrete Pte Ltd and THM are subsidiaries of Tat Hong Investments Pte Ltd, they are each deemed Associates of a Controlling Shareholder of the Company and are deemed to be interested persons for the purpose of Chapter 9 of the Listing Manual.

The proposed IPT Mandate will apply to Interested Person Transactions (as described in Section 2.6 of this Circular) which are carried out between any entity in the Group with:

- (a) TH Investments Pte Ltd and its Associates;
- (b) Chwee Cheng & Sons Pte Ltd and its Associates;
- (c) Mr. Ng San Tiong, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David, Mr. Ng Sun Giam Roger and their Associates; or
- (d) The THH Group,

(collectively, the “Interested Persons”).

### 2.6 Categories of Interested Person Transactions

The types of Interested Person Transactions covered under the proposed IPT Mandate relate to the following transactions that are carried out in the Group’s ordinary course of business with the Interested Persons:

- (a) rental of machinery and site equipment by the Group from the Interested Persons, including the maintenance and repair services to be rendered by the Interested Persons for such machinery and site equipment;
- (b) purchase of machinery, site equipment, accessories, spare parts and construction materials such as steel by the Group from the Interested Persons;
- (c) rental of office space, yard and workers’ accommodation by the Group from the Interested Persons;
- (d) rental and sale of machinery and site equipment, and sale of accessories and spare parts by the Group to the Interested Persons;
- (e) provision of construction work services by the Group to the Interested Persons; and
- (f) provision of project management services by the Group to the Interested Persons.

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## LETTER TO SHAREHOLDERS

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The inclusion of the above category of transactions within the ambit of the proposed IPT Mandate will facilitate the entry into such transactions by the Group with Interested Persons that arise in the ordinary course of business of the Group in a more expeditious manner. The Group will also benefit from having access to competitive quotes from, or transacting with, the Interested Persons.

### 2.7 Benefits of the Proposed IPT Mandate

The proposed IPT Mandate will enhance the ability of the Group to pursue business opportunities that are time-sensitive in nature, and will eliminate the need (pursuant to materiality thresholds imposed under Chapter 9 of the Listing Manual) for the Company to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for the entry by the relevant company in the Group into the categories of transactions set out in Section 2.6 of this Circular. This will substantially reduce the expenses associated with the convening of general meetings (including the engagement of external advisers and preparation of documents) on an *ad hoc* basis, improve administrative efficacy considerably, and allow manpower resources and time to be channelled towards attaining other corporate objectives.

### 2.8 Review Procedures for the Interested Person Transactions under the Proposed IPT Mandate

2.8.1 The Group has internal control procedures to ensure that the Interested Person Transactions are undertaken on normal commercial terms, and will not be prejudicial to the interests of the Company and the Independent Shareholders. All Interested Person Transactions are to be carried out in accordance with the Group's usual business practices and policies consistent or comparable with the usual margins or costs (where applicable) or prices extended to or received by the Group for the same or substantially similar type of transactions between the Group and unrelated third parties, and the terms are not more favourable to the Interested Persons compared to those extended to or received from unrelated third parties.

2.8.2 To ensure that all Interested Person Transactions are conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders, the Group will adopt the specific Review Procedures as set out below.

#### (a) Purchase of products or services

The following Review Procedures are applicable to (a) the rental of machinery and site equipment by the Group from the Interested Persons, including the maintenance and repair services to be rendered by the Interested Persons for such machinery and site equipment, (b) the purchase of machinery, site equipment, accessories, spare parts and construction materials such as steel by the Group from the Interested Persons, and (c) the rental of office space, yard and workers' accommodation by the Group from the Interested Persons:

- (i) In determining whether the prices, fees and terms offered by the Interested Persons are fair and reasonable and comparable to those offered by unrelated third party vendors or suppliers to the Group, the relevant company of the Group will obtain at least two other quotations from unrelated third party vendors or suppliers for the same or substantially similar type of products or services, contemporaneously in time, as bases for comparison. The prices, fees and terms

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## LETTER TO SHAREHOLDERS

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offered by the Interested Persons shall be no less favourable than those extended by the unrelated third party vendors or suppliers to the Group, taking into consideration relevant factors including, but not limited to, track record, reputation, preferential rates or discounts, specifications, availability of site equipment, machinery, accessories, spare parts and construction materials, delivery schedules and credit terms;

- (ii) In relation to the maintenance and repair services to be rendered by the Interested Persons for the machinery and site equipment rented to the Group, the relevant company of the Group will obtain quotation(s) from the Interested Persons and a director of the relevant company of the Group (or an equivalent person) who has no interest, whether direct or indirect, in the transaction will, based on his industry knowledge, experience and understanding of the general industry practice, determine whether the maintenance and repair service fees are fair and reasonable, taking into consideration relevant factors including, but not limited to, the recent maintenance and repair costs incurred by the Group from third parties, preferential rates or discounts, and complexity of the maintenance and repair works required;
- (iii) In relation to the rental of office space, yard and workers' accommodation, the Group will either (aa) obtain at least two other quotations of comparative premises in the same vicinity (if available), contemporaneously in time, or (bb) engage a property valuer to perform an independent rental valuation of the property, as bases for comparison to determine whether the rental rates and terms offered by the Interested Persons are fair and reasonable, taking into consideration relevant factors including, but not limited to, the accessibility of the workers' accommodation to the working sites, tenure of the lease and size and condition of the premises (including the equipment, furniture and fittings available); and
- (iv) In the event that it is impracticable or not possible to obtain comparable quotations of contemporaneous transactions of the same or substantially similar type of products or services from at least two other unrelated third party vendors or suppliers, a director of the relevant company of the Group (or an equivalent person) who has no interest, whether direct or indirect, in the transaction will (aa) determine if the prices, fees and terms of the products or services offered by the Interested Persons are fair and reasonable and in accordance with general industry practice and the Group's usual pricing policies, and (bb) evaluate and weigh the benefits of, and rationale for, transacting with the Interested Persons, taking into consideration relevant factors including, but not limited to, track record, reputation, preferential rates or discounts, specifications, availability of machinery, site equipment, accessories, spare parts and construction materials, delivery schedules, credit terms, accessibility of the workers' accommodation to the working sites, tenure of the lease and size and condition of the premises (including the equipment, furniture and fittings available).



