

CIRCULAR DATED 10 MARCH 2018

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

If you are in any doubt in relation to the contents of this Circular or 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 paid-up ordinary shares in the capital of the Mary Chia Holdings Limited (“**Company**”) (“**Shares**”) held through the Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or the transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately forward this Circular to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted to any jurisdiction outside of Singapore.

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”) for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this Circular.

This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).

**MARY CHIA
HOLDINGS LIMITED**

(Company Registration No.: 200907634N)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to:

**THE PROPOSED DISPOSAL OF THE HOTEL PROPERTY AT
NOS. 48, 49 AND 50 MOSQUE STREET
AS AN INTERESTED PERSON TRANSACTION AND A MAJOR TRANSACTION**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of proxy forms : 24 March 2018 at 9.00 a.m.
Date and time of Extraordinary General Meeting : 26 March 2018 at 9.00 a.m.
Place of Extraordinary General Meeting : SAFRA Toa Payoh
293 Toa Payoh Lorong 6,
Level 3, Everest Room,
Singapore 319387

CONTENTS

	Page
1. INTRODUCTION.....	6
2. THE PROPOSED DISPOSAL.....	7
3. RATIONALE FOR AND USE OF PROCEEDS FROM THE PROPOSED DISPOSAL.....	10
4. SHAREHOLDERS' APPROVAL.....	11
5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS.....	13
6. STATEMENT OF AUDIT COMMITTEE.....	14
7. SHAREHOLDERS WHO WILL ABSTAIN FROM VOTING.....	14
8. EXTRