

CIRCULAR DATED 24 FEBRUARY 2016

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.

If you have sold or transferred all your issued and fully paid-up ordinary shares in the capital of AA Group Holdings Ltd. (the “**Company**”), you should immediately forward this Circular, the enclosed Notice of Extraordinary General Meeting and the accompanying Proxy Form 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.

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Stamford Corporate Services 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. SGX-ST and the Sponsor assume 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. The contact person for the Sponsor is Mr Bernard Lui, Tel: 6389 3000 or email: bernard.lui@morganlewis.com.



AA GROUP HOLDINGS LTD.

(Company Registration No.: 200412064D)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to the

- (A) PROPOSED DIVERSIFICATION OF THE BUSINESS OF THE GROUP TO INCLUDE THE CONSTRUCTION BUSINESS AND THE PROPERTY BUSINESS; AND**
- (B) PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TOKO CONSTRUCTION PTE. LTD.**

IMPORTANT DATES AND TIMES:

Last date and time for lodgment of Proxy Form	: 8 March 2016 at 9.00 a.m.
Date and time of Extraordinary General Meeting	: 10 March 2016 at 9.00 a.m.
Place of Extraordinary General Meeting	: 308 Tanglin Road, #01-02, Singapore 247974

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DEFINITIONS

The following definitions apply throughout in this Circular except where the context otherwise requires:

“1H”	:	The six month period ended 30 June
“A2A”	:	A2A Management Pte. Ltd. (Company registration no. 201538549H), a wholly-owned subsidiary of the Company
“Act” or “Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time
“Board of Directors” or “Board”	:	The board of Directors of the Company for the time being
“Business Day”	:	A day (other than a Saturday, Sunday or public holiday) on which banks, the SGX-ST, CDP and the Share Registrar are open for business in Singapore
“Catalist”	:	The sponsor-supervised listing platform of the SGX-ST
“Catalist Rules”	:	The SGX-ST’s Listing Manual – Section B: Rules of Catalist, as may be amended, varied or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 24 February 2016
“CLK”	:	Chew Liang Kwang
“CMS”	:	Chew Mee Seng
“Company”	:	AA Group Holdings Ltd. (Company registration no. 200412064D)
“Constitution”	:	The constitution of the Company, as amended or modified from time to time
“Completion”	:	The completion of the Proposed Acquisition
“Consideration”	:	The aggregate consideration for the assignment and transfer of the Shareholders’ Loan and the sale and purchase of the Sale Shares, which amounts to S\$1,296,691
“Construction Business”	:	The building, construction, engineering and infrastructure business as further described in Section 2.2 of this Circular
“CPF”	:	Central Provident Fund
“Deposit”	:	The payment of S\$500,000 by A2A to the Vendors upon the execution of the Sale and Purchase Agreement
“Director”	:	A director of the Company for the time being
“EGM”	:	The extraordinary general meeting of the Company, notice of which is set out on pages 19 to 20 of this Circular
“EPS”	:	Earnings per Share
“FY”	:	Financial year ended 31 December

DEFINITIONS

“Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	17 February 2016, being the latest practicable date prior to the printing of this Circular
“Long-Stop Date”	:	The date falling six (6) months after the date of the Sale and Purchase Agreement
“Notice of EGM”	:	The notice of EGM set out on pages 19 to 20 of this Circular
“NTA”	:	Net tangible assets
“Property Business”	:	The business comprising property development, property investment and property management as further described in Clause 2.2 of this Circular
“Proposed Acquisition”	:	The acquisition by A2A of the Sale Shares, as set out in Section 3 of this Circular
“Proposed Diversification”	:	The proposed diversification of the Group to include the Construction Business and the Property Business
“Register of Members”	:	The register of members of the Company
“Sale Conditions”	:	The conditions precedent in relation to the completion of the Proposed Acquisition
“Sale and Purchase Agreement”	:	The conditional sale and purchase agreement dated 18 December 2015 entered into between A2A and the Vendors in respect of the Proposed Acquisition, as amended by a letter dated 17 February 2016
“Sale Shares”	:	50,000 issued and fully paid-up shares in the capital of the Target, being the entire issued and paid-up share capital of the Target
“Securities Account”	:	A securities account maintained by a Depositor with CDP (but does not include a securities sub-account)
“Securities and Futures Act” or “SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as may be amended, modified or supplemented from time to time
“Service Agreement”	:	The service agreement to be entered into by CLK with the Target on Completion
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Shareholders”	:	The registered holders of the Shares, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons to whose securities accounts maintained with CDP are credited with the Shares
“Shareholder’s Loan”	:	The loans and advances made by CLK to the Target
“Shares”	:	Ordinary shares in the capital of the Company

DEFINITIONS

“Sponsor”	:	Stamford Corporate Services Pte Ltd
“Subsidiaries”	:	Has the meaning ascribed to it in Section 5 of the Companies Act and “Subsidiary” shall be construed accordingly
“Substantial Shareholder”	:	A person who has an interest in voting shares of the Company the total votes attached to which is not less than 5% of the total votes attached to all the voting shares in the Company
“Target”	:	Toko Construction Pte. Ltd. (Company registration no. 201100924G)
“S\$” and “cents”	:	Singapore dollars and cents, being the lawful currency of the Republic of Singapore
“Vendors”	:	CLK and CMS
“VWAP”	:	Volume weighted average price
“%” or “percent”	:	Percentage or per centum

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

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

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

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

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

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

AA GROUP HOLDINGS LTD.