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## LETTER TO SHAREHOLDERS

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(b) Sale of products or services

The following Review Procedures applicable to (a) the rental and sale of machinery and site equipment, and sale of accessories and spare parts, (b) the provision of construction work services, and (c) the provision of project management services, by the Group to the Interested Persons:

- (i) In determining whether the prices, fees and terms offered to the Interested Persons are fair and reasonable and comparable to those offered to unrelated third party customers, all Interested Person Transactions will be carried out at the prevailing market prices or fees charged by the Group for the same or substantially similar type of products or services, and on terms which shall be no more favourable than the usual commercial terms extended to unrelated third party customers, or otherwise in accordance with the Group's usual business practices and pricing policies, taking into consideration relevant factors including, but not limited to, the profit margins, prices, fees and terms of two other recent successful transactions of the same or substantially similar type of products or services with unrelated third party customers (if available), customer requirements and specifications, complexity and resources required for the services provided, creditworthiness, size and order quantity, preferential rates or discounts, duration of contracts and delivery schedules; and
- (ii) In the event that the prevailing market prices or fees are not available, a director of the relevant company of the Group (or an equivalent person) who has no interest, whether direct or indirect, in the transaction will (aa) determine whether the prices, fees and terms of the products or services charged by the Group are fair and reasonable and in accordance with the Group's usual business practices and pricing policies, and (bb) evaluate and weigh the benefits of, and rationale for, transacting with the Interested Persons, taking into consideration relevant factors including, but not limited to, customer requirements and specifications, complexity and resources required for the services provided, creditworthiness, size and order quantity, preferential rates or discounts, duration of contracts and delivery schedules.

### 2.8.3 Approval and review thresholds

In addition to the Review Procedures, the following approval procedures will be implemented to ensure that the Interested Person Transactions are conducted on normal commercial terms consistent with the Group's usual business practices and pricing policies, and will not be prejudicial to the interests of the Group and the Independent Shareholders. For the avoidance of doubt, where the approving party (as stipulated herein) has an interest in the Interested Person Transaction to be approved, he/she will inform the Audit Committee and such disclosures should be documented. In the event that any equivalent person with the relevant experience and responsibility (as stated below for the various thresholds) cannot be determined, the approving authority shall be decided by the Audit Committee.

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The review and approval thresholds for the individual and aggregate transactions shall be as follows:

- (a) Where the value of each Interested Person Transaction is less than 3% of the Group's latest audited NTA, the transaction shall require the prior approval of the head of the relevant company in the Group and verification and confirmation by the Chief Executive Officer (or equivalent person(s)), who does not have an interest, whether direct or indirect, in the transaction;
- (b) Where the individual or aggregate value of the Interested Person Transaction(s) is equal to or more than 3% but less than 5% of the Group's latest audited NTA, the Interested Person Transaction(s) shall require the prior approval of the Chief Executive Officer or an Executive Director (or equivalent person(s)), who do not have an interest, whether direct or indirect, in the transaction; and
- (c) Where the individual or aggregate value of the Interested Person Transaction(s) is equal to or more than 5% of the Group's latest audited NTA, the Interested Person Transaction(s) will be subject to the prior approval of the Audit Committee. If a member of the Audit Committee has an interest, whether direct or indirect, in any Interested Person Transaction, he shall abstain from participating in the review of that particular transaction.

The above approving threshold limits have been adopted by the Group after taking into consideration the nature, recurrent frequency, size and volume of the Interested Person Transactions, so as to provide for business efficiency and at the same time ensure that material transactions with the Interested Persons are reviewed by the Audit Committee.

### 2.8.4 Other Review Procedures

- (a) In addition to the Review Procedures set out above, the finance department of the Company will maintain an interested person transaction register to record all the Interested Person Transactions (including transactions below S\$100,000) (the "**IPT Register**"). The IPT Register shall include all information pertinent to the evaluation of the Interested Person Transaction such as, but not limited to, details on the identity of the Interested Persons, the amount of the Interested Person Transactions, the basis for determining the transaction prices and supporting evidence and quotations obtained to support such basis. The IPT Register shall be prepared, maintained and monitored by a senior officer of the finance department of the Company (who shall not have an interest in any of the Interested Person Transactions) who is duly delegated to do so by the Audit Committee.
- (b) The Chief Financial Officer (or an equivalent person) will review the IPT Register on a monthly basis.
- (c) The Audit Committee will, at least on a quarterly basis, review the IPT Register to ensure that the Interested Person Transactions have been carried out in accordance with the established Review Procedures. If, during any of the periodic reviews by the Audit Committee, the Audit Committee is of the view that the Review Procedures are no longer sufficient or appropriate to ensure that the Interested Person Transactions are conducted on normal commercial terms and will not be prejudicial to the interests of the Group and the Independent Shareholders, it will, in consultation with the Board, take such actions as it deems proper in respect of such guidelines and review

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## LETTER TO SHAREHOLDERS

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procedures and/or modify or implement such guidelines and review procedures. Accordingly, the Company will seek a fresh mandate from the Independent Shareholders based on new guidelines and review procedures for Interested Person Transactions to ensure that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders. In the interim, the Audit Committee will review every Interested Person Transaction pending the grant of the fresh mandate. The fresh mandate will be in accordance with the requirements of the relevant provisions of Chapter 9 and/or other applicable provisions of the Listing Manual.

- (d) The Audit Committee has the right, when it deems fit, to require the appointment of independent sources or advisers to provide additional information pertaining to the Interested Person Transactions. In the event that a member of the Audit Committee has an interest in any of the Interested Person Transactions, he shall abstain from participating in the review of that particular transaction.
- (e) The Group's annual or periodic (such period as may be decided by the Audit Committee) internal audit plan shall incorporate a review of all interested person transactions (including the Interested Person Transactions under the proposed IPT Mandate) and the established Review Procedures for monitoring of the Interested Person Transactions entered into during the current financial year. The findings will be submitted to the Audit Committee to ensure, *inter alia*, that the Interested Person Transactions have been carried out on normal commercial terms and were not prejudicial to the interests of the Company and the Independent Shareholders, and that the relevant approvals have been obtained.
- (f) For purposes of the above review and approval process, any Director who is not considered independent in respect of the Interested Person Transactions shall abstain from voting on any respective resolution and/or abstain from participating in the Audit Committee's decision during its review of the Review Procedures under the proposed IPT Mandate or during its review or approval of any Interested Person Transaction.

### 2.9 Disclosure

The Company will announce the aggregate value of transactions conducted with the Interested Persons pursuant to the proposed IPT Mandate for the relevant financial periods which the Company is required to report on pursuant to Rule 705 of the Listing Manual and within the time required for the announcement of such reports.

Disclosure will also be made in the Company's annual report of the aggregate value of transactions conducted with the Interested Persons pursuant to the proposed IPT Mandate during the financial year, and in the annual reports for subsequent financial years that the Proposed IPT Mandate continues to be in force, in accordance with the requirements of Chapter 9 of the Listing Manual.

