

能 源 生 化 有 限 公 司
LERENO BIO-CHEM LTD
 (Registration No. 197401961C)
 (Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“EGM”) of **LERENO BIO-CHEM LTD.** (“Company”) will be held at Suntec Convention & Exhibition Center, Level 3, Meeting Room 336, 1 Raffles Boulevard, Singapore 039593 on Friday, 18 January 2019 at 10.00 a.m. for the purpose of considering and, if thought fit, passing, with or without amendment(s), the following resolutions:

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning given to them in the circular dated 21 December 2018 issued by the Company (“Circular”).

Important Notice:

Shareholders should note that:

- Ordinary Resolutions 1, 2, 3, 4, 5, 6, 7 and 8 and Special Resolution 2 (collectively “**Inter-conditional Resolutions**”) are **inter-conditional**. This means that if any one (1) of these Inter-conditional Resolutions is not approved, the other Inter-conditional Resolutions would not be passed; and
- Ordinary Resolutions 9, 10, 11 and 12 and Special Resolutions 1 and 3 are conditional upon the Inter-conditional Resolutions being approved. If any of the Inter-conditional Resolutions is not approved, Ordinary Resolutions 9, 10, 11 and 12 and Special Resolutions 1 and 3 would not be passed.

AS ORDINARY RESOLUTIONS

Ordinary Resolution 1: Proposed Acquisition

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice:

- approval be and is hereby given to the Company for the acquisition by the Company of Knit Textile and Apparel Pte. Ltd. (“**Proposed Acquisition**”) for a consideration of S\$26.4 million and on the terms and subject to the conditions set out in the conditional put and call option agreement dated 27 September 2017 (as supplemented by the supplemental agreement dated 13 February 2018 and the second supplemental agreement dated 31 August 2018) entered into between the Company and Mr Lim Siau Hing @ Lim Kim Hoe; and
- the directors of the Company (“**Directors**”) and each of them be and are hereby authorised and empowered to complete and do all such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they may consider necessary, desirable or expedient to give effect to the matters contemplated by this Ordinary Resolution 1.

Ordinary Resolution 2: Proposed Allotment and Issue of the Consideration Shares

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice and pursuant to Article 12(2) of the Existing Constitution (as amended pursuant to Special Resolution 3 in this Notice) and Rule 806 of the Catalyst Rules:

- the Directors be and are hereby authorised to allot and issue, after the passing and completion of Ordinary Resolution 6 in relation to the Proposed Share Consolidation, an aggregate of 132,000,000 new Consolidated Shares in the share capital of the Company at the issue price of S\$0.20 each in satisfaction of the Consideration for the Proposed Acquisition; and
- the Directors or any of them be and are hereby authorised and empowered to complete and do all such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they may consider necessary, desirable or expedient to give effect to the matters contemplated by this Ordinary Resolution 2.

Ordinary Resolution 3: Proposed Whitewash Resolution

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice and pursuant to the letter dated 19 December 2018 from the SIC, the Independent Shareholders hereby resolve unconditionally and irrevocably to waive their rights under Rule 14 of the Singapore Code on Take-overs and Mergers to receive a mandatory general offer from the Vendor and the Family Trust Company for all the shares in the capital of the Company in issue not already owned, controlled or agreed to be acquired by the Vendor, the Family Trust Company and their concert parties as a result of the allotment and issue of the Vendor Consideration Shares and the Transaction Costs Shares.

Ordinary Resolution 4: Proposed Allotment and Issue of the Transaction Costs Shares

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice:

- the Directors be and are hereby authorised to allot and issue, after the passing and completion of Ordinary Resolution 6 in relation to the Proposed Share Consolidation, an aggregate of 10,000,000 new Consolidated Shares in the share capital of the Company at an issue price of S\$0.20 each to the Vendor and in satisfaction of the Transaction Costs for the Proposed Acquisition; and
- the Directors or any of them be and are hereby authorised and empowered to complete and do all such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they may consider necessary, desirable or expedient to give effect to the matters contemplated by this Ordinary Resolution 4.

Ordinary Resolution 5: Proposed Allotment and Issue of the Settlement Shares

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice:

- the Directors be and are hereby authorised to allot and issue, after the passing and completion of Ordinary Resolution 6 in relation to the Proposed Share Consolidation, an aggregate of 24,000,000 new Consolidated Shares in the share capital of the Company at an issue price of S\$0.20 each to the Bin Tai Holdings Private Limited; and
- the Directors or any of them be and are hereby authorised and empowered to complete and do all such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they may consider necessary, desirable or expedient to give effect to the matters contemplated by this Ordinary Resolution 5.

Ordinary Resolution 6: Proposed Share Consolidation

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice:

- approval be and is hereby given for the consolidation of every twenty (20) issued ordinary shares in the capital of the Company into one (1) Consolidated Share; and
- following the consolidation as described in paragraph (a) above, the Directors be and are hereby authorised to do all such acts and things as they may consider necessary or expedient in connection with the share consolidation, including but not limited to disregarding fractional entitlements, issuing new share certificates in respect of the Consolidated Shares in issue and making arrangements for the settlement and disposal of fractional entitlements, if any, arising from or in connection therewith and in particular (but without prejudice to the generality of the foregoing), by aggregating any fractional entitlements arising as a result thereof and selling the same for the benefit of the Company in such manner and on such terms as the Directors may think fit and/or purchasing any fractional entitlements in such manner and on such terms as the Directors may think fit for the benefit of the Company.

