

CIRCULAR DATED 11 OCTOBER 2017

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

If you are in any doubt about this Circular or as to the action that you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of LHT Holdings Limited (**Company**), you should forward this Circular together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker, or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should at once hand this circular with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (**SGX-ST**) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



LHT HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198003094E)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

**THE PROPOSED SURRENDER OF LEASE AND LEASE-BACK OF THE PROPERTY AT
44 SUNGEI KADUT STREET 1**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	25 October 2017 at 3.30 pm
Date and time of Extraordinary General Meeting	:	27 October 2017 at 3.30 pm
Place of Extraordinary General Meeting	:	27 Sungei Kadut Street 1, Singapore 729335

CONTENTS

SECTION	PAGE
DEFINITIONS.....	3
LETTER TO SHAREHOLDERS	6
1. INTRODUCTION.....	6
2. INFORMATION ON THE PROPERTY	6
3. RATIONALE FOR THE PROPOSED DISPOSAL	7
4. KEY TERMS OF THE PROPOSED DISPOSAL	7
5. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL.....	9
6. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL.....	10
7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS.....	10
8. SERVICE AGREEMENTS.....	10
9. DIRECTORS' RECOMMENDATIONS	11
10. EXTRAORDINARY GENERAL MEETING	11
11. ACTIONS TO BE TAKEN BY SHAREHOLDERS	11
12. DIRECTORS' RESPONSIBILITY STATEMENT.....	11
13. DOCUMENTS FOR INSPECTION.....	12
NOTICE OF EXTRAORDINARY GENERAL MEETING.....	13
PROXY FORM	15

DEFINITIONS

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

Announcement	: The announcement made by the Company via SGXNET on 5 September 2017 in relation to the Proposed Disposal
Board	: The board of Directors of the Company, as at the date of this Circular
Business Day	: A day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for business in Singapore
CDP	: The Central Depository (Pte) Limited
Circular	: This circular to Shareholders dated 11 October 2017
Companies Act	: The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
Company	: LHT Holdings Limited
Director(s)	: The director(s) of the Company for the time being
EGM	: The extraordinary general meeting of the Company to be held on 27 October 2017, notice of which is given in the Notice of Extraordinary General Meeting set out on pages 13 and 14 of this Circular (or any adjournment thereof)
EPS	: The earnings per share
Existing Lease	: The leasehold interest in the Property held by the Company which expires on 31 March 2025
FY	: The financial year ended or ending, as the case may be, 31 December
GST	: Goods and Services Tax
Group	: The Company and its subsidiaries, collectively
JTC	: JTC Corporation
Listing Manual	: The listing manual of the SGX-ST, as may be amended or modified from time to time
New Tenancy	: The short-term tenancy over the Property offered by JTC to the Company together with the Surrender Offer which shall commence on a back-to-back basis from the completion of the Proposed Disposal and end on 31 December 2020, for a monthly rent of S\$54,509.15 (excluding GST)
New Tenancy Acceptance	: The written acceptance to the New Tenancy Offer duly delivered by the Company to JTC on 5 September 2017 with all conditions fulfilled
New Tenancy Agreement	: The New Tenancy Offer with the New Tenancy Acceptance
New Tenancy Offer	: The written offer extended by JTC to the Company on 29 August 2017 in relation to the New Tenancy
NTA	: The net tangible assets
Notice of EGM	: The notice of the extraordinary general meeting which is set out on pages 13 and 14 of this Circular

DEFINITIONS

Ordinary Resolution	: The ordinary resolution proposed to be passed at the EGM and set out in the Notice of EGM on pages 13 and 14 of this Circular
Property	: The premises at 44 Sungei Kadut Street 1, Singapore 729349, with a land area of approximately 35,281 square metres
Proposed Disposal	: The proposed surrender by the Company of the Existing Lease to JTC on the terms and subject to the conditions of the Surrender Agreement
Scheduled Completion Date	: 6 November 2017
SGXNET	: The corporate announcement system maintained by the SGX-ST for the submission of announcements by listed companies
SGX-ST	: Singapore Exchange Securities Trading Limited
Shares	: Ordinary shares in the capital of the Company
Shareholders	: Registered holders of Shares, except that where the registered holder is CDP, the term Shareholders shall, in relation to such Shares, mean Depositors who have Shares entered against their names in the Depository Register
Shareholder Proxy Form	: The proxy form for shareholders which is set out on pages 15 and 16 of this Circular
Surrender Acceptance	: The letter of conditional acceptance annexed to the Surrender Offer, returned by the Company to JTC on 5 September 2017 and duly received by JTC
Surrender Agreement	: The Surrender Offer together with the Surrender Acceptance
Surrender Consideration	: The aggregate consideration of S\$11,600,000 payable by JTC to the Company for the Company's surrender of the Existing Lease
Surrender Offer	: The written offer extended by JTC to the Company on 29 August 2017 in relation to the surrender of the Property
S\$ and cents	: Singapore dollars and cents respectively
% or per cent.	: Per centum or percentage

