CIRCULAR DATED 7 APRIL 2015

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 or other professional adviser immediately.

Where capitalised terms used on the cover of this Circular are not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the Circular.

If you have sold or transferred all your ordinary shares in the capital of Linair Technologies Limited (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate circular with the Notice of Extraordinary General Meeting and the accompanying Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the 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 transferee.

*This Circular has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this Circular. The contact person for the Sponsor is Mr. Tan Chong Huat, Registered Professional, Address: Six Battery Road #10-01 Singapore 049909, Tel: (65) 6381 6757*

This Circular has not been examined or approved by the SGX-ST, and 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.



LINAIR TECHNOLOGIES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199505699D)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED ISSUE OF SHARES ("REMUNERATION SHARES") TO MR. LOH YIH, EXECUTIVE CHAIRMAN AND EXECUTIVE DIRECTOR OF THE COMPANY

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	20 April 2015 at 10.30 a.m.
Date and time of Extraordinary General Meeting	:	22 April 2015 at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be convened on the same day and at the same venue)
Place of Extraordinary General Meeting	:	33 Mactaggart Road #04-00 Singapore 368082

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DEFINITIONS

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

"**associate**"	:	(a) in relation to any Director, chief executive officer, Substantial Shareholder or controlling shareholder (being an individual) means:- (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more. (b) in relation to a Substantial Shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
"**Board**"	:	The board of Directors of the Company as at the date of this Circular
"**Catalist Rules**"	:	Listing Manual (Section B: Rules of the Catalist) of the SGX-ST, as may be amended, modified or supplemented from time to time
"**CDP**"	:	The Central Depository (Pte) Limited
"**Circular**"	:	This circular to Shareholders dated 7 April 2015
"**Companies Act**"	:	The Companies Act, Chapter 50 of Singapore, as amended from time to time
"**Company**"	:	Linair Technologies Limited
"**Directors**"	:	The directors of the Company as at the date of this Circular
"**EGM**"	:	The extraordinary general meeting of the Company to be convened on 22 April 2015, notice of which is set out on pages 13 to 14 of this Circular
"**FY2014**"	:	Financial year ended 31 December 2014
"**FY2015**"	:	Financial year ending 31 December 2015
"**FY2016**"	:	Financial year ending 31 December 2016
"**Group**"	:	The Company and its subsidiaries
"**Latest Practicable Date**"	:	2 April 2015
"**Mr. Loh**"	:	Mr. Loh Yih who is the Executive Chairman and Executive Director of the Company
"**Notice of EGM**"	:	The notice of EGM set out on pages 13 to 14 of this Circular

"**NTA**"	:	Net tangible assets
"**Proposed Share Issuance**"	:	The proposed issue by the Company of the Remuneration Shares to Mr. Loh
"**Remuneration Shares**"	:	Up to 49,004,804 new fully-paid Shares to be issued and allotted by the Company to Mr. Loh free of consideration, pursuant to the Service Agreement (as amended by the supplemental agreement dated 12 March 2015)
"**Securities Account**"	:	The securities account maintained by a Depositor with CDP
"**Service Agreement**"	:	Has the meaning ascribed to it in Paragraph 2.1.1 of this Circular
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	The registered holders of Shares in the register of members of the Company, except where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with such Shares
"**Shares**"	:	Ordinary shares in the share capital of the Company
"**subsidiary**" or "**subsidiaries**"	:	Has the meaning ascribed to it in Section 5 of the Companies Act
"**Substantial Shareholder**"	:	A person who has an interest in the Shares of which is not less than five per cent. of all the voting shares
"**S$**" or "**cents**"	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
"**%**" or "**per cent.**"	:	Per centum or percentage

The terms "**Depositor**" and "**Depository Register**" shall have the meaning ascribed to them respectively in Section 130A of the Companies 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.

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

Any reference in this Circular to shares being allotted to a person includes allotment to CDP for the account of that person.