(Company Registration No.: 200412064D)
(Incorporated in the Republic of Singapore)

Board of Directors

Hsieh, Kuo-Chuan @ James Hsieh (*Executive Chairman*)
Feng, Tze-Ju @ Julie Feng (*Managing Director*)
Chua Chee Heng (*Lead Independent Director*)
Charles Chew Yeow Bian (*Independent Director*)
Koh Yew Khoon, Christopher (*Non-Executive Director*)

Registered Office

4 Shenton Way
#17-01 SGX Centre II
Singapore 068807

24 February 2016

To: The Shareholders of the Company

Dear Sir/Madam,

- (A) **PROPOSED DIVERSIFICATION OF THE BUSINESS OF THE GROUP TO INCLUDE THE CONSTRUCTION BUSINESS AND THE PROPERTY BUSINESS; AND**
 - (B) **PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TOKO CONSTRUCTION PTE. LTD.**
-

1. INTRODUCTION

1.1 Diversification of Core Business

The Company proposes to expand its Current Core Business to include that of the Construction Business and the Property Business. Further details on the Proposed Diversification of core business are set out in Section 2 of this Circular. The Company is seeking approval from Shareholders for the Proposed Diversification.

1.2 Acquisition

On 18 December 2015, the Company announced that its wholly owned subsidiary, A2A, had on 18 December 2015 entered into the Sale and Purchase Agreement with the Vendors pursuant to which it has agreed to purchase 50,000 ordinary shares in the capital of the Target, representing the entire issued and paid-up share capital of the Target. A2A and the Vendors subsequently entered into a supplemental letter on 17 February 2016 amending the terms of the Proposed Acquisition. The amended terms of the Proposed Acquisition was announced on 17 February 2016.

The Proposed Acquisition requires Shareholders' approval as it will result in the Company entering into a new business sector. Further information on the Proposed Acquisition is set out in Section 3 of this Circular.

1.3 Interconditionality of the Resolutions

The Proposed Acquisition is conditional upon the Proposed Diversification and the attention of Shareholders is specifically drawn to the inter-conditionality nature of the Ordinary Resolutions to be passed as set out in the Notice of EGM in particular that Ordinary Resolution 2 relating to the Proposed Acquisition is conditional upon the passing of Ordinary Resolution 1 relating to the Proposed Diversification.

This means that if Ordinary Resolution 1 is not passed, Ordinary Resolution 2 would not be passed.

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

1.4 Purpose of this Circular

The purpose of this Circular is to provide Shareholders with relevant information relating to the above and to seek Shareholders' approval for the resolutions set out in the Notice of EGM. The Notice of EGM is set out on pages 19 to 20 of this Circular.

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

1.5 The Sponsor and the SGX-ST

The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular including the correctness of any of the statements made or opinions expressed or reports contained in this Circular. If a Shareholder is in any doubt as to the action he/she should take, he/she should consult his/her legal, financial, tax or other professional adviser(s) immediately.

2. DETAILS OF THE PROPOSED DIVERSIFICATION

2.1 Current Business

The Company's current business is that of manufacturing and supplying high-precision loudspeaker parts, namely T-yokes, U-yokes, washers and frames, to manufacturers of automotive and commercial audio devices, home audio-visual products and other consumer electronic products. The Group is also involved in the trading of iron ore and/or other minerals (collectively, the **"Current Core Business"**).

2.2 Proposed Expansion of Core Business

The Company intends to expand its Current Core Business to include the Construction Business and the Property Business as described below, as and when appropriate opportunities arise:

- (a) the provision and supply of building, construction, engineering, infrastructure and related solutions, services and products such as solutions, services and products for new construction works, addition and alteration works, works for refurbishment and upgrading of existing properties and infrastructure works and projects (the **"Construction Business"**); and
- (b) property development activities including acquisition, development and/or sale of residential, hospitality, commercial (retail and office), industrial and any other types of properties (including mixed development properties) (**"Property Related Assets"**), holding of Property Related Assets as long term investment for the collection of rent, capital growth potential and/or provision of property related services and facilities, and management of Property Related Assets (the **"Property Business"**).

The Group may also, as part of the Construction Business and the Property Business, invest in or dispose of shares or interests in any entity that is in the Construction Business or the Property Business.

The Company does not plan to restrict the Construction Business and the Property Business to any specific geographical market as each project and investment will be evaluated and assessed by the Board on its merits. The Group may also explore joint ventures and/or strategic alliances with third parties who have the relevant expertise and resources to carry out the Construction Business and the Property Business as and when the opportunity arises.

The decision on whether a project should be undertaken by the Group on its own or in collaboration with third parties will be made by the Board after taking into consideration various factors, such as the nature and scale of each project, amount of investment required and risks

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

associated with such an investment, nature of expertise required, the period of time that is required to complete the project and conditions in the property market, taking into account the opportunities available.

Apart from the Proposed Acquisition and as at the Latest Practicable Date, the Group has not identified any specific construction related investments or property related investments for the Construction Business and the Property Business. The Group will update Shareholders at the opportune time when it has identified any such specific investments.

Please refer to the sections entitled “Rationale” and “Risks Factors” as set out in paragraphs 2.3 and 2.5 respectively of this Circular for the rationale for and risks associated with the Proposed Diversification.