The terms **Depositor**, **depository agent** and **Depository Register** shall have the same meanings ascribed to them respectively in Section 130A of the Companies Act.

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

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 gender and *vice versa*. References to persons shall, where applicable, include corporations.

The words **written** and **in writing** include any means of visible reproduction.

DEFINITIONS

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the Securities and Futures Act or the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Securities and Futures Act or the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

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

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

LETTER TO SHAREHOLDERS

LHT HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198003094E)

Board of Directors:

Yap Mui Kee (Managing Director)
Tan Kim Sing (Executive Director)
Billy Neo Kian Wee (Executive Director)
Tan Kok Hiang (Non-Executive, Lead Independent Director)
Low Peng Kit (Non-Executive, Independent Director)
Wu Chiaw Ching (Non-Executive, Independent Director)
Sally Yap Mei Yen (Alternate Director to Yap Mui Kee)

11 October 2017

Registered Office:

27 Sungei Kadut Street 1
Singapore 729335

To: The Shareholders of LHT Holdings Limited

Dear Sir/ Madam

PROPOSED SURRENDER OF LEASE AND LEASE-BACK OF THE PROPERTY AT 44 SUNGEI KADUT STREET 1, SINGAPORE 729349

1. INTRODUCTION

- 1.1 On 5 September 2017, the Company announced that it had entered into a surrender and lease-back arrangement for the property at 44 Sungei Kadut Street 1, Singapore 729349 (the **Property**) in the following manner.
- 1.2 On 5 September 2017, the Company accepted an offer from JTC Corporation (**JTC**) of 29 August 2017 (**Surrender Offer**), and together with the acceptance letter from the Company, the **Surrender Agreement** for the surrender of the Company's existing lease of the Property to JTC (the **Proposed Disposal**).
- 1.3 On 5 September 2017, the Company accepted a new short-term tenancy from JTC for the Property which shall commence on a back-to-back basis from the completion of the Proposed Disposal and end on 31 December 2020 (the **New Tenancy**). The New Tenancy is conditional upon the completion of the Surrender Agreement.
- 1.4 The Proposed Disposal constitutes a major transaction as defined in Chapter 10 of the Listing Manual and is accordingly subject to the approval of Shareholders.
- 1.5 The Board proposes to convene an EGM to seek Shareholders' approval in respect of the Proposed Disposal.
- 1.6 The purpose of the Circular is to provide Shareholders with information relating to, and to explain the rationale for, the Proposed Disposal. This Circular is also meant to seek Shareholders' approval for the Ordinary Resolution set out in the Notice of EGM.

2. INFORMATION ON THE PROPERTY

- 2.1 The Company currently occupies 2 plots of JTC land at Sungei Kadut Street 1 under two JTC leases. The main building of the Company is located at 27 Sungei Kadut Street 1, which is not affected by the surrender and lease-back arrangement. Across the road at 44 Sungei Kadut Street 1 is the Property.
- 2.2 The Property covers a land area of approximately 35,281 square metres. As at the date hereof, the Company holds a leasehold interest in the Property which expires on 31 March 2025 (**Existing Lease**).

LETTER TO SHAREHOLDERS

- 2.3 The Company currently uses the Property for the manufacture of technical wood, technical wood flooring and door frames, and for pallet rental services. In addition, the Company leases out a portion of the Property for short-term tenancies. Such short-term tenancies will not be affected by the surrender and lease-back arrangement.
- 2.4 The landlord of the Property is JTC. JTC is the lead agency responsible for the development of industrial infrastructure in Singapore.
- 2.5 The Company understands that JTC wishes to have the unexpired leasehold interest of the Company in the Property be reverted to JTC before the end of the tenure of the Existing Lease.
- 2.6 Pursuant to negotiations with JTC, the Company will surrender its Existing Lease to the JTC. JTC will then immediately lease the Property back to the Company under the New Tenancy for a period ending on 31 December 2020. Therefore, the Proposed Disposal will not result in any break in the Company's occupation of the Property.

3. RATIONALE FOR THE PROPOSED DISPOSAL

- 3.1 JTC wishes to have the Property for future development.
- 3.2 Further, JTC indicated to the Company that it would not extend the Existing Lease after it expires on 31 March 2025 even if the Company does not agree to surrender the Existing Lease to JTC. JTC has also indicated that the New Tenancy will not be renewed at the end of the term. In proceeding with the Proposed Disposal, the Company will have 3 more years to consider the options available to it when the use of the Property is no longer available to it. The Company is currently considering and evaluating the possible options.
- 3.3 The Surrender Consideration of S\$11.6 million for the surrender of the lease of the Property was arrived at on a willing-buyer and willing-seller basis on 15 December 2016, taking into account recent market transactions of a similar nature. Based on the audited financial statements of the Company as at 31 December 2016, the book value of the Existing Lease is S\$9,208,000. The excess of the Surrender Consideration over the book value of the Existing Lease is S\$2,392,000.
- 3.4 Mindful of the time sensitivity of the Existing Lease as described in paragraph 3.2, the open market value of the Existing Lease is expected to lower more and more as the expiration of the Existing Lease draws nearer. In this regard, please note that as commissioned by the Company, the Property was valued at S\$14 million by Savills Valuation and Professional Services (S) Pte Ltd in its report dated 2 August 2016. In a subsequent valuation report dated 3 January 2017 commissioned by the Company, Bernard Valuers & Real Estate Consultants Pte Ltd valued the open market value of the Property then at S\$11,500,000. Therefore, any consideration obtained at a later date for the Existing Lease is likely to be lower than the Surrender Consideration and less favourable to the Company.
- 3.5 For the reasons set out above, the Company considers the Proposed Disposal to be favourable and that the Proposed Disposal and the New Tenancy are in the interests of the Company.
- 3.6 As currently contemplated by the Company, the proceeds from the Proposed Disposal will be used to fund, in whole or in part, the expenditure that may be incurred to build or to secure a replacement site, and or for the general working capital purposes of the Group. However, this does not restrict the Group for using the proceeds from the Proposed Disposal for any other purposes that is for its benefit in addition to or in lieu of any or all of the uses currently contemplated.

4. KEY TERMS OF THE PROPOSED DISPOSAL

The key terms and conditions of the Surrender Agreement include the following:-

4.1 Condition Precedent

The Proposed Disposal is conditional upon the approval by the Company's shareholders of the Proposed Disposal on the terms and subject to the conditions set out in the Surrender Agreement.

LETTER TO SHAREHOLDERS

4.2 Consideration

The consideration for the surrender of the lease of the Property is S\$11,600,000 (***Surrender Consideration***).

In addition to the Surrender Consideration, JTC will pay the Company the sum of S\$2,876,889.40 as an ex-gratia sum to defray the Company's relocation costs (***Relocation Allowance***) that will be incurred at the end of the New Tenancy.

On completion of the Surrender Agreement, JTC will pay to the Company:-

- (a) the balance of the Surrender Consideration, after deducting the following amounts owing to –
 - (i) JTC (including, without limitation, all outstanding rents, subletting and other fees, and other amounts relating to the Property); and
 - (ii) the Inland Revenue Authority of Singapore for the property tax relating to the Property under the Existing Lease,
- (b) the Relocation Allowance, or the balance thereof after deducting such amounts (if any) payable to JTC, and
- (c) the GST payable.

4.3 Completion

The Surrender Agreement provides for the scheduled completion date to be 6 November 2017 (the ***Scheduled Completion Date***).

On completion of the Surrender Agreement, the Company will surrender its title to the Property and deliver the Property to JTC free from all encumbrances.

As the New Tenancy Agreement commences on the date immediately after the date of completion of the Surrender Agreement, the Company will not be required to surrender and deliver vacant possession of the Property to JTC and its operations will not be affected.

4.4 Property Tax, Outgoings, Reinstatement & Other Obligations

Prior to completion of the Proposed Disposal, the Company is required to:-

- (a) continue to comply with all obligations under the Existing Lease for the Property, including without limitation, to pay all rent, interest, outgoings and all other sums owing to JTC under the Existing Lease. The Company is required to pay the rent under the Existing Lease until (and including) the Scheduled Completion Date, and thereafter, the late completion rent until (and including) the actual date of completion for the Proposed Disposal; and
- (b) complete reinstatement works on the terms and subject to the conditions set out in the Surrender Agreement.