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

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

LINAIR TECHNOLOGIES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199505699D)

Directors:

Loh Yih *(Executive Chairman and Executive Director)*
Wong Kok Chye *(Group Chief Executive Officer and Executive Director)*
Ong Chin Lin *(Independent Non-Executive Director)*
Yeo Meng Hin *(Independent Non-Executive Director)*
Ho Ta-Huang *(Non-Executive and Non-Independent Director)*

Registered Office:

33 Mactaggart Road
#04-00
Singapore 368082

7 April 2015

To: The Shareholders of Linair Technologies Limited

Dear Sir / Madam,

THE PROPOSED ISSUE OF SHARES ("REMUNERATION SHARES") TO MR. LOH YIH, EXECUTIVE CHAIRMAN AND EXECUTIVE DIRECTOR OF THE COMPANY

1. INTRODUCTION

1.1 Extraordinary General Meeting

The Board is proposing to convene an EGM to seek Shareholders' approval in respect of the Proposed Share Issuance to Mr. Loh Yih ("**Mr. Loh**"), Executive Chairman and Executive Director of the Company.

1.2 Purpose of the Circular

1.2.1 The purpose of this Circular is to explain the reasons for, and to provide Shareholders with, information relating to the Proposed Share Issuance and to seek Shareholders' approval in relation thereto at the EGM to be held on 22 April 2015 at 33 Mactaggart Road, #04-00, Singapore 368082. The resolution to approve the Proposed Share Issuance is set out in the Notice of EGM on pages 13 to 14 of this Circular.

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

1.2.3 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.

2. PROPOSED SHARE ISSUANCE

2.1 Introduction

2.1.1 On 18 September 2013, the Company entered into a service agreement with Mr. Loh to appoint him as the Group Executive Chairman and Executive Director ("**Service Agreement**"). On 12 March 2015, the Company entered into a supplemental agreement with Mr. Loh, pursuant to which Mr. Loh, upon attaining certain performance targets as set out in Paragraph 2.2 below, shall be issued up to 49,004,804 Remuneration Shares free of consideration.

2.1.2 The Company is seeking specific Shareholders' approval for the issue and allotment of the Remuneration Shares, pursuant to Rules 804, 805 and 812 of the Catalist Rules.

2.2 **Issuance of Remuneration Shares to Mr. Loh**

Pursuant to the terms of the Service Agreement (as amended by the supplemental agreement dated 12 March 2015), subject to the approval of Shareholders and receipt of the listing and quotation notice from the SGX-ST for the listing of and quotation for the Remuneration Shares on the Catalist ("**LQN**"), Mr. Loh shall be entitled to a remuneration comprising, *inter alia*, Remuneration Shares which shall be paid in accordance with the following terms:-

2.2.1 If the Company achieves S$1.0 million and above in audited consolidated profit before tax for FY2015, Mr. Loh shall be issued and allotted 24,502,402 Remuneration Shares, representing approximately 7.03% of the existing issued share capital of the Company as at 12 March 2015 or approximately 6.56% of the enlarged share capital of the Company ("**First Tranche**");

2.2.2 If the Company achieves S$1.0 million and above in audited consolidated profit before tax for FY2015, and the Company achieves S$2.0 million and above in audited consolidated profit before tax for FY2016, Mr. Loh shall be issued and allotted 24,502,402 Remuneration Shares, representing approximately 7.03% of the existing issued share capital of the Company as at 12 March 2015 or approximately 6.16% of the enlarged share capital of the Company ("**Second Tranche**"); or

2.2.3 If the Company does not achieve S$1.0 million and above in audited consolidated profit before tax for FY2015, but achieves in aggregate S$3.0 million and above in audited consolidated profit before tax for FY2015 and FY2016, the Executive shall be issued and allotted 49,004,804 Remuneration Shares, representing approximately 14.05% of the existing issued share capital of the Company as at 12 March 2015 or approximately 12.32% of the enlarged share capital of the Company.