2.3 Rationale for the Proposed Diversification

The Company proposes to expand its Current Core Business to include that of Construction Business and the Property Business for the following reasons:

- (a) The Proposed Diversification is part of the corporate strategy of the Group to provide Shareholders with diversified returns and long term growth. The Directors believe that the Proposed Diversification will reduce the Group's reliance on its existing business, offer new business opportunities, provide the Group with new revenue streams and improve its prospects, so as to enhance Shareholders' value for the Company.
- (b) The Current Core Business has been facing challenging market conditions such as pricing pressure from customers and rising operational costs. In turn, such adverse conditions has limited the Group's growth and financial performance in recent years. While the Company remains focused on the enhancing operational efficiency to improve the profitability of the Current Core Business, the Company proposes to undertake the Proposed Diversification as the Construction Business and the Property Business may potentially offer the Group new business opportunities.

2.4 Managing the Construction Business and the Property Business

Even though the Construction Business and the Property Business are different from the Current Core Business, the Board recognises that the relevant experience and expertise required can be acquired and developed by the Group over time as it progresses in the Construction and the Property Business. The Board and senior management of the Group comprise individuals with varied qualifications and experience who will provide the strategic vision and policy on the Construction Business and the Property Business.

As part of the Proposed Acquisition, CLK will enter into a service agreement with the Target, which is valid for a period of two (2) years. The Board believes that it will be able to leverage on the experience of CLK who has extensive experience in the Construction Business and provides consultation services for several property developments. Please refer to Section 3.1 for more information on CLK's relevant expertise and experience.

In making decisions, the Board and senior management will seek the advice of reputable external consultants and experts where necessary and appropriate. The Group intends to engage in the Construction Business and the Property Business incrementally; it will monitor developments and progress in the Construction Business and the Property Business and take the necessary steps to identify suitable candidates both from within the Group as well as externally to manage the Construction Business and the Property Business to take it forward as and when required. In addition, the Group will evaluate the manpower and expertise required for the Construction Business and the Property Business and will, as and when required, hire suitably qualified personnel, external consultants, external industry experts and professionals for the Construction Business and the Property Business.

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

The Group may foster partnerships with various third parties in the relevant industries to assist it in undertaking the Construction Business and the Property Business more effectively and efficiently as the Group seeks to build its expertise and capabilities in this field. Such partnerships may be done either on a case by case basis or on a term basis. Where necessary, work may be outsourced to reputable third parties who have expertise in the relevant area in relation to the projects concerned. In selecting its partners, the Group will take into account the specific expertise and competencies required for the project in question and the experience, historical track record and financial standing of the party concerned.

2.5 Risk Factors

Shareholders should note that the Proposed Acquisition will result in a diversification of the Group's business to the Construction and Property Business and will change the risk profile of the Group.

Shareholders should carefully consider and evaluate each of the following considerations and all of the other information set out in this Circular in relation to the Proposed Diversification. Some of the following considerations relate principally to the construction and the property industries. Other considerations relate principally to general economic and political considerations.

If any of the following considerations and uncertainties develops into actual events, the business, financial condition or results of operations of the Company's Construction Business and Property Business could be materially and adversely affected. The risks discussed below also include forward-looking statements and the Company's and the Group's actual results may differ substantially from those discussed in these forward-looking statements.

Sub-headings are for convenience only and risk factors that appear under a particular sub-heading may also apply to one or more other sub-headings.

The following considerations are not exhaustive and not intended to be exhaustive. There may be considerations that are not known to the Company or currently not deemed material.

(a) **The Group has no prior track record and operating experience in the Construction Business and the Property Business**

The Group does not have a prior track record in the carrying out or implementation of the Construction Business and the Property Business. There is no assurance that the Group's foray into the Construction Business and/or the Property Business will be commercially successful and that the Group will be able to derive sufficient revenue to offset the capital and start-up costs as well as operating costs arising from the Construction Business and the Property Business. The Construction Business and the Property Business may require high capital commitment and may expose the Group to unforeseen liabilities or risks associated with its entry into new markets and new businesses.

The Construction Business and the Property Business involves business risks including the financial costs of setting up new operations, capital investments and maintaining working capital requirements. If the Group does not derive sufficient revenue from or does not manage the costs of the the Construction Business and/or the Property Business effectively, the overall financial position and profitability of the Group may be adversely affected.

The Group will also be exposed to the risks associated with a different competitive landscape and a different operating environment. In particular, the Group will be affected by factors affecting the property market in the regions where the Group ventures into, such as general economic conditions, changes in interest rates and relevant government policies and measures.

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The Group's future plans with regard to the Construction Business and the Property Business may not be profitable, may not achieve sales levels and profitability that justify the investments made and may take a long period of time before the Group could realise any return. The activities of the Construction Business and the Property Business may entail financial and operational risks, including diversion of management's attention and difficulty in recruiting suitable personnel.

Further, such future plans and new initiatives could be capital intensive and could also result in potentially dilutive issuances of equity securities, the incurrence of capital commitments, debts and contingent liabilities as well as increased operating expenses, all of which may materially and adversely affect the financial performance of the Group. The Group may face significant financial risks before it can realise any benefits from its investments in the Construction Business and the Property Business.

(b) **The Group may not have the ability or sufficient expertise to execute the the Construction Business and the Property Business**

The Group's ability to successfully diversify into the the Construction Business and the Property Business is dependent upon its ability to adapt its existing knowledge and expertise, and to understand and navigate the the Construction Business and the Property Business. There is no assurance that the Group will be able to hire and subsequently retain employees with relevant experience and knowledge. Should the Group fail to achieve its business objectives, there may be an adverse effect on the Group's profitability. While the Group has planned the Proposed Diversification based on the outlook and the Group's understanding of the current property market and general economic situation, there is no assurance that such plans will be commercially successful or the actual outcome of the Proposed Diversification will match the Group's expectations. In such event, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

(c) **The Group may face competition from existing competitors and new market entrants in the Construction Business and the Property Business**

The Construction Business and the Property Business are highly competitive, with strong competition from established industry participants who may have larger financial resources or a stronger track record. The Group may not be able to provide comparable services at lower prices or respond more quickly to market trends than potential or existing competitors who may have larger financial resources and stronger track records. Further, new competitors may enter the industry resulting in increased competition or saturation. There is no assurance that the Group can compete successfully against its existing or potential competitors now or in the future. To compete effectively, the Group will have to offer more competitive pricing or differentiate itself by adopting more creative marketing strategies. In the event that the Group fails to do, the Group's business, financial condition, results of operations and prospects may be adversely affected.

(d) **The Group is exposed to a range of economic risks relating to the Construction Business and the Property Business in the countries in which the Group may operate**

The performance of the Construction Business and the Property Business depends largely on the economic situation and the performance of the construction industry and the property industry, and is dependent on the continued expansion of the economies of the countries in which the Group may operate. There is no assurance that the property sector in each of the countries in which the Group may operate will continue to grow. The property market in each of the countries in which the Group may operate may be adversely affected by political, economic, regulatory, social or diplomatic developments affecting the respective property sectors generally. Changes in inflation, interest rates, taxation or other regulatory, economic, social or political factors affecting the countries in which the Group may operate or any adverse developments in the supply, demand and prices of property in the property sector may have an adverse effect on the Group's business. The Construction Business and the

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

Property Business are also subject to the cyclical nature of the property industry. Should the economy or the property market experience a downturn, the performance of the Construction Business and the Property Business may be adversely affected. This may also materially and adversely affect the Group's business operations, financial performance and financial condition.

(e) **The Group is subject to various government regulations in the Construction Business and the Property Business**

The Construction Business and the Property Business is exposed to the risks posed by current and potential future regulations and legislation that apply to both the industries in which the Group operate and the industries its clients operate.

Changes in the regulatory environment in countries in which the Group operates may have consequences for the Group, such as limiting the Group's ability to do business in a jurisdiction because of a change in laws or an imposition of trade barriers.

The Group may be affected by revised or new legislation and guidelines by the government in response to the property market conditions. An example would be where the Singapore government monitors the property market and from time to time implements both temporary and permanent new regulations to curb speculation on residential and industrial property transactions. Such a regulatory change will impact on the Construction Business and the Property Business and in particular, the Group's ability to deliver on projects and services.

(f) **The Group is exposed to risks associated with acquisitions, joint ventures and strategic alliances**

Depending on available opportunities, feasibility and market conditions, the Group's expansion into the Construction Business and the Property Business may involve acquisitions, joint ventures or strategic alliances with third parties in overseas market that the Group intends to focus on. There is no assurance that such acquisitions, joint ventures, strategic alliances or the joint management of such enterprises will be successful.

Participation in joint ventures, strategic alliances, acquisitions or other investment opportunities involves numerous risks, including the possible diversion of management attention and loss of capital or other investments deployed in such ventures, alliances, acquisitions or opportunities.

Furthermore, the Group may rely on its joint venture partners at the initial stage of its foray into the Construction Business and the Property Business and there is a risk that any of the joint venture partners may fail to perform by not possessing the adequate experience or skill set expected of them or experience financial or other difficulties which may affect their ability to carry out contractual obligations, thus resulting in additional costs to the Group. In such events, the Group's financial performance may be adversely affected.

(g) **The Construction Business and the Property Business are subject to the general risk of doing business overseas**

The Group does not plan to restrict the Construction Business and the Property Business to any specific geographical markets but will in its initial foray, focus on opportunities in the Asia Pacific region. As such, the Group is subject to the general risk of doing business overseas. These general risks include unexpected changes in regulatory requirements, difficulty in staffing and managing foreign operations, social and political instability, fluctuations in currency exchange rates, potentially adverse tax consequences, legal uncertainty regarding legal liability or enforcement of legal rights, tariffs and other trade barriers, variable and unexpected changes in local law and barriers to the repatriation of capital or profits, any which could materially affect the overseas operations of the Group. These risks, if materialised, may affect the Group's business and financial condition.

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

In addition, if the governments of countries in which the Group operates tighten or otherwise adversely change their laws and regulations relating to the repatriation of their local currencies, it may affect the ability of the Group's overseas operations to repatriate profits to the Group and, accordingly, the cash flow of the Group may be adversely affected.

(h) **The Group is exposed to foreign exchange transaction risks**

Foreign exchange may adversely affect the Group's financial position and operating results. The Group intends to conduct the Construction Business and the Property Business in various jurisdictions. The Group is therefore exposed to the effects of changes in currency exchange rates. Unfavourable movements in these exchange rates may have an adverse effect on the Group's revenue and/or cost of operating.