If the Company does not comply with the above, JTC shall be entitled to deduct costs and expenses from the Surrender Consideration, or if the Surrender Consideration is insufficient for such deduction, require the Company to pay the difference upon JTC's written notice.

From the period up to and including the Scheduled Completion Date, the Company is:-

- (a) responsible for, and shall pay directly to the Inland Revenue Authority of Singapore all property tax including (without limitation) all surcharge, whether such tax is levied or (as the case may be) increased before, on or retrospectively after completion of the Proposed Disposal; and
- (b) responsible for, and shall pay directly to all other relevant authorities or third parties all other taxes, rates, fees, charges, assessments, duties and outgoings in relation to the Property and all costs, charges and other operating expenses associated with the operation of the Property, which remain outstanding.

LETTER TO SHAREHOLDERS

4.5 Late Completion

In the event the Company fails to complete the Proposed Disposal by the Scheduled Completion Date, without prejudice to JTC's other rights or remedies, the Company shall pay JTC market rent and GST for land and building as determined by JTC for the Property from (and including the day immediately following) the Scheduled Completion Date, until (and including) the actual date of completion.

Additionally, JTC is entitled to give the Company 21 days' written notice to complete the Proposed Disposal if the Company fails to complete the Proposed Disposal by the Scheduled Completion Date. If the Company still fails to complete the Proposed Disposal within such notice period, JTC shall either enforce against the Company any rights or remedies which JTC may have in law or equity without further notice to the Company, or terminate the Surrender Agreement without prejudice to any other rights or remedies available to JTC.

4.6 Short-Term Tenancy

As part of the Proposed Disposal, JTC had also on 29 August 2017, together with the Surrender Offer, offered the Company a short term tenancy (the **New Tenancy**) of the Property which shall commence on a back-to-back basis from the completion of the Proposed Disposal and end on 31 December 2020, for a monthly rent at the market rate of S\$54,509.15 (excluding GST) (**New Tenancy Offer**).

The Company has, on 5 September 2017, also accepted the New Tenancy Offer (the **New Tenancy Acceptance**, and together with the New Tenancy Offer, the **New Tenancy Agreement**). The New Tenancy is subject to completion of the Proposed Disposal in accordance with terms of the Surrender Agreement.

5. **RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL**

For the purposes of Chapter 10 of the Listing Manual, the relative figures for the Proposed Disposal computed on the bases set out in Rule 1006 and based on the latest announced audited financial results of the Group for the year ended 31 December 2016 are as follows:

Rule	Bases	Relative Figure (%)
1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	19.9 ⁽¹⁾
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	35.4 ⁽²⁾
1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	34.6 ^{(3) (4)}
1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	N.A.
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	N.A.

Note 1: This is computed based on the Property's net asset value of S\$9,208,000 compared with the Group's net asset value of S\$46,271,000.

Note 2: This is computed based on the profit of S\$1,690,000 (after deduction of direct operating expenses from rental and service income) attributable to the Property as against the Group's profit before tax of S\$4,777,000. Direct operating expenses include rental expenses of S\$758,000, JTC sublet fee of S\$93,000, property tax of S\$80,000, and repair and maintenance expenses of S\$41,000.

Note 3: Based on the 53,244,997 Shares in issue multiplied by S\$0.63, being the closing price of such Shares transacted on the market day preceding the date of the Surrender Agreement, the market capitalisation of the Company is approximately S\$33,544,000.

Note 4: Based on the Surrender Consideration of S\$11,600,000.

LETTER TO SHAREHOLDERS

As the relative figures under Rules 1006(b) and 1006(c) exceed 20%, the Proposed Disposal constitutes a Major Transaction as defined in Chapter 10 of the Listing Manual. The Proposed Disposal is therefore subject to the approval of Shareholders at a general meeting.

6. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

6.1 The pro forma financial effects of the Proposed Disposal on the Company are set out below and are prepared for illustrative purposes only and do not reflect the actual future financial position and results of the Company after the completion of the Proposed Disposal. These financial effects have been computed based on the announced audited financial statements of the Company for the financial year ended 31 December 2016.