2.3 **Remuneration Shares**

2.3.1 As at the Latest Practicable Date, Mr. Loh holds 2,900,000 Shares, representing approximately 0.83% of the existing issued share capital of the Company. Mr. Loh is also deemed interested in 63,380,000 Shares, representing approximately 18.17% of the existing issued share capital of the Company. Mr. Loh's total direct and indirect interest in the Company amount to an aggregate of 66,280,000 Shares, representing approximately 19% of the existing issued share capital of the Company.

2.3.2 As at the Latest Practicable Date, based on the existing issued share capital of the Company of 348,783,140 Shares, the 49,004,804 Remuneration Shares to be issued and allotted to Mr. Loh represents approximately 14.05% and 12.32% of the existing and enlarged issued share capital of the Company respectively.

2.3.3 The Remuneration Shares will not be issued and allotted so as to transfer a controlling interest in the Company without the prior approval of Shareholders in a general meeting as required under Rule 803 of the Catalist Rules. As at the Latest Practicable Date, Mr. Loh is the controlling shareholder of the Company.

The effect of the First and Second Tranches on Mr. Loh's shareholding interest in the Company are as follows:-

	Direct Interest	Indirect Interest	Total Interest	Percentage of enlarged share capital
Before the Remuneration Shares are issued				
As at the Latest Practicable Date	2,900,000	63,380,000	66,280,000	19%
After the Latest Practicable Date				
After the First Tranche	27,402,402	63,380,000	90,782,402	24.32%(1)
After the First and Second Tranche or the total issue of 49,004,804 Remuneration Shares	51,904,804	63,380,000	115,284,804	28.98%(2)

Notes:-

(1) Based on the enlarged issued share capital comprising 373,285,542 Shares after the First Tranche.

(2) Based on the enlarged issued share capital comprising 397,787,944 Shares after the Second Tranche or the total issue of 49,004,804 Remuneration Shares.

In the event that 49,004,804 Remuneration Shares are fully issued to Mr. Loh, Mr. Loh will hold approximately 28.98% of the enlarged issued share capital of the Company. Based on the above, there will not be a change in the controlling shareholder of the Company.

2.3.4 The issued and allotted Remuneration Shares shall rank for any dividend, right, allotment or other distribution, the Record Date of which falls on or after the date of issuance and will rank *pari passu* in all respects with the Shares then existing. The "**Record Date**" means, in relation to any dividend, right, allotment or other distribution, the date on which Shareholders must be registered in the register of members of the Company in order to participate in such dividend, right, allotment or other distribution.

2.4 **Volume Weighted Average Price**

2.4.1 The volume weighted average price for the trades done on the Shares on the SGX-ST on the preceding market day (6 March 2015) up to the time the supplemental agreement dated 12 March 2015 was signed is S$0.025.

2.4.2 Based on the volume weighted average price, the value of each of the First or Second Tranche would be S$612,560.05, and the total value of both tranches would be in aggregate S$1,225,120.10.

2.5 **Shareholders' Approval**

2.5.1 The Proposed Share Issuance to Mr. Loh is subject to specific Shareholders' approval under the Catalist Rules set out below.

2.5.2 Rule 805 of the Catalist Rules provides that except as provided in Rule 806, an issuer must obtain the prior approval of shareholders in general meeting for, *inter alia*, the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer.

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

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

2.5.5 Accordingly, specific Shareholders' approval is required because the Company is not relying on a general mandate to issue the Remuneration Shares, and these Remuneration Shares are issued to Mr. Loh who is an Executive Director and Substantial Shareholder of the Company.

2.6 **Listing and Quotation Notice**

2.6.1 On 2 April 2015, the Company announced that it had obtained the LQN from the SGX-ST for the listing of and quotation for the Remuneration Shares on the Catalist, subject to, *inter alia*, the approval of the Shareholders being obtained for the Proposed Share Issuance at the EGM to be convened.