(i) **The Group may be exposed to risk of loss and potential liabilities that may not be covered by insurance**

While the Group will, where appropriate, obtain insurance policies to cover losses in respect of its assets and certain eventualities arising from the Group's business operations, the insurance obtained may not be sufficient to cover all potential losses, including losses arising from risks which are generally not insurable. These include losses arising from acts of God, earthquakes, war, civil disorder and acts of terrorism. Losses arising out of damage to the Group's assets covered by the insurance policies in excess of the amount they are insured may affect the Group's profitability.

(j) **There is no assurance of the potential growth of the Construction Business and the Property Business**

Save for the Proposed Acquisition, the Group has not identified or formalised any other definitive plans in connection with the Construction Business and the Property Business. While the Group will actively seek opportunities in the Construction Business and the Property Business, there is no assurance that it will be able to identify such opportunities which suit its risk and returns profile.

(k) **The Group is subject to risks inherent in investing in entities which it does not control**

The Group may make investments in entities that are not the Group's Subsidiaries and over which the Group does not have majority control. There is no assurance that the Group will be able to influence the management, operation and performance of these entities through its voting rights, in a manner which would be favourable to the Group, or at all. If all or any of these entities were to perform poorly, the Group's overall business, financial condition, results of operations and prospects may be adversely affected.

(l) **The property market in countries in which the Group operates may be volatile**

The Group's Property Business is subject to property market conditions in the countries in which it operates. Many social, economic, political and other factors may affect the development of the property market. The property market in the countries in which the Group operates may be volatile and experience oversupply and property price fluctuations. Changes in government policies in the countries in which the Group operates may result in a change in market conditions, including price instability and imbalance of supply and demand, which may materially and adversely affect the business and financial condition and the results of operations of the Group.

3. DETAILS OF THE PROPOSED ACQUISITION

3.1 Information on the Vendors

CLK is the founder and a director of the Target. He founded the Target in 1989 after gaining experience working as a foreman and project supervisor in various sectors of the construction industry. The Target initially specialised in additions and alterations work but later branched out to build factories and houses. Under CLK's guidance, the Target's business further expanded to

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

include offering design and build services which involves the designing and building of Good Class Bungalows (GCBs) and semi-detached houses from scratch. CLK has also been invited to be a consultant for a property development in Melbourne, Australia, and a mixed retail and hotel development in Kota Kinabalu, Malaysia. CLK is also a director of Toko Development Pte. Ltd. which is an investment holding company for a 1,700 unit condominium resort in Petchaburi, Thailand.

CMS is the wife of CLK and became a director of the Target when it was converted from a sole proprietorship to a private exempt company on 10 January 2011. CMS has been managing the administrative matters of the Target since it was founded in 1989.

3.2 Information on the Target

The Target is a private exempt company incorporated in Singapore with limited liability and is engaged in the business of building construction in Singapore. The Target has a Class 2 Builder's Licence issued by the Building and Construction Authority which allows the Target to undertake general building works for projects of S\$6 million or less. The shareholders of the Target are CLK (90%) and CMS (10%). Since its incorporation in 1989, the Target has completed various projects in Singapore, such as additions and alterations, new construction and reconstruction of GCBs and semi-detached houses. The Target's ongoing projects include the erection of two pairs of semi-detached houses which is due to be completed in 2016 and has a contract value of S\$5.89 million.

3.3 Principal Terms of the Sale and Purchase Agreement

3.3.1 Sale and Purchase

Pursuant to the Sale and Purchase Agreement, A2A will acquire 50,000 ordinary shares in the capital of the Target (the "**Sale Shares**"), representing 100% of the issued and paid-up share capital of the Target free from all encumbrances and together with all rights attaching thereto. Following completion of the Proposed Acquisition ("**Completion**"), the Target will become a wholly-owned Subsidiary of A2A.

On, subject to and with effect from Completion, CLK shall assign and transfer to A2A all of his present and future rights, title and interest in and to the loans and advances made by CLK to the Target as at the date of Completion (the "**Shareholder's Loan**"), free from all encumbrances and with all rights attaching thereto. The Shareholder's Loan as at the Latest Practicable Date is S\$236,235.

3.3.2 Consideration

The aggregate consideration for the assignment and transfer of the Shareholder's Loan and the sale and purchase of the Sale Shares shall be S\$1,296,691 (the "**Consideration**"). The Consideration was reduced from S\$2,000,000 to S\$1,296,691 pursuant to a supplemental letter dated 17 February 2016, following the completion of the due diligence exercise by A2A on the Target.

The consideration for the assignment and transfer of the Shareholder's Loan shall be the amount equal to the Shareholder's Loan, which amounts to S\$236,235 as at the Latest Practicable Date. The consideration for the sale and purchase of the Sale Shares shall be the amount equivalent to the difference between S\$1,296,000 and the Shareholder's Loan, and shall be divided amongst the Vendors in proportion to their shareholdings in the Target.

Upon execution of the Sale and Purchase Agreement, A2A has made payment of S\$500,000 (the "**Deposit**") to the Vendors which shall constitute part of the consideration for the sale and purchase of the Sale Shares. The balance Consideration will be payable on Completion. In the event the Sale Conditions are not fulfilled on or before the Long-Stop Date, the Deposit shall be refunded in full to A2A.