## LETTER TO SHAREHOLDERS

The name of the Interested Person and the corresponding aggregate value of the Interested Person Transaction will be presented in the following format:

Name of Interested Person	Aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under the proposed IPT Mandate)	Aggregate value of all Interested Person Transactions conducted under the proposed IPT Mandate (excluding transactions less than S\$100,000)
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### 3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of Directors and Substantial Shareholders are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	%( <sup>1</sup> )	No. of Shares	%( <sup>1</sup> )
<b>Directors</b>				
Dr. Leong Horn Kee <sup>(2)</sup>	–	–	–	–
See Yen Tarn	–	–	11,016,666	0.50
Teo Beng Teck	5,260,000	0.24	–	–
Tan Hup Foi @ Tan Hup Hoi	–	–	–	–
Ong Tiew Siam <sup>(2)</sup>	3,000,000	0.14	–	–
<b>Substantial Shareholders other than Directors</b>				
TH Investments Pte Ltd <sup>(3)</sup>	–	–	1,036,477,309	46.65
Tat Hong Investments Pte Ltd <sup>(3)</sup>	–	–	1,036,477,309	46.65
Chwee Cheng & Sons Pte Ltd <sup>(3)</sup>	–	–	1,036,477,309	46.65
Ng San Tiong <sup>(3)(4)</sup>	–	–	1,048,753,308	47.20
Ng Sun Ho Tony <sup>(3)</sup>	–	–	1,036,477,309	46.65
Ng San Wee David <sup>(3)</sup>	–	–	1,036,477,309	46.65
Ng Sun Giam Roger <sup>(3)</sup>	–	–	1,036,477,309	46.65
Chiu Hong Keong or Khoo Yok Kee <sup>(5)</sup>	132,590,900	5.97	319,100	0.01

**Notes:**

- (1) Based on the Existing Share Capital of 2,221,762,546 Shares (which excludes 20,520,000 treasury shares representing approximately 0.92% of the total number of Shares excluding treasury shares).
- (2) THH was delisted from the Official List of the SGX-ST on 20 July 2018, following the voluntary conditional cash offer by the Oversea-Chinese Banking Corporation Limited, for and on behalf of THSC Investments Pte. Ltd., that had been declared unconditional in all respects on 18 May 2018.

On 28 July 2018, Dr. Leong Horn Kee was appointed as a Non-Executive Independent Chairman of the Company and Mr. Ong Tiew Siam was appointed as a Non-Executive Independent Director of the Company. Both Dr. Leong Horn Kee and Mr. Ong Tiew Siam were formerly independent directors of THH.

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## LETTER TO SHAREHOLDERS

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- (3) TH Investments Pte Ltd is a wholly-owned subsidiary of Tat Hong Investments Pte Ltd, which is a wholly-owned subsidiary of Chwee Cheng & Sons Pte Ltd. Being joint trustees of the Chwee Cheng Trust, which holds 43.56% of the issued share capital of Chwee Cheng & Sons Pte Ltd, each of the Trustees, Mr. Ng San Tiong, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger, is deemed to be interested in 1,036,477,309 Shares held by TH Investments Pte Ltd.
- (4) Mr. Ng San Tiong is also deemed interested in 12,275,999 Shares held through nominees.
- (5) Dr. Chiu Hong Keong or Mdm Khoo Yok Kee is deemed interested in 319,100 Shares held by their son.

Save as disclosed in this Circular, none of the Directors and Substantial Shareholders has any interests, direct or indirect, in the proposed IPT Mandate, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

#### 4. OPINION OF THE INDEPENDENT FINANCIAL ADVISER

Pursuant to Chapter 9 of the Listing Manual, Novus Corporate Finance Pte. Ltd. has been appointed as the IFA to advise the Independent Directors on whether the Review Procedures for determining the transaction prices of the Interested Person Transactions, if adhered to, are sufficient to ensure that the Interested Person Transactions pursuant to the proposed IPT Mandate will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders.

Having considered, *inter alia*, the Review Procedures set up by the Company, the role of the Audit Committee in enforcing the Review Procedures for the Interested Person Transactions pursuant to the proposed IPT Mandate and the rationale for and benefits of the proposed IPT Mandate, the IFA is of the opinion that the Review Procedures for determining the transaction prices of the Interested Person Transactions under the proposed IPT Mandate as set out in section 2.8 of this Circular, if adhered to, are sufficient to ensure that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders.

**A copy of the IFA Letter is set out in Appendix I of this Circular. Shareholders are advised to read the IFA Letter in its entirety and carefully consider it in the context of this Circular before deciding on whether to approve the proposed IPT Mandate.**

#### 5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-2 of this Circular, will be held on 12 December 2018 at 10.00 a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968, for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolution set out in the Notice of EGM.

#### 6. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint proxies to attend and vote at the EGM on their behalf should complete, sign and return the proxy form attached to this Circular in accordance with the instructions printed thereon. The completed and signed proxy form should be returned as soon as possible and in any event so as to arrive at the Company's registered office at 2 Tanjong Penjuru Crescent, Singapore 608968 not less than 72 hours before the time appointed for the EGM. Shareholders who have completed and returned the proxy form may still attend and vote in person at the EGM, if they so wish, in place of their proxies. A proxy need not be a Shareholder.

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## LETTER TO SHAREHOLDERS

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A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register, as certified by CDP, as at 72 hours before the time appointed for the EGM.

### **7. DIRECTORS' RECOMMENDATION**

#### **7.1 The Proposed IPT Mandate**

The Directors having considered, amongst others, the terms, rationale, and benefits of the proposed IPT Mandate, the Review Procedures of the Company for the Interested Person Transactions, the role of the Audit Committee in enforcing the IPT Mandate and the opinion of the IFA, are of the view that the Review Procedures as set out in Section 2.8 of this Circular are sufficient to ensure that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the Ordinary Resolution set out in the Notice of EGM.

#### **7.2 Note to Shareholders**

Shareholders, in deciding whether to vote in favour of the Ordinary Resolution, should carefully read the terms, rationale and benefits of the proposed IPT Mandate, and the IFA's opinion in relation to the Review Procedures for determining the transaction prices of the Interested Person Transactions, which should be considered in the context of the entirety of the IFA Letter and this Circular. In giving the above recommendation, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As Shareholders would have different investment objectives, the Directors recommend that any Shareholder who may require specific advice in relation to his or her specific investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser.

### **8. STATEMENT FROM THE AUDIT COMMITTEE**

Having reviewed the terms, rationale and benefits of the proposed IPT Mandate, the Audit Committee confirms that it concurs with the view of the IFA and is of the opinion that the Review Procedures proposed by the Company for the proposed IPT Mandate as set out in Section 2.8 of this Circular are sufficient to ensure that the Interested Person Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders.

### **9. 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 IPT Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole

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## LETTER TO SHAREHOLDERS

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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.

### 10. ABSTENTION FROM VOTING

Pursuant to Rule 919 of the Listing Manual, an interested person and any Associate of the interested person shall abstain from voting on the resolutions approving the interested person transactions involving themselves and their Associates. Such interested person and his Associates shall not accept appointments as proxies in relation to such resolutions unless specific voting instructions have been given by the Shareholders.

Accordingly, the Interested Persons set out in Section 2.5 will abstain, and have undertaken to ensure that their Associates will abstain, from voting on the Ordinary Resolution, and will not accept appointments as proxies in relation to the resolution unless specific voting instructions have been given by Shareholders.

### 11. CONSENT FROM THE INDEPENDENT FINANCIAL ADVISER

Novus Corporate Finance Pte. Ltd., the IFA, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name, the IFA Letter and all references thereto, in the form and context in which they appear in this Circular.