2.6.2 The LQN for the Remuneration Shares is not to be taken as an indication of the merits of the Proposed Share Issuance, the Remuneration Shares, the Company, its subsidiaries and their securities.

2.7 **Rationale**

2.7.1 Considering the current financial position of the Company, the Proposed Share Issuance allows the Company to maximise its cash flow and reserve cash for the Company's ongoing project requirements.

2.7.2 The Remuneration Committee of the Company is of the opinion that the issue of Remuneration Shares to Mr. Loh is fair and reasonable, after taking into account that Mr. Loh has to turn the Group around from an audited consolidated loss before tax of S$2.4 million in FY2013 to in aggregate S$3 million and above in audited consolidated profit before tax for FY2015 and FY2016. In the event that Mr. Loh achieves the profit target and is awarded the Remuneration Shares, the Company would achieve the objective of aligning the interests of Mr. Loh with those of Shareholders and the long term interests of the Company. The Board concurs with the views of the Remuneration Committee of the Company.

2.7.3 Based on the announcement of the Company's unaudited full year results released on 16 February 2015, the Board noted that the Group's loss before taxation has reduced from S$2.436 million in FY2013 to S$0.357 million in FY2014. The Board and the Remuneration Committee of the Company concur that the restructuring efforts spearheaded by Mr. Loh are bearing fruit, and that this represents an equitable mechanism to drive the Group to the next level of sustainable growth and profitability.

2.8 **Information on Mr. Loh**

Mr. Loh was appointed Executive Chairman of the Company in September 2013. He is responsible for the overall management and performance of the Company, its subsidiaries and associated companies. Mr. Loh is the Managing Partner of MGF Management Pte Ltd, which was an exempt fund management company that focuses primarily on China private equity investment. In 2005, he invested in Netplus Communication Pte Ltd, an Internet Service Provider in Singapore. He

took over as Managing Director from 2005, restructuring and turning the company around before selling the entity to Media Ring, a listed company, in 2006. Mr. Loh has a professional background in financial services. He has held positions in merchant banking with Standard Chartered Merchant Bank Asia Ltd and West Merchant Bank and in audit with Ernst & Young LLP. He currently holds directorships in Ban Leong Technologies Limited, International Press Softcom Limited and Weichai Power Co. Ltd.

2.9 **Use of Proceeds**

Mr. Loh will not be required to make any payment to the Company in relation to the Proposed Share Issuance. Accordingly, the Company will not receive any proceeds.

2.10 **Abstention from Voting**

In accordance with Rule 804 of the Catalist Rules, Mr. Loh and his associate, Cavangh Group Pte Ltd, shall abstain from voting on the ordinary resolution regarding the Proposed Share Issuance set out in the Notice of EGM, and shall not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the Shareholders appointing them on how they wish their votes to be cast.

3. FINANCIAL EFFECTS OF THE PROPOSED SHARE ISSUANCE

The illustrative financial effects of the Proposed Share Issuance on the Group based on the audited financial statements of the Group for FY2014 are set out below.

The financial effects set out below are solely for illustrative purposes and may not reflect the actual financial effects of the Group after the Proposed Share Issuance. Such financial effects are based primarily on the following assumptions:-

(a) for the purposes of computing the effect of the Proposed Share Issuance on the NTA per Share, it is assumed that the Proposed Share Issuance had been completed on 31 December 2014;

(b) for the purposes of computing the effect of the Proposed Share Issuance on the (loss)/ profit per Share, it is assumed that the Proposed Share Issuance had been completed on 1 January 2014; and

(c) it is assumed that the issue price of the Remuneration Shares is S$0.025 which is the volume weighted average price for the trades done on the Shares on the SGX-ST on the preceding market day (6 March 2015) up to the time the supplemental agreement dated 12 March 2015 was signed.