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

The Consideration was arrived at following arm's length negotiations on a willing buyer willing seller basis, and taking into account the net profit of the Target for the year ended 31 December 2014 and the nine month period ended 30 September 2015 of S\$309,283 and S\$333,390 respectively.

The Consideration will be funded by the internal resources and loans from Shareholders. The loans extended by Shareholders are interest-free, unsecured and have no maturity period.

3.3.3 Conditions Precedent

The completion of the Proposed Acquisition is conditional upon, amongst others (the "**Sale Conditions**"):

- (a) the completion by A2A of a due diligence exercise on the Target and the results of such due diligence exercise being satisfactory to A2A;
- (b) the approval of the Shareholders for the transactions contemplated under the Sale and Purchase Agreement being obtained at a general meeting of the Shareholders; and
- (c) all necessary consents or approvals (if any) being granted by third parties or governmental or regulatory bodies or competent authorities having jurisdiction over the sale of the Sale Shares or the transactions contemplated under the Sale and Purchase Agreement and where any such consent or approval is subject to any conditions, such conditions being reasonably acceptable to the party on which they are imposed, and if such conditions being fulfilled before Completion and such consents or approvals not being revoked or repealed on or before Completion.

Completion of the Proposed Acquisition will take place on the date falling five (5) market days after the satisfaction of the last Sale Condition in accordance with the Sale and Purchase Agreement.

If the Sale Conditions have not been fulfilled on or before the date falling six (6) months after the date of the Sale and Purchase Agreement (the "**Long-Stop Date**"), the Sale and Purchase Agreement shall *ipso facto* cease and all rights and liabilities of the parties thereunder shall cease. In the event of any cessation as aforesaid, the Vendors shall forthwith refund the Deposit to A2A.

3.4 **Value of the Sale Shares**

3.4.1 Book Value/Net Tangible Assets Value

The book value and the net tangible assets value of the Target as at 30 September 2015 is S\$508,429 and S\$508,429 respectively.

3.4.1 Net Profit

The net profits attributable to the Sales Shares for the nine months period ended 30 September 2015 is S\$333,930.

3.5 **Rationale for the Proposed Acquisition**

The Board is of the view that the Proposed Acquisition is in the best interests of the Company and the Shareholders as the Target is a financially strong and profitable company which will be able to provide consistent returns to the Group. The Proposed Acquisition will enable the Group to tap on the Target's reputable brand name for the construction of GCBs, as well as the expertise of CLK who has substantial experience in the building and construction industry, and the property development industry.

The Proposed Acquisition presents a good opportunity for the Company to enter into the Construction Business and the Property Business and provide Shareholders with diversified returns and long term growth. The Proposed Acquisition will enable the Group to reduce its reliance on its Current Core Business and provide the Group with new revenue streams in order to enhance Shareholders' value.

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

3.6 Service Contracts

There are no persons proposed to be appointed as directors of the Company in connection with the Proposed Acquisition.

On Completion, CLK will enter into a service agreement with the Target (the “**Service Agreement**”). The Service Agreement is valid for a period of two (2) years and either party may terminate the Service Agreement at any time by giving to the other party not less than three (3) months’ notice, or in lieu of such notice, an amount equal to three (3) months’ salary based on his last drawn monthly salary.

The Service Agreement provides for, *inter alia*, the salary payable to CLK, annual leave, medical benefits, grounds of termination and certain restrictive covenants (including non-compete obligations).

3.7 Financial Effects of the Proposed Acquisition

3.7.1 Assumptions

The pro forma financial effects in this section are based on the audited consolidated financial statements of the Group and the unaudited financial statements of the Target for the financial year ended 31 December 2014 (“**FY2014**”) and are purely for illustration purposes only and do not reflect the actual future results and financial position of the Group following Completion.

The expenses in connection with the Proposed Acquisition are disregarded for the purposes of calculating the financial effects.

3.7.1 Net Tangible Assets

For illustrative purposes and assuming the Proposed Acquisition had been completed on 31 December 2014, the pro forma financial effects on the consolidated net tangible assets (“**NTA**”) for FY2014 are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA (S\$’000)	13,249,602	12,363,646
Number of shares	96,276,201	96,276,201
NTA per share (Singapore cents)	13.76	12.84

3.7.2 Earnings per Share

For illustrative purposes and assuming the Proposed Acquisition had been completed on 1 January 2014, the pro forma financial effects on the earnings per share of the Group for FY2014 are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
Net profit attributable to shareholders after tax from continuing operations (S\$’000)	(9,557)	292,585
Number of weighted average shares	96,276,201	96,276,201
Earnings per share (Singapore cents)	(0.01)	0.30

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

3.8 Chapter 10 of the Catalyst Rules

Chapter 10 of the Catalyst Rules sets out the continuing obligations of a listed company in respect of acquisitions and realisations.

Based on (i) the unaudited financial statements of the Group for 1H2015 and (ii) the unaudited financial statements of the Target for 1H2015, the relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006 of the Catalyst Rules are as follows:

Rule 1006	Bases	Size of Relative Figures (%)
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable
(b)	Net profit attributable to the assets to be acquired, compared with the Group's net profits ⁽¹⁾	584.96 ⁽¹⁾
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	14.18 ⁽²⁾
(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	Not applicable
(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves	Not applicable

Notes:

- (1) The net profits of the Group for 1H2015 were S\$28,000. The net profits of the Target for 1H2015 were S\$163,789.
- (2) The market capitalisation was derived from the 96,276,201 shares of the Company in issue and the weighted average price of S\$0.095 per share as at 17 December 2015, being the last traded market day immediately preceding the date of the Sale and Purchase Agreement.