Ordinary Resolution 7: Proposed Appointment of Mr Lim Siau Hing @ Lim Kim Hoe as Director

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice, Mr Lim Siau Hing @ Lim Kim Hoe be and is hereby appointed as director of the Company with effect from completion of the Proposed Acquisition.

Ordinary Resolution 8: Proposed Appointment of Mr Lim Vhe Kai as Director

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice, Mr Lim Vhe Kai be and is hereby appointed as director of the Company with effect from completion of the Proposed Acquisition.

Ordinary Resolution 9: Proposed Appointment of Mr Koh Boon Huat as Director

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice, Mr Koh Boon Huat be and is hereby appointed as director of the Company with effect from completion of the Proposed Acquisition.

Ordinary Resolution 10: Proposed Re-Election of Mr Goh Yeow Tin as Director

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice, Mr Goh Yeow Tin be and is hereby re-elected as director of the Company with effect from completion of the Proposed Acquisition.

Ordinary Resolution 11: Proposed Re-Election of Mr Yap Boh Pin as Director

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice, Mr Yap Boh Pin be and is hereby re-elected as director of the Company with effect from completion of the Proposed Acquisition.

Ordinary Resolution 12: Proposed General Share Issue Mandate

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice:

- approval be and is hereby given, pursuant to Article 12(2) of the Articles of Association (as amended pursuant to Special Resolution 3) and Rule 806 of the Catalyst Rules, to the Directors to:
 - (A) allot and issue shares in the capital of the Company (whether by way of rights, bonus or otherwise); and/or
 - (B) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other Instruments convertible into shares, at any time and upon such terms and conditions, and for such purposes and to such persons as the Directors shall in their absolute discretion deem fit; and
- (notwithstanding that the authority conferred by this Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force, provided that:
 - the aggregate number of new shares to be issued pursuant to such authority (including shares to be issued in pursuance of Instruments made or granted pursuant to such authority and any adjustments effected under any relevant Instrument) shall not exceed 100.0% of the then-existing total number of issued shares of the Company, and that the aggregate number of shares to be issued other than on a pro-rata basis to the then existing Shareholders shall not exceed 50.0% of the then-existing total number of issued shares of the Company; and
 - unless revoked or varied by the Shareholders in general meeting, such authority shall continue in full force until the conclusion of the next annual general meeting or the date by which the next annual general meeting is required by law to be held, or the expiration of such other period as may be prescribed by the Companies Act and the Catalyst Rules, whichever is earlier.

For the purposes of this resolution, the “then-existing total number of issued shares” shall mean the total number of issued shares (excluding treasury shares and subsidiary holdings) after the Proposed Share Consolidation, the allotment and issue of the Consideration Shares, Transaction Costs Shares and Settlement Shares and the Proposed Capital Reduction; and

- the Directors or any of them be and are hereby authorised and empowered to complete and do all such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they may consider necessary, desirable or expedient to give effect to the matters contemplated by this Ordinary Resolution 12.

AS SPECIAL RESOLUTIONS

Special Resolution 1: Proposed Capital Reduction

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice and pursuant to section 78A read with section 78C of the Companies Act, the Proposed Capital Reduction be and is hereby approved and that approval be and is hereby given to the Directors to complete and do all such acts and things, including, without limitation, executing all such documents and approving any amendments, alterations or modifications to any documents as they may consider necessary, desirable or expedient to give effect to this Special Resolution 1.

Special Resolution 2: Proposed Change of Name

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions in this Notice and with effect from a date on or after completion of the Proposed Acquisition as the Directors may determine:

- the name of the Company be changed to “KTMG Limited” and that the name “KTMG Limited” shall be substituted for “Lereno Bio-Chem Ltd.”, wherever the latter name appears in the Company’s Constitution; and
- the Directors or any of them be and are hereby authorised and empowered to complete and do all such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they may consider necessary, desirable or expedient to give effect to the matters contemplated by this Special Resolution 2.

Special Resolution 3: Proposed Amendments to the Existing Constitution of the Company

THAT subject to and contingent upon the passing of the Inter-conditional Resolutions:

- the Articles of Association of the Company be and are hereby amended in the manner described in Appendix L entitled “Proposed Amendments to the Existing Constitution” of the Circular; and
- the Directors or any of them be and are hereby authorised and empowered to complete and do all such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they may consider necessary, desirable or expedient to give effect to the matters contemplated by this Special Resolution 3.

By Order of the Board
 Ong Puay Koon
 Managing Director and Chief Executive Officer
 21 December 2018

Explanatory Note:

A member entitled to attend and vote at the extraordinary general meeting of the Company (“**Meeting**”) and who holds two (2) or more Shares is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Such member should complete, sign and return the Shareholder Proxy Form in accordance with the instructions printed therein as soon as possible and, in any event, so as to arrive at the office of the Company’s Singapore share transfer agent Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02 Singapore 068898, not later than 48 hours before the time fixed for the Meeting. The appointment of a proxy by a member does not preclude him from attending and voting in person at the Meeting if he so wishes in place of the proxy.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 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 Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 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 “**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.

*This notice has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, SAC Capital Private Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**Exchange**”). The Company’s Sponsor has not independently verified the contents of this notice.*

This notice has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Mr. Bernard Lim, Director, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65)6232 3200.