3.1 **Share Capital**

The existing issued and paid-up share capital of the Company will increase after the Proposed Share Issuance. Based on the assumptions as set out above, the effect of the Proposed Share Issuance on the issued and paid-up share capital of the Company is set out below:-

	Number of Shares	Share Capital (S$)
Issued and paid-up share capital as at the Latest Practicable Date	348,783,140	17,580,594
Add: Remuneration Shares to be issued under the Proposed Share Issuance	49,004,804	1,225,120
Issued and paid-up share capital after adjusting for the Remuneration Shares	397,787,944	18,805,714

3.2 **NTA per Share**

Based on the assumptions set out above, the effect of the Proposed Share Issuance on the consolidated NTA per share of the Group is set out below:-

	Before the Proposed Share Issuance	After the Proposed Share Issuance
NTA of the Group (S$'000)[(1)]	12,503	14,993
Number of issued Shares[(2)]	348,783,140	397,787,944
NTA per Share (S$)	0.036	0.038

Notes:-

(1) The increase in the NTA as at 31 December 2014 of the Group after the Proposed Share Issuance is based on the assumption that the Company achieves the profit condition of aggregate S$3 million and above in audited cumulative consolidated profit before tax for FY2015 and FY2016, with a corporate tax rate of 17%.

(2) The number of issued Shares after the Proposed Share Issuance is based on the assumption that the Company achieves the profit condition of aggregate S$3 million and above in audited cumulative consolidated profit before tax for FY2015 and FY2016, with a corporate tax rate of 17%.

3.3 **Earnings per Share**

Based on the assumptions set out above, the effect of the Proposed Share Issuance on the (loss)/ profit per share of the Group is set out below:-

	Before the Proposed Share Issuance	After the Proposed Share Issuance
(Loss)/Profit attributable to Shareholders for FY2014 (S$'000)[(1)]	(422)	1,473
(Loss)/Profit per Share (S$ cents)	(0.12)	0.37

Note:-

(1) The profit attributable to Shareholders for FY2014 after the Proposed Share Issuance is based on the assumption that the Company achieves the profit condition of aggregate S$3 million and above in audited cumulative consolidated profit before tax for FY2015 and FY2016, with a corporate tax rate of 17%.

3.4 **Gearing**

Based on the assumptions set out above, the effect of the Proposed Share Issuance on the gearing of the Group is set out below:-

	Before the Proposed Share Issuance	After the Proposed Share Issuance
Net Debt[(1)] for FY2014 (S$)	798	798
Shareholders' Funds[(2)] (S$)	12,503	14,993
Gearing[(3)] ratio	0.064	0.053

Notes:-

(1) Net debt refers to all interest bearing debts of the Company.

(2) Shareholders' funds refer to the aggregate of issued and paid-up share capital and other reserves and share premium of the Company and excludes minority interests.

(3) Gearing is computed based on the sum of all interest bearing debts of the Company divided by total Shareholders' funds.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

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

	As at the Latest Practicable Date[1]				After the Proposed Share Issuance[2]			
	Direct Interest	Deemed Interest	Total Interest	%	Direct Interest	Deemed Interest	Total Interest	%
Directors								
Loh Yih[3]	2,900,000	63,380,000	66,280,000	19.00	51,904,804	63,380,000	115,284,804	28.98
Ho Ta-Huang[4]	–	45,583,000	45,583,000	13.07	–	45,583,000	45,583,000	11.46
Substantial Shareholders								
Cavangh Group Pte Ltd	63,380,000	–	63,380,000	18.17	63,380,000	–	63,380,000	15.93
Chern Dar Enterprise Co. Ltd[5]	–	45,583,000	45,583,000	13.07	–	45,583,000	45,583,000	11.46
Ong Tiow Seng[6]	–	20,000,000	20,000,000	5.73	–	20,000,000	20,000,000	5.03
Hills Holdings Pte Ltd	20,000,000	–	20,000,000	5.73	20,000,000	–	20,000,000	5.03
Oh Boon Shi	17,806,541	–	17,806,541	5.11	17,806,541	–	17,806,541	4.48
Huang Hong Hee[7]	–	24,325,000	24,325,000	6.97	–	24,325,000	24,325,000	6.12

Notes:-

(1) Based on the issued share capital comprising 348,783,140 Shares.