### 12. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company during normal business hours from the date of this Circular to the time and date of the EGM:

- (a) the Constitution of the Company;
- (b) the annual report of the Company for FY2018;
- (c) interim financial statements of the Group for the second quarter ended 30 September 2018;
- (d) the IFA Letter; and
- (e) the letter of consent from the IFA referred to in Section 11 of this Circular.

Yours faithfully,

For and on behalf of the Board of Directors of  
**CSC HOLDINGS LIMITED**

**Lee Quang Loong**  
Company Secretary

27 November 2018

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## APPENDIX I – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### NOVUS CORPORATE FINANCE PTE. LTD.

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 201723484W)

9 Raffles Place  
#17-05 Republic Plaza Tower 1  
Singapore 048619

27 November 2018

To: The Independent Directors of CSC Holdings Limited  
(in respect of the proposed IPT Mandate)

Dr. Leong Horn Kee  
Mr. See Yen Tarn  
Mr. Teo Beng Teck  
Mr. Tan Hup Foi @ Tan Hup Hoi  
Mr. Ong Tiew Siam

Dear Sirs,

#### THE PROPOSED ADOPTION OF A GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

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*Unless otherwise defined or the context otherwise requires, all terms defined in the circular dated 27 November 2018 (the “Circular”) shall have the same meanings herein.*

#### 1. INTRODUCTION

The Company is proposing to seek approval from the shareholders (the “**Shareholders**”) of CSC Holdings Limited (the “**Company**”) for the proposed adoption of a general mandate for certain interested person transactions (the “**IPT Mandate**”).

Novus Corporate Finance Pte. Ltd. (“**NCF**”) has, in accordance with Chapter 9 of the listing manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), been appointed as the independent financial adviser (the “**IFA**”) as required under Rule 920(1)(b)(v) of the Listing Manual to provide an opinion on whether the review procedures for determining the transaction prices of the interested person transactions (the “**Review Procedures**”) pursuant to the proposed IPT Mandate (the “**Interested Person Transactions**”), if adhered to, are sufficient to ensure that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders (as defined herein).

This letter has been prepared pursuant to Rule 920(1)(b)(v) of the Listing Manual as well as for the use by the directors of the Company (the “**Directors**”) who are deemed to be independent in respect of the proposed IPT Mandate (the “**Independent Directors**”) in their consideration of the proposed IPT Mandate. This letter will be incorporated as Appendix I to the Circular which provides, *inter alia*, details of the proposed IPT Mandate and the opinion of the audit committee of the Company (the “**Audit Committee**”) thereon.



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## APPENDIX I – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### 2. TERMS OF REFERENCE

We were neither a party to the negotiations entered into by the Company in relation to the Interested Person Transactions contemplated under the proposed IPT Mandate nor were we involved in the deliberations leading up to the decision of the Directors to seek the approval of the Shareholders who are deemed to be independent in respect of the proposed IPT Mandate (the “**Independent Shareholders**”) for the adoption of the proposed IPT Mandate. We do not, by this letter, warrant the merits of the proposed IPT Mandate other than to form an opinion, for the purposes of Chapter 9 of the Listing Manual, on whether the Review Procedures, if adhered to, are sufficient to ensure that the Interested Person Transactions pursuant to the proposed IPT Mandate will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders. We have not conducted a comprehensive review of the business, operations or financial condition of the Company and its subsidiaries (collectively, the “**Group**”).

For the purposes of arriving at our opinion in respect of the proposed IPT Mandate, we have, as the IFA appointed under Rule 920(1)(b)(v) of the Listing Manual, taken into account the Review Procedures set up by the Company for determining the transaction prices of the Interested Person Transactions pursuant to the proposed IPT Mandate but have not evaluated, and have not been requested to comment on, the strategic or commercial merits or risks of the proposed IPT Mandate or the prospects or earnings potential of the Company or the Group, and such evaluation shall remain the sole responsibility of the Directors.

We were also not required or authorised to obtain, and we have not obtained, any quotation or transacted prices from third parties for products or services similar to those which are to be covered by the proposed IPT Mandate, and therefore are not able to and will not compare the transactions covered by the proposed IPT Mandate to similar transactions with third parties.

In the course of our evaluation of the proposed IPT Mandate, we have relied on, and assumed without independent verification, the accuracy and completeness of published information relating to the Company and/or the Group. We have also relied on the information and representations, whether written or verbal, provided by the Directors and the management of the Company. We have not independently verified such information or representations and accordingly cannot and do not accept any responsibility for the accuracy, completeness or adequacy of such information or representations. We have nevertheless made reasonable enquiries and exercised our judgment as we deemed necessary in assessing the information and representations provided to us and have found no reason to doubt the accuracy or reliability of the information and representations.

We have relied upon the representations of the Directors that, upon making all reasonable enquiries and to the best of their respective knowledge, information and belief, (a) all material information in connection with the proposed IPT Mandate, the Company and/or the Group has been disclosed to us; (b) such information is true, complete 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 of or in relation to the Company and/or the Group stated in the Circular to be inaccurate, incomplete or misleading in any material respect.

Our opinion, as set out in this letter, is based upon the market, economic, political, industry, monetary and other applicable conditions subsisting on, and the information made available to us as of, 9 November 2018 (the “**Latest Practicable Date**”). Such conditions may change significantly over a relatively short period of time. We assume no responsibility to update,

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## APPENDIX I – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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revise or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein.

In arriving at our opinion, we have not had regard to the specific investment objectives, financial situation, tax position, risk profile or unique needs and constraints of any individual Shareholder. As each Shareholder would have different investment objectives and profile, we would advise the Independent Directors to recommend that any individual Shareholder who may require specific advice in relation to his investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

The Company has been separately advised by its own advisers in the preparation of the Circular (other than this letter). Accordingly, we take no responsibility for and state no views, express or implied, on the contents of the Circular (other than this letter).