The Board notes that the relative figures computed on the base set out in Rule 1006(b) of the Catalyst Rules is more than 100%. As the Proposed Acquisition is an acquisition of a profitable asset, it is deemed to be a "Discloseable Transaction" as defined under Chapter 10 of the Catalyst Rules.

As the Proposed Acquisition will result in the Company entering into a new business sector, the Board would like to seek the approval of the Shareholders for the Proposed Acquisition at the EGM.

3.9 Conditionality

Ordinary Resolution 2 relating to the Proposed Acquisition is conditional upon Ordinary Resolution 1 relating to the Proposed Diversification being passed.

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company (other than in their capacity as directors or shareholders of the Company) has any interest, direct or indirect, in the Proposed Acquisition.

4.1 Interests in Shares

As at the Latest Practicable Date, the interests of the Directors in the issued and paid-up share capital as recorded in the Register of Directors' Shareholdings maintained pursuant to Section 164 of the Companies Act and the interests of the Substantial Shareholders in the issued and paid-up capital of the Company as recorded in the Register of Substantial Shareholder(s) maintained pursuant to Section 88 of the Companies Act are as follows:

	Direct Interest		Deemed Interest ⁽²⁾	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors				
Hsieh, Kuo-Chan @ James Hsieh	—	—	—	—
Feng, Tzu-ju @ Julie Feng	—	—	—	—
Chua Chee Heng	—	—	—	—
Charles Chew Yeow Bian	—	—	—	—
Koh Yew Khoon, Christopher	4,540,413	4.72	—	—
Substantial Shareholders other than Directors				
Liao Chunlan	13,863,773	14.4	—	—
Wu Liping	8,664,858	9	—	—
Quek Lay Wah	7,509,544	7.8	—	—
Thanaboonchuchai Karnsiri	7,509,544	7.8	—	—
Lai Hock Meng	4,768,400	4.95	—	—

Notes:

- (1) The percentage of Shares is computed based on 96,276,201 Shares, being the total number of issued voting shares of the Company (excluding treasury shares) as at the Latest Practicable Date.
- (2) Deemed interest means interest determined pursuant to Section 4 of the Securities and Futures Act.

5. DIRECTORS' RECOMMENDATION

5.1 Proposed Diversification

Having considered the rationale for the expansion of the Group's Current Core Business to include that of the Construction Business and the Property Business, the Directors are of the opinion that the Proposed Diversification is in the best interests of the Company.

Accordingly, the Directors recommend that Shareholders vote in favour of Ordinary Resolution 1 relating to the Proposed Diversification, as set out in the Notice of EGM.

LETTER TO SHAREHOLDERS FROM THE BOARD OF THE COMPANY

5.2 Proposed Acquisition

Having considered the terms and conditions of and rationale for the Proposed Acquisition, the Directors are of the opinion that the Proposed Acquisition is in the best interests of the Company.

Accordingly, the Directors recommend that Shareholders vote in favour of Ordinary Resolution 2 relating to the Proposed Acquisition, as set out in the Notice of EGM.

6. EXTRAORDINARY GENERAL MEETING

The EGM will be held at 9.00 a.m. on 10 March 2016 at 308 Tanglin Road, #01-02, Singapore 247974 for the purpose of considering and, if thought fit, passing with or without modification(s), the resolutions as set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the Proxy Form attached to this Circular 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 48 hours before the time fixed for the EGM. The completion and lodgment of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

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

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who have delegated detailed supervision of this Circular) collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, having made 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 Diversification, the Proposed Acquisition and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information has been reproduced 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 is accurately and correctly extracted from these sources and/or reproduced in this Circular in its proper form and context.

9. DOCUMENTS AVAILABLE FOR INSPECTION

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

- (a) the constitution of the Company; and
- (b) the Sale and Purchase Agreement.

Yours faithfully

For and on behalf of
the Board of Directors of
AA GROUP HOLDINGS LTD.
Feng, Tze-Ju @ Julie Feng
Managing Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

AA GROUP HOLDINGS LTD.

(Company Registration No.: 200412064D)

(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

All capitalized terms in this Notice which are not defined herein shall have the same meaning ascribed to them in the Circular to Shareholders dated 24 February 2016.

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of the shareholders (the “**Shareholders**”) of AA Group Holdings Ltd. (the “**Company**”) will be held at 9.00 a.m. on 10 March 2016 at 308 Tanglin Road, #01-02, Singapore 247974 for the purposes of considering and, if thought fit, passing (with or without modifications) the following ordinary resolutions.