(2) Based on the enlarged issued share capital comprising 397,787,944 Shares after the Proposed Share Issuance.

(3) Mr. Loh is deemed to be interested in the 63,380,000 Shares held by Cavangh Group Pte Ltd.

(4) Mr. Ho Ta-Huang is deemed to be interested in the 45,583,000 Shares held by Chern Dar Enterprise Co. Ltd.

(5) The shares of Chern Dar Enterprise Co. Ltd are held in the name of a nominee.

(6) Mr. Ong Tiow Seng holds 50% of the shares in Hills Holdings Pte. Ltd, and is deemed to be interested in the 20,000,000 Shares held by Hills Holdings Pte. Ltd.

(7) Mr. Huang Hong Hee holds 50% of the shares in Hills Holdings Pte. Ltd, and is deemed to be interested in the 20,000,000 Shares acquired by Hills Holdings Pte. Ltd. and 4,325,000 Shares held through an OCBC nominee.

5. DIRECTORS' RECOMMENDATION

5.1 Mr. Loh, being interested in the Proposed Share Issuance, will abstain from making any recommendation to Shareholders in respect of the ordinary resolution regarding the Proposed Share Issuance set out in the Notice of EGM.

5.2 Having considered the rationale for the Proposed Share Issuance set out in Paragraph 2.7 above, the Directors (save for Mr. Loh) recommend that Shareholders vote in favour of the ordinary resolution set out in the Notice of EGM.

6. EXTRAORDINARY GENERAL MEETING

The Notice of EGM is set out on pages 13 to 14 of this Circular. The EGM will be held at 33 Mactaggart Road, #04-00, Singapore 368082, on 22 April 2015 at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be convened on the same day and at the same venue) or any adjournment thereof for the purpose of considering and, if thought fit, passing (with or without any modification) the ordinary resolution set out in the Notice of EGM.

7. ACTIONS TO BE TAKEN BY THE SHAREHOLDERS

7.1 If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company's registered office at 33 Mactaggart Road, #04-00, Singapore 368082, by no later than 48 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

7.2 A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 48 hours before the EGM.

8. ABSTENTION FROM VOTING

As set out in Paragraph 2.10, Mr. Loh and his associate, Cavangh Group Pte Ltd, shall abstain from voting on the ordinary resolution regarding the Proposed Share Issuance set out in the Notice of EGM, and shall not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the Shareholders appointing them on how they wish their votes to be cast.

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 Share Issuance, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 33 Mactaggart Road, #04-00, Singapore 368082, during normal business hours from the date of this Circular up to the date of the EGM:-

(a) the Memorandum and Articles of Association of the Company; and

(b) the annual report of the Company for FY2014.

Yours faithfully
For and on behalf of the Board of Directors of
LINAIR TECHNOLOGIES LIMITED

Wong Kok Chye
Executive Director and Group Chief Executive Officer
7 April 2015

LINAIR TECHNOLOGIES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199505699D)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Linair Technologies Limited (the "**Company**") will be held at 33 Mactaggart Road, #04-00, Singapore 368082, on 22 April 2015 at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be convened on the same day and at the same venue) for the purpose of considering, and if thought fit, passing the following ordinary resolution as set out below.

All capitalised terms used in this Notice which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 7 April 2015.