**Our opinion in respect of the proposed IPT Mandate should be considered in the context of the entirety of this letter and the Circular.**

### 3. BACKGROUND AND RATIONALE FOR THE PROPOSED IPT MANDATE

The full text of the background of the Interested Person Transactions and the rationale for the proposed IPT Mandate can be found in section 2.2 of the Circular and an extract has been reproduced in italics below:

*“The Group’s core business includes the provision of foundation and geotechnical engineering works, soil investigation, instrumentation and specialised surveying works, sales and lease of foundation engineering equipment and accessories and property business. As part of its business, the Group has entered and is anticipated to enter into transactions including but not limited to transactions with persons who are considered “interested persons” as defined in Chapter 9 of the Listing Manual. Such transactions are recurring transactions that are likely to occur with some degree of frequency and are part of the day-to-day operations of the Group, and could arise at any time.*

*As the Group undertakes major construction and engineering projects, its business and operations are heavily dependent on the supply and availability of plant and machinery, as well as office, yard and workers’ accommodation. Tat Hong Holdings Ltd (“THH”) and its subsidiaries (the “THH Group”) and Tat Hong Machinery Pte Ltd (“THM”) are a group of companies principally involved in the rental, sale and upkeep of heavy equipment, machinery and accessories. It is in line with the Group’s ordinary course of business to enter into transactions with the THH Group and THM for available resources as long as the terms of the relevant transactions are assessed to be in its commercial interests and that of the Group, taking into consideration factors such as pricing competitiveness and priority and/or flexibility in terms of delivery. It is the Group’s intention to continue to purchase and rent equipment and machinery such as cranes from the THH Group and THM.*

*Similarly, the Group leases or rents office premises, yard and workers’ accommodation from other parties, including the THH Group. There are entities within the THH Group which own office building facilities, yard and workers’ accommodation that are rented out to the Group and other third parties, and earn rental income as part of their business. Where the lease conditions, including rental, offered by the THH Group are competitive or favourable, it would be in the commercial interests of the Group to lease or rent such facilities from the THH Group to be used for the Group’s business and operations.*

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## APPENDIX I – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*As part of its core business, the Group has also been engaged to provide foundation engineering works such as piling work for projects which other parties such as CMC Construction Pte Ltd have been awarded. The Group's strong design and build capabilities with a comprehensive range of foundation and geotechnical engineering facilities proves to be a valuable resource to the industry. It is the Group's intention to continue to provide services wherever it is assessed to be in the commercial interests of the Group.*

*It is anticipated that the Group will, in the ordinary course of business, enter into transactions with the Interested Persons and such transactions are likely to occur with some degree of frequency. Past transactions between the Group and the Interested Persons for FY2018 are set out in Appendix II.*

*In view of the time-sensitive nature of commercial transactions, and the need for smooth and efficient conduct of business which is envisaged to include entering into transactions which are recurring in nature or in the ordinary course of business with the Interested Persons, the Directors are seeking the approval of Shareholders (which shall exclude Shareholders who are required to abstain from voting pursuant to Rule 920(1)(b)(viii) of the Listing Manual) for the proposed adoption of the IPT Mandate in respect of future transactions that the Group may enter into with the Interested Persons. This will enable the Group, which are considered to be "entities at risk" within the meaning of Chapter 9 of the Listing Manual, or any entity in the Group, in the ordinary course of business, to enter into Interested Person Transactions with the Interested Persons, provided that all such transactions are carried out on an arm's length basis, on normal commercial terms consistent with the Group's usual business practices and pricing policies and on terms which are generally not more favourable than those extended to or received from unrelated third parties and will not be prejudicial to the interests of the Group and the Independent Shareholders."*

#### **4. BENEFITS OF THE PROPOSED IPT MANDATE**

The full text of the benefits of the proposed IPT Mandate can be found in section 2.7 of the Circular and has been reproduced in italics below:

*"The proposed IPT Mandate will enhance the ability of the Group to pursue business opportunities that are time-sensitive in nature, and will eliminate the need (pursuant to materiality thresholds imposed under Chapter 9 of the Listing Manual) for the Company to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for the entry by the relevant company in the Group into the categories of transactions set out in Section 2.6 of this Circular. This will substantially reduce the expenses associated with the convening of general meetings (including the engagement of external advisers and preparation of documents) on an ad hoc basis, improve administrative efficacy considerably, and allow manpower resources and time to be channelled towards attaining other corporate objectives."*

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### 5. SCOPE OF THE PROPOSED IPT MANDATE

The proposed IPT Mandate will cover a range of transactions arising in the ordinary course of business operations of the Group as set out in section 2.6 of the Circular.

The proposed IPT Mandate will not cover any Interested Person Transaction which has a value below S\$100,000 as the threshold and aggregation requirements of Chapter 9 of the Listing Manual do not apply to such transactions.

Transactions that do not fall within the ambit of the proposed IPT Mandate will be subject to the relevant provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.

### 6. CLASSES OF INTERESTED PERSONS

As at the Latest Practicable Date, TH Investments Pte Ltd, a wholly-owned subsidiary of Tat Hong Investments Pte Ltd, which is a wholly-owned subsidiary of Chwee Cheng & Sons Pte Ltd, owns 1,036,477,309 Shares (directly or indirectly) representing approximately 46.65% of the issued share capital of the Company, and is a Controlling Shareholder of the Company. Accordingly, TH Investments Pte Ltd, Tat Hong Investments Pte Ltd, Chwee Cheng & Sons Pte Ltd and their Associates are deemed to be interested persons for the purpose of Chapter 9 of the Listing Manual.

Being joint trustees of the Chwee Cheng Trust constituted under a trust deed, which holds 43.56% of the issued share capital of Chwee Cheng & Sons Pte Ltd, each of the trustees, Mr. Ng San Tiong, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger, is deemed to be interested in 1,036,477,309 Shares held by TH Investments Pte Ltd. Accordingly, Mr. Ng San Tiong, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David and Mr. Ng Sun Giam Roger are deemed to be interested persons for the purpose of Chapter 9 of the Listing Manual.

Triplestar Properties Sdn Bhd (“**TSP**”) is a company incorporated in Malaysia which shares are 75% held by Triplestar Holdings Pte Ltd (“**Triplestar**”) and 25% held by Mr. Ng Sang Kuey. Triplestar is wholly-owned by Mr. Ng San Tiong, a Controlling Shareholder of the Company, and his immediate family. Accordingly, TSP and Triplestar are each deemed Associates of Mr. Ng San Tiong and are each deemed interested persons for the purpose of Chapter 9 of the Listing Manual.

THH is a wholly-owned subsidiary of THSC Investments Pte Ltd, a subsidiary of Chwee Cheng & Sons Pte Ltd. As at the Latest Practicable Date, Chwee Cheng & Sons Pte Ltd and its Associates together have an interest of more than 30% in THH. Accordingly, the THH Group is deemed to be interested persons for the purpose of Chapter 9 of the Listing Manual.

As CMC Construction Pte Ltd, Technocrete Pte Ltd and THM are subsidiaries of Tat Hong Investments Pte Ltd, they are each deemed Associates of a Controlling Shareholder of the Company and are deemed to be interested persons for the purpose of Chapter 9 of the Listing Manual.

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The proposed IPT Mandate will apply to Interested Person Transactions (as described in section 2.6 of the Circular) which are carried out between any entity in the Group with:

- (a) TH Investments Pte Ltd and its Associates;
  - (b) Chwee Cheng & Sons Pte Ltd and its Associates;
  - (c) Mr. Ng San Tiong, Mr. Ng Sun Ho Tony, Mr. Ng San Wee David, Mr. Ng Sun Giam Roger and their Associates; or
  - (d) the THH Group,
- (collectively, the “**Interested Persons**”).