6.2 Net Tangible Assets (NTA) per Share

Assuming that the Proposed Disposal was completed on 31 December 2016, the pro forma financial effects of the Proposed Disposal on the consolidated NTA of the Company are as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA of the Company as at 31 December 2016 (S\$'000)	43,079	47,859
Number of issued and paid-up shares ('000)	53,245	53,245
NTA per Share (cents)	80.91	89.88

6.3 Earnings per Share (EPS)

Assuming that the Proposed Disposal had been completed on 1 January 2016, the impact of the Proposed Disposal on the EPS of the Company would be as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Profit after income tax and minority interests (S\$'000)	2,099	6,879 ⁽¹⁾
Weighted average number of issued and paid-up shares ('000)	53,245	53,245
EPS for FY2016 (cents)	3.94	12.92

Note 1: This is computed based on the sum of S\$2,099,000, being the profit after income tax and minority interests, S\$11,600,000, being the Surrender Consideration, and S\$2,388,000, being the after tax Relocation Allowance, as against S\$9,208,000, being the net asset value of the Property.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors and, to the best of the Directors' knowledge, none of the controlling shareholders of the Company (other than in their capacity as directors or shareholders of the Company) has any interests, directly or indirectly, in the Proposed Disposal.

8. SERVICE AGREEMENTS

No person will be appointed to the Board in connection with the Proposed Acquisition and no service contracts in relation thereto will be entered into by the Company.

LETTER TO SHAREHOLDERS

9. DIRECTORS' RECOMMENDATIONS

The Directors took into account, inter alia, the rationale, the terms and conditions of the Surrender Agreement, the financial effects of the Proposed Disposal and all other relevant facts set out in this Circular, in coming to the unanimous view that the Proposed Disposal is on commercial terms not prejudicial to the interests of the Company and its minority Shareholders. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Ordinary Resolution to approve the Proposed Disposal as set out in the Notice of EGM.

In giving the above recommendation, the Directors have not had regard to the general or specific investment objectives, financial situation, tax position or unique needs and constraints of any individual Shareholder. As each Shareholder would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require specific advice should consult his stockbroker, accountant, bank manager or other professional advisers immediately.

10. EXTRAORDINARY GENERAL MEETING

The EGM will be held on 27 October 2017 at 27 Sungei Kadut Street 1, Singapore 729335 at 3.30 pm (or any adjournment thereof) for the purpose of considering and, if thought fit, passing with or without any modifications, the Ordinary Resolution set out in the Notice of EGM, which is set out at pages 13 and 14 of this Circular.

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 seventy-two (72) hours before the EGM.

11. ACTIONS TO BE TAKEN BY SHAREHOLDERS

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete sign and return the Shareholder Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company not less than forty-eight (48) hours before the time fixed for the EGM. Completion and return of the Shareholder Proxy Form by a Shareholder will not preclude him from attending and voting at the EGM if he so wishes. An appointment of a proxy or proxies shall be deemed to be revoked if a Shareholder attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Shareholder Proxy Form to the EGM.

12. 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 Disposal, the issuer 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.

LETTER TO SHAREHOLDERS

13. DOCUMENTS FOR INSPECTION

A copy of each of the following documents is available for inspection at the registered office of the Company at 27 Sungei Kadut Street 1, Singapore 729335 during the Company's normal business hours for three (3) months from the date of the Announcement:

- (a) the Surrender Offer;
- (b) the Surrender Acceptance;
- (c) the New Tenancy Offer;
- (d) the New Tenancy Acceptance; and
- (e) Valuation Report issued by Bernard Valuers & Real Estate Consultants Pte Ltd.

Yours faithfully
For and on behalf of
the Board of Directors of
LHT Holdings Limited

Yap Mui Kee
Managing Director

11 October 2017

NOTICE OF EXTRAORDINARY GENERAL MEETING

LHT HOLDINGS LIMITED

(Company Registration No. 198003094E)
(Incorporated in the Republic of Singapore)
(the "Company")

NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the meanings given in the Circular dated 11 October 2017 issued by the Company.

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Shareholders will be held on 27 October 2017 at 3.30 pm at 27 Sungei Kadut Street 1, Singapore 729335 for the purpose of considering and, if thought fit, passing, with or without amendment, the following Ordinary Resolution:

RESOLUTION 1: ORDINARY RESOLUTION

Proposed Surrender of Lease and Lease-back of the Property at 44 Sungei Kadut Street 1, Singapore 729349.