ORDINARY RESOLUTION 1: THE PROPOSED DIVERSIFICATION

That:

- (a) approval be and is hereby given for the proposed diversification of the Company’s core business, which to include construction (the “**Construction Business**”), property development, property investment and property management, which involves the development of properties for sale and the holding of property related assets as long term investments (the “**Property Business**”);
- (b) the Group is hereby authorised to undertake building construction works such as new construction, additional and alteration works, refurbishment and upgrading of existing properties pursuant to the Construction Business on such terms and conditions as the Directors deem fit, and such Directors be and are hereby authorised to take such steps and exercise such discretion and do all acts or things as they deem desirable, necessary or expedient or give effect to any such works;
- (c) the Group is hereby authorised to invest in, purchase or otherwise acquire or dispose of, from time to time, any such assets, investments and shares/interests in any entity that is in the Property Business on such investment, purchase, acquisition or disposal on such terms and conditions as the Directors deem fit, and such Directors be and are hereby authorised to take such steps and exercise such discretion and do all acts or things as they deem desirable, necessary or expedient or give effect to any such investment, purchase, acquisition or disposal
- (d) the Board of Directors of the Company and each of them be and are hereby authorised to enter into all such transactions, arrangements and agreements and approve, execute and deliver all documents and do all deeds and things as may be necessary, expedient, incidental or in the interests of the Company to give effect to the approvals given in this Ordinary Resolution or the transactions contemplated by the Proposed Diversification.

ORDINARY RESOLUTION 2: THE PROPOSED ACQUISITION

PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TOKO CONSTRUCTION PTE. LTD.

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

- (a) approval be and is hereby given for the acquisition by A2A of 50,000 ordinary shares in the capital of the Target representing the entire issued and paid-up capital of the Target and the assignment and transfer by Chew Liang Kwang to A2A all of loans and advances made by Chew Liang Kwang to the Target for a consideration of S\$1,296,691 to be satisfied in cash, pursuant to the terms and subject to the conditions of the Sale and Purchase Agreement; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the Board of Directors of the Company and each of them be and are hereby authorised to enter into all such transactions, arrangements and agreements and approve, execute and deliver all documents and do all deeds and things as may be necessary, expedient, incidental or in the interests of the Company to give effect to the approvals given in this Ordinary Resolution or the transactions contemplated by the Proposed Acquisition.

By Order of the Board

Ong Wei Jin and Khoo Boo Han
Joint Secretaries
Singapore, 24 February 2016

NOTES:

1. A member who is not a Relevant Intermediary (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore) is entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
2. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100 per cent of the shareholding and any second named proxy as an alternate to the first named.
3. A member who is a Relevant Intermediary (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore) is entitled to appoint more than two proxies to attend and vote on its behalf.
4. The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be either under its common seal or under the hand of any duly authorised officer or attorney duly authorised. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument of proxy.
5. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 4 Shenton Way, #17-01 SGX Centre II, Singapore 068807 not less than 48 hours before the time of the EGM.
6. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time of the EGM in order for the Depositor to attend and vote at the EGM.
7. Unless defined herein, capitalised terms in the Resolutions set out in this Notice of EGM shall bear the same meanings as in the Circular to Shareholders dated 24 February 2016.

PROXY FORM

AA GROUP HOLDINGS LTD.

(Company Registration No. 200412064D)
(Incorporated in the Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing this Form.)

IMPORTANT:

1. Pursuant to Section 181(1C) of the Companies Act, Cap. 50 of Singapore (the "**Act**"), Relevant Intermediaries may appoint more than two (2) proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For investors who have used their CPF monies to buy Shares in the Company ("**CPF Investors**"), 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. CPF Investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies or the appointment of their Agent Banks as proxies for the Extraordinary General Meeting.

I/We, _____

of _____

being a member/members of **AA GROUP HOLDINGS LTD.** (the "**Company**") hereby appoint the Chairman of the EGM or:

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

and/or (delete as appropriate)

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

as *my/our proxy/proxies to vote for *me/us on *my/our behalf and, if necessary, to demand a poll, at the Extraordinary General Meeting ("**EGM**") of the Company to be held at 9.00 a.m. on 10 March 2016 at 308 Tanglin Road, #01-02, Singapore 247974 and at any adjournment thereof.

☐ Please tick here if more than two proxies will be appointed. This is only applicable for members who are relevant intermediaries (as defined in Section 131 of the Companies Act, Chapter 50 of Singapore).

Note: Please indicate with an "**X**" in the spaces provided whether you wish your vote(s) to be cast for or against the resolutions as set out in the notice of general meeting. In the absence of specific directions or in the event of any item arising at the Extraordinary General Meeting not summarised below, the proxy/proxies may vote or abstain from voting as he/they may think fit.

As Ordinary Resolutions:		For	Against
Resolution 1	To authorise the Proposed Diversification		
Resolution 2	To authorise the Proposed Acquisition		

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

Dated this _____ day of _____ 2016.

Total Number of Shares in:	No. of Shares
CDP Register	
Register of Members	

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

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF



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 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, 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 (other than a Relevant Intermediary as defined in Chapter 131 of the Companies Act, Chapter 50 of Singapore) entitled to attend and vote at the above Extraordinary General Meeting of the Company ("EGM") is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.
3. Pursuant to Section 181(1C) of the Companies Act, Chapter 50 of Singapore, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the proxy form.
4. A proxy need not be a member of the Company.
5. The instrument appointing a proxy or proxies must be deposited at the Company's Registered Office at 4 Shenton Way, #17-01 SGX Centre II, Singapore 068807, not less than 48 hours before the time appointed for the EGM.
6. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
7. 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 either under its seal or under the hand of an officer or attorney duly authorised.
8. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
9. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
10. The submission of an instrument or form appointing a proxy by a shareholder does not preclude him from attending and voting in person at the EGM if he so wishes.
11. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY TERMS:

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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) 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 or service providers) 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 or service providers), 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 or service providers) 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.