### 7. CATEGORIES OF INTERESTED PERSON TRANSACTIONS

The types of Interested Person Transactions covered under the proposed IPT Mandate relate to the following transactions that are carried out in the Group’s ordinary course of business with the Interested Persons:

- (a) rental of machinery and site equipment by the Group from the Interested Persons, including the maintenance and repair services to be rendered by the Interested Persons for such machinery and site equipment;
- (b) purchase of machinery, site equipment, accessories, spare parts and construction materials such as steel by the Group from the Interested Persons;
- (c) rental of office space, yard and workers’ accommodation by the Group from the Interested Persons;
- (d) rental and sale of machinery and site equipment, and sale of accessories and spare parts by the Group to the Interested Persons;
- (e) provision of construction work services by the Group to the Interested Persons; and
- (f) provision of project management services by the Group to the Interested Persons.

The inclusion of the above categories of transactions within the ambit of the proposed IPT Mandate will facilitate the entry into such transactions by the Group with the Interested Persons that arise in the ordinary course of business of the Group in a more expeditious manner. The Group will also benefit from having access to competitive quotes from, or transacting with, the Interested Persons.

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### 8. REVIEW PROCEDURES FOR INTERESTED PERSON TRANSACTIONS UNDER THE PROPOSED IPT MANDATE

8.1 The Group has internal control procedures to ensure that the Interested Person Transactions are undertaken on normal commercial terms, and will not be prejudicial to the interests of the Company and the Independent Shareholders. All Interested Person Transactions are to be carried out in accordance with the Group's usual business practices and policies consistent or comparable with the usual margins or costs (where applicable) or prices extended to or received by the Group for the same or substantially similar type of transactions between the Group and unrelated third parties, and the terms are not more favourable to the Interested Persons compared to those extended to or received from unrelated third parties.

8.2 To ensure that all Interested Person Transactions are conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders, the Group will adopt the specific Review Procedures as set out below.

#### Purchase of products or services

The following Review Procedures are applicable to (a) the rental of machinery and site equipment by the Group from the Interested Persons, including the maintenance and repair services to be rendered by the Interested Persons for such machinery and site equipment, (b) the purchase of machinery, site equipment, accessories, spare parts and construction materials such as steel by the Group from the Interested Persons, and (c) the rental of office space, yard and workers' accommodation by the Group from the Interested Persons:

- (i) In determining whether the prices, fees and terms offered by the Interested Persons are fair and reasonable and comparable to those offered by unrelated third party vendors or suppliers to the Group, the relevant company of the Group will obtain at least two other quotations from unrelated third party vendors or suppliers for the same or substantially similar type of products or services, contemporaneously in time, as bases for comparison. The prices, fees and terms offered by the Interested Persons shall be no less favourable than those extended by the unrelated third party vendors or suppliers to the Group, taking into consideration relevant factors including, but not limited to, track record, reputation, preferential rates or discounts, specifications, availability of site equipment, machinery, accessories, spare parts and construction materials, delivery schedules and credit terms;
- (ii) In relation to the maintenance and repair services to be rendered by the Interested Persons for the machinery and site equipment rented to the Group, the relevant company of the Group will obtain quotation(s) from the Interested Persons and a director of the relevant company of the Group (or an equivalent person) who has no interest, whether direct or indirect, in the transaction will, based on his industry knowledge, experience and understanding of the general industry practice, determine whether the maintenance and repair service fees are fair and reasonable, taking into consideration relevant factors including, but not limited to, the recent maintenance and repair costs incurred by the Group from third parties, preferential rates or discounts, and complexity of the maintenance and repair works required;
- (iii) In relation to the rental of office space, yard and workers' accommodation, the Group will either (aa) obtain at least two other quotations of comparative premises in the same vicinity (if available), contemporaneously in time, or (bb) engage a property valuer to perform an independent rental valuation of the property, as bases for comparison to

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## APPENDIX I – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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determine whether the rental rates and terms offered by the Interested Persons are fair and reasonable, taking into consideration relevant factors including, but not limited to, the accessibility of the workers' accommodation to the working sites, tenure of the lease and size and condition of the premises (including the equipment, furniture and fittings available); and

- (iv) In the event that it is impracticable or not possible to obtain comparable quotations of contemporaneous transactions of the same or substantially similar type of products or services from at least two other unrelated third party vendors or suppliers, a director of the relevant company of the Group (or an equivalent person) who has no interest, whether direct or indirect, in the transaction will (aa) determine whether the prices, fees and terms of the products or services offered by the Interested Persons are fair and reasonable and in accordance with general industry practice and the Group's usual pricing policies, and (bb) evaluate and weigh the benefits of, and rationale for, transacting with the Interested Persons, taking into consideration relevant factors including, but not limited to, track record, reputation, preferential rates or discounts, specifications, availability of machinery, site equipment, accessories, spare parts and construction materials, delivery schedules, credit terms, accessibility of the workers' accommodation to the working sites, tenure of the lease and size and condition of the premises (including the equipment, furniture and fittings available).

### Sale of products or services

The following Review Procedures are applicable to (a) the rental and sale of machinery and site equipment, and sale of accessories and spare parts, (b) the provision of construction work services, and (c) the provision of project management services, by the Group to the Interested Persons:

- (i) In determining whether the prices, fees and terms offered to the Interested Persons are fair and reasonable and comparable to those offered to unrelated third party customers, all Interested Person Transactions will be carried out at the prevailing market prices or fees charged by the Group for the same or substantially similar type of products or services, and on terms which shall be no more favourable than the usual commercial terms extended to unrelated third party customers, or otherwise in accordance with the Group's usual business practices and pricing policies, taking into consideration relevant factors including, but not limited to, the profit margins, prices, fees and terms of two other recent successful transactions of the same or substantially similar type of products or services with unrelated third party customers (if available), customer requirements and specifications, complexity and resources required for the services provided, creditworthiness, size and order quantity, preferential rates or discounts, duration of contracts and delivery schedules; and
- (ii) In the event that the prevailing market prices or fees are not available, a director of the relevant company of the Group (or an equivalent person) who has no interest, whether direct or indirect, in the transaction will (aa) determine whether the prices, fees and terms of the products or services charged by the Group are fair and reasonable and in accordance with the Group's usual business practices and pricing policies, and (bb) evaluate and weigh the benefits of, and rationale for, transacting with the Interested Persons, taking into consideration relevant factors including, but not limited to, customer requirements and specifications, complexity and resources required for the services provided, creditworthiness, size and order quantity, preferential rates or discounts, duration of contracts and delivery schedules.

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## APPENDIX I – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### 8.3 Approval and Review Thresholds

In addition to the Review Procedures, the following approval procedures will be implemented to ensure that the Interested Person Transactions are conducted on normal commercial terms consistent with the Group's usual business practices and pricing policies, and will not be prejudicial to the interests of the Group and the Independent Shareholders. For the avoidance of doubt, where the approving party (as stipulated herein) has an interest in the Interested Person Transaction to be approved, he/she will inform the Audit Committee and such disclosures should be documented. In the event that any equivalent person with the relevant experience and responsibility (as stated below for the various thresholds) cannot be determined, the approving authority shall be decided by the Audit Committee.