That:

- (a) approval be and is hereby given for the Company to enter into the Surrender Agreement with JTC for the surrender of the leasehold premises known as Pte Lot A19943 at 44 Sungei Kadut Street 1, Singapore 729349 to JTC and the transactions contemplated therein be approved, confirmed and ratified;
- (b) approval be and is hereby given for the Company to enter into the New Tenancy Agreement and the transactions contemplated therein be approved, confirmed and ratified; and
- (c) the Directors of the Company and each of them be and is hereby authorised to complete and do all such acts and things (including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents) as the Directors or any of them may consider necessary, desirable or expedient to give effect to the Proposed Disposal and this Ordinary Resolution.

By Order of the Board

LHT Holdings Limited
Sally Yap Mei Yen
Company Secretary
11 October 2017

Notes:

- 1. A member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at a meeting of the Company is entitled to appoint one proxy or two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- 2. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
- 3. The Shareholder Proxy Form must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
- 4. A body corporate which is a member may also appoint by resolution of its directors or other governing body an authorised representative or representatives in accordance with its Constitution and Section 179 of the Companies Act, Chapter 50 of Singapore to attend and vote for and on behalf of such body corporate.
- 5. The Shareholder Proxy Form must be deposited at the registered office of the Company at 27 Sungei Kadut Street 1, Singapore 729335 not less than 48 hours before the time appointed for holding the EGM.

NOTICE OF EXTRAORDINARY GENERAL MEETING

6. Please insert in the space in the instrument of proxy provided the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, 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, this instrument of proxy shall be deemed to relate to all the shares held by you.
7. The Company shall be entitled to reject the instrument of proxy if it is incomplete, not properly completed, or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of a member whose shares are deposited with the Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument of proxy lodged if such member is not shown to have shares entered against his/her name in the Depository Register 72 hours before the time fixed for holding the above EGM, as certified by CDP to the Company.

PERSONAL DATA PRIVACY

8. Where a member of the Company submits 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, proxy 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.
9. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 11 October 2017.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

IMPORTANT

1. Relevant intermediaries may appoint more than two proxies to attend the Extraordinary General Meeting and vote (please see the notes for the definition of "relevant intermediary")
2. For investors who have used their CPF monies to buy shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. Please read the notes to the Proxy Form.

LHT HOLDINGS LIMITED

Company Registration No. 198003094E
(Incorporated in the Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing this Form)

I / We, _____ (Name)

of _____ (Address)

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

Name	NRIC / Passport Number	Proportion of Shareholdings (%)
Address		

and /or (delete as appropriate)

Name	NRIC / Passport Number	Proportion of Shareholdings (%)
Address		

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at Extraordinary General Meeting of the Company to be held on 27th day, October 2017 at 27 Sungei Kadut Street 1, Singapore 729335 at 3.30p.m. and at any adjournment thereof. The proxy is to vote on the business before the Meeting as indicated below. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion, as he/she will on any other matter arising at the Meeting.

No.	Resolution(s) relating to:	For	Against
1	Proposed Surrender of the Lease and Lease-back of the Property at 44 Sungei Kadut Street 1, Singapore 729349		

(Please indicate with a cross [X] in the space provided whether you wish your vote to be cast "For" or "Against" the Resolutions as set out in the Notice of the Meeting.)

Dated this _____ day of _____ 2017

Total number of Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	



Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

Notes:

1. A member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at a meeting of the Company is entitled to appoint one proxy or two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
2. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
3. This Shareholder Proxy Form must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
4. A body corporate which is a member may also appoint by resolution of its directors or other governing body an authorised representative or representatives in accordance with its Constitution and Section 179 of the Companies Act, Chapter 50 of Singapore to attend and vote for and on behalf of such body corporate.
5. This Shareholder Proxy Form must be deposited at the registered office of the Company at 27 Sungei Kadut Street 1, Singapore 729335 not less than 48 hours before the time appointed for holding the EGM.
6. Please insert in the space in this instrument of proxy provided the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, 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, this instrument of proxy shall be deemed to relate to all the shares held by you.
7. The Company shall be entitled to reject this instrument of proxy if it is incomplete, not properly completed, or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of a member whose shares are deposited with the Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument of proxy lodged if such member is not shown to have shares entered against his/her name in the Depository Register 72 hours before the time fixed for holding the above EGM, as certified by CDP to the Company.

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