ORDINARY RESOLUTION

THE PROPOSED ISSUE OF SHARES ("REMUNERATION SHARES") TO MR. LOH YIH, EXECUTIVE CHAIRMAN AND EXECUTIVE DIRECTOR OF THE COMPANY

That approval be and is hereby given:-

(a) for the issue and allotment of up to 49,004,804 fully-paid Remuneration Shares free of consideration to Mr. Loh Yih, Executive Chairman and Executive Director of the Company, in accordance with the Service Agreement (as amended by the supplemental agreement dated 12 March 2015); and

(b) the Company and any director of the Company ("**Director**") be authorised to take all necessary steps, to do all such acts and things and sign all such documents and deeds (including approving any matters in relation to the Proposed Share Issuance) as they may consider necessary, desirable or expedient to give effect to or carrying into effect this Ordinary Resolution, provided where the Company seal is required to be affixed to the documents and deeds, such documents and deeds shall be signed and the Company seal shall be affixed in accordance with the articles of association of the Company.

(See Explanatory Note)

BY ORDER OF THE BOARD

Wong Kok Chye
Executive Director and Group Chief Executive Officer
7 April 2015

Explanatory Note:-

The Remuneration Shares to be issued and allotted to Mr. Loh Yih shall rank for any dividend, right, allotment or other distribution, the Record Date of which falls on or after the date of issuance and will rank *pari passu* in all respects with the Shares then existing. The "**Record Date**" means, in relation to any dividend, right, allotment or other distribution, the date on which Shareholders must be registered in the register of members of the Company in order to participate in such dividend, right, allotment or other distribution. Mr. Loh Yih and his associate, Cavangh Group Pte Ltd, shall abstain from voting on the Ordinary Resolution.

Notes:-

(i) A Depositor's name must appear on the Depository Register not less than 48 hours before the time of the EGM.

(ii) A member of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend and vote in his stead.

(iii) A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

(iv) The instrument appointing a proxy must be deposited at the Company's registered office at 33 Mactaggart Road, #04-00, Singapore 368082, at least 48 hours before the time of the EGM.

(v) Where a member of the Company appoints two proxies, he shall specify the percentage of his shares to be represented by each proxy and if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), and (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.

LINAIR TECHNOLOGIES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199505699D)

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT

1. For investors who have used their CPF monies to buy shares in Linair Technologies Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. 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.
3. CPF investors who wish to attend the meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

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

of _____ *(Address)*

being a member/members of LINAIR TECHNOLOGIES LIMITED (the "**Company**"), hereby appoint:

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

and/or (delete as appropriate)

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

or failing *him/her/them, the Chairman of the Extraordinary General Meeting of the Company ("**EGM**") as *my/our *proxy/proxies to attend and to vote for *me/us on *my/our behalf at the EGM to be held at 33 Mactaggart Road, #04-00, Singapore 368082, on 22 April 2015 at 10.30 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be convened on the same day and at the same venue) and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against the Resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote "For" or "Against" with a tick [✓] within the box provided)

	For	**Against**
Ordinary Resolution: To approve the proposed issue of Remuneration Shares to Mr. Loh Yih, Executive Chairman and Executive Director of the Company		

Dated this _____ day of _____ 2015

Total number of Shares in	**Number of Shares**
(a) CDP Register	
(b) Register of Members	

_____

Signature(s) of Member(s)
Or Common Seal of Corporate Shareholder

*Delete where inapplicable

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM

Notes:-

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.

2. A member of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend and vote in his stead.

3. Where a member of the Company appoints two proxies, he shall specify the percentage of his shares to be represented by each proxy and if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.

4. A proxy need not be a member of the Company.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his 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 duly authorised officer.

6. The instrument appointing a proxy or proxies together with the letter of power of attorney, if any, under which it is signed or a duly certified copy thereof, must be deposited at the registered office of the Company at 33 Mactaggart Road #04-00, Singapore 368082, not less than 48 hours before the time appointed for the EGM.

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

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

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

10. In the case of a member of the Company whose shares are entered against his name in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 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), the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 7 April 2015.