The review and approval thresholds for the individual and aggregate transactions shall be as follows:

- (a) Where the value of each Interested Person Transaction is less than 3% of the Group's latest audited NTA, the transaction shall require the prior approval of the head of the relevant company in the Group and verification and confirmation by the Chief Executive Officer (or equivalent person(s)), who does not have an interest, whether direct or indirect, in the transaction;
- (b) Where the individual or aggregate value of the Interested Person Transaction(s) is equal to or more than 3% but less than 5% of the Group's latest audited NTA, the Interested Person Transaction(s) shall require the prior approval of the Chief Executive Officer or an Executive Director (or equivalent person(s)), who do not have an interest, whether direct or indirect, in the transaction; and
- (c) Where the individual or aggregate value of the Interested Person Transaction(s) is equal to or more than 5% of the Group's latest audited NTA, the Interested Person Transaction(s) will be subject to the prior approval of the Audit Committee. If a member of the Audit Committee has an interest, whether direct or indirect, in any Interested Person Transaction, he shall abstain from participating in the review of that particular transaction.

The above approving threshold limits have been adopted by the Group after taking into consideration the nature, recurrent frequency, size and volume of the Interested Person Transactions, so as to provide for business efficiency and at the same time ensure that material transactions with the Interested Persons are reviewed by the Audit Committee.

### 8.4 Other Review Procedures

- (a) In addition to the Review Procedures set out above, the finance department of the Company will maintain an interested person transaction register to record all the Interested Person Transactions (including transactions below S\$100,000) (the "**IPT Register**"). The IPT Register shall include all information pertinent to the evaluation of the Interested Person Transaction such as, but not limited to, details on the identity of the Interested Persons, the amount of the Interested Person Transactions, the basis for determining the transaction prices and supporting evidence and quotations obtained to support such basis. The IPT Register shall be prepared, maintained and monitored by a senior officer of the finance department of the Company (who shall not have an interest in any of the Interested Person Transactions) who is duly delegated to do so by the Audit Committee.



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- (b) The Chief Financial Officer (or an equivalent person) will review the IPT Register on a monthly basis.
- (c) The Audit Committee will, at least on a quarterly basis, review the IPT Register to ensure that the Interested Person Transactions have been carried out in accordance with the established Review Procedures. If, during any of the periodic reviews by the Audit Committee, the Audit Committee is of the view that the Review Procedures are no longer sufficient or appropriate to ensure that the Interested Person Transactions are conducted on normal commercial terms and will not be prejudicial to the interests of the Group and the Independent Shareholders, it will, in consultation with the Board, take such actions as it deems proper in respect of such guidelines and review procedures and/or modify or implement such guidelines and review procedures. Accordingly, the Company will seek a fresh mandate from the Independent Shareholders based on new guidelines and review procedures for the Interested Person Transactions to ensure that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders. In the interim, the Audit Committee will review every Interested Person Transaction pending the grant of the fresh mandate. The fresh mandate will be in accordance with the requirements of the relevant provisions of Chapter 9 and/or other applicable provisions of the Listing Manual.
- (d) The Audit Committee has the right, when it deems fit, to require the appointment of independent sources or advisers to provide additional information pertaining to the Interested Person Transactions. In the event that a member of the Audit Committee has an interest in any of the Interested Person Transactions, he shall abstain from participating in the review of that particular transaction.
- (e) The Group's annual or periodic (such period as may be decided by the Audit Committee) internal audit plan shall incorporate a review of all interested person transactions (including the Interested Person Transactions under the proposed IPT Mandate) and the established Review Procedures for monitoring of the Interested Person Transactions entered into during the current financial year. The findings will be submitted to the Audit Committee to ensure, *inter alia*, that the Interested Person Transactions have been carried out on normal commercial terms and were not prejudicial to the interests of the Company and the Independent Shareholders, and that the relevant approvals have been obtained.
- (f) For purposes of the above review and approval process, any Director who is not considered independent in respect of the Interested Person Transactions shall abstain from voting on any respective resolution and/or abstain from participating in the Audit Committee's decision during its review of the Review Procedures under the proposed IPT Mandate or during its review or approval of any Interested Person Transaction.

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## APPENDIX I – LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### 9. VALIDITY PERIOD OF THE PROPOSED IPT MANDATE

The proposed IPT Mandate is subject to the Independent Shareholders' approval at the extraordinary general meeting ("EGM"). If approved by the Independent Shareholders at the EGM, the proposed IPT Mandate will take effect from the passing of the ordinary resolution as set out in the Notice of EGM, and will continue in force until the conclusion of the next annual general meeting of the Company (unless sooner revoked or varied by the Company in general meeting) or the date by which the next annual general meeting is required by law to be held, whichever is earlier. Approval from the Independent Shareholders will be sought for the renewal of the proposed IPT Mandate at each subsequent annual general meeting, subject to satisfactory review by the Audit Committee of its continued application to the Interested Person Transactions.

### 10. OPINION

In arriving at our opinion in respect of the proposed IPT Mandate, we have considered, *inter alia*, the Review Procedures set up by the Company, the role of the Audit Committee in enforcing the Review Procedures for the Interested Person Transactions pursuant to the proposed IPT Mandate and the rationale for and benefits of the proposed IPT Mandate.

**Having regard to the considerations set out in this letter and the information available to us as at the Latest Practicable Date, we are of the opinion that the Review Procedures for determining the transaction prices of the Interested Person Transactions under the proposed IPT Mandate as set out in section 2.8 of the Circular, if adhered to, are sufficient to ensure that the Interested Person Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders.**

This letter has been prepared pursuant to Rule 920(1)(b)(v) of the Listing Manual as well as for the use of the Independent Directors in their consideration of the proposed IPT Mandate.

Whilst a copy of this letter may be reproduced in Appendix I to 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 NCF in each specific case, except for any matter in relation to the proposed IPT Mandate. Our opinion is governed by and construed in accordance with the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours truly,  
For and on behalf of  
**Novus Corporate Finance Pte. Ltd.**

Pong Chen Yih  
Chief Operating Officer

Huong Wei Beng  
Director

**APPENDIX II – PAST TRANSACTIONS BETWEEN THE GROUP AND ITS INTERESTED PERSONS FOR FY2018 (EXCLUDING TRANSACTIONS BELOW S\$100,000)**

Name of Interested Person	Aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' Mandate Pursuant to Rule 920)	Aggregate value of all Interested Person Transactions conducted under shareholders' Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Tat Hong Plant Leasing Pte Ltd <sup>(1)</sup>	S\$2,863,686	NIL
Tat Hong Heavyequipment (Pte.) Ltd <sup>(1)</sup>	S\$2,571,315	NIL
THAB Development Sdn Bhd <sup>(2)</sup>	S\$911,440	NIL
Tat Hong Plant Hire Sdn Bhd <sup>(1)</sup>	S\$393,649	NIL
Tat Hong Machinery Pte Ltd <sup>(1)</sup>	S\$102,898	NIL

**Notes:**

- (1) Tat Hong Plant Leasing Pte Ltd, Tat Hong Heavyequipment (Pte.) Ltd., Tat Hong Plant Hire Sdn Bhd and Tat Hong Machinery Pte Ltd are related corporations of TH Investments Pte Ltd, a substantial shareholder of the Company.
- (2) With reference to the Group's announcements on 25 October 2013, the Group entered into a Shareholders' Agreement ("**SHA**") with Tat Hong International Pte Ltd, AME Land Sdn Bhd and BP Lands Sdn Bhd in relation to THAB Development Sdn Bhd ("**THAB**"), to jointly undertake mixed property development in Iskandar Malaysia.

Pursuant to the SHA, the Group subscribed for shares equivalent to 5% of the enlarged share capital of THAB for RM0.5 million (equivalent to S\$0.2 million) and granted a shareholder's loan of RM4.4 million (equivalent to S\$1.7 million) to THAB in October 2013.

In FY2018, the Group had granted additional shareholder's loans of RM2.8 million (equivalent to S\$0.9 million) to THAB for financing of property development.

In 1HFY2019, the Group had granted an additional shareholder's loan of RM0.7 million (equivalent to S\$0.2 million) to THAB for financing of property development.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### CSC HOLDINGS LIMITED

(Company Registration No.: 199707845E)  
(Incorporated in the Republic of Singapore)

**NOTICE IS HEREBY GIVEN THAT** an extraordinary general meeting (the “**EGM**”) of CSC Holdings Limited (the “**Company**”) will be held on 12 December 2018 at 10.00 a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968 for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolution:

*All capitalised terms in this Notice of EGM which are not defined herein shall have the same meaning as ascribed to them in the Company’s Circular to Shareholders dated 27 November 2018 (the “**Circular**”).*

### ORDINARY RESOLUTION

#### PROPOSED ADOPTION OF IPT MANDATE

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual (“**Chapter 9**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), for the Company, its subsidiaries and associated companies that are considered to be “entities at risk” under Chapter 9, or any of them, to enter into any of the transactions falling within the types of Interested Person Transactions described in the Circular, with any party who is of the classes of Interested Persons described in the Circular, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for Interested Person Transactions (the “**Proposed IPT Mandate**”);
- (b) the Proposed IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the next Annual General Meeting of the Company; and
- (c) the Directors of the Company be and are hereby authorised to complete and to do all such acts and things (including but not limited to the execution of all such agreements and documents as may be required) as they may consider necessary, desirable, expedient or in the interests of the Company to give effect to this resolution.

**BY ORDER OF THE BOARD**  
**CSC HOLDINGS LIMITED**

**Lee Quang Loong**  
Company Secretary

27 November 2018

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

1. Except for a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act, a member entitled to attend, speak and vote at the EGM may appoint not more than two (2) proxies to attend, speak and vote in his/her stead. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding (expressed as a percentage of the whole) to be represented by each proxy shall be specified in the proxy form, failing which the appointments shall be deemed to be invalid.
2. Pursuant to Section 181(1C) of the Companies Act, a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form, failing which the appointments shall be deemed to be invalid.
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy must be deposited at the registered office of the Company, at 2 Tanjong Penjuru Crescent, Singapore 608968, not later than 72 hours before the time appointed for the holding the EGM.
5. The instrument appointing a proxy or proxies must be signed by the appointor or an attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such persons as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.
8. The submission of an instrument or form appointing a proxy or proxies by a member does not preclude him from attending and voting in person at the EGM if he so wishes.
9. 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 72 hours before the time set for the EGM.
10. The Company shall be entitled to reject an instrument of proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the 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 Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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## PROXY FORM

### CSC HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No.: 199707845E)

### PROXY FORM

(Please see Notes overleaf before  
completing this Proxy Form)

#### IMPORTANT:

Pursuant to Section 181(1C) of the Companies Act (Chapter 50) of Singapore (the "Companies Act"), a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act may appoint more than two (2) proxies to attend, speak and vote at the extraordinary general meeting.

For investors who have used their CPF monies to buy shares in the Company, this Circular is forwarded to them at the request of their CPF approved nominees and is sent solely FOR INFORMATION ONLY.<sup>1</sup>

This proxy form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

#### Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 27 November 2018.

\*I/We (Name) \_\_\_\_\_

(NRIC/Passport/Co. Registration No.) \_\_\_\_\_

of (Address) \_\_\_\_\_

being a \*member/members of **CSC HOLDINGS LIMITED** (the "Company"), hereby appoint:

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

\*and/or

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

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

or failing \*him/her/them, the Chairman of the extraordinary general meeting of the Company (the "EGM"), as \*my/our \*proxy/proxies to attend, speak and vote for \*me/us on \*my/our behalf at the EGM to be held on 12 December 2018 at 10.00 a.m. at 2 Tanjong Penjuru Crescent, Singapore 608968 or at any adjournment thereof.

As Ordinary Resolution	For	Against
To authorise the proposed Interested Person Transactions Mandate		

(Voting will be conducted by poll. If you wish to vote all your shares "For" or "Against" the relevant resolution, please indicate with a "X" in the relevant box provided. Alternatively, if you wish to exercise your votes both "For" and "Against" the relevant resolution, please indicate the relevant number of shares in the relevant boxes provided above. In the absence of specific directions, the proxy/proxies will vote or abstain as he/she/they may think fit, as he/she/they will on any other matter arising at the EGM.)

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

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Total No. of Shares	No. of Shares
In CDP Register	
In Register of Members	

\_\_\_\_\_  
Signature(s) of Member(s)/  
Common Seal of Corporate Member

\* Delete as appropriate

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

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## PROXY FORM

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### Notes:

1. Except for a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act, a member entitled to attend, speak and vote at the EGM may appoint not more than two (2) proxies to attend, speak and vote in his/her stead. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding (expressed as a percentage of the whole) to be represented by each proxy shall be specified in the proxy form, failing which the appointments shall be deemed to be invalid.
2. Pursuant to Section 181(1C) of the Companies Act, a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form, failing which the appointments shall be deemed to be invalid.
3. A proxy need not be a member of the Company.
4. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore), you should insert that number. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number. If you have Shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
5. The instrument appointing a proxy or proxies, duly executed, must be deposited at the registered office of the Company at 2 Tanjong Penjuru Crescent, Singapore 608968, not later than 72 hours before the time appointed for holding the EGM.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or an attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
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.
9. The submission of an instrument or form appointing a proxy or proxies by a member does not preclude him from attending and voting in person at the EGM if he so wishes.
10. The Company shall be entitled to reject an instrument of proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
11. Investors who buy Shares in the Company using CPF monies and/or SRS monies (as may be applicable) (“**CPF/SRS Investors**”) may attend and cast their vote at the EGM in person. CPF/SRS Investors who are unable to attend the EGM but would like to vote, may inform CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF/SRS Investors shall be precluded from attending the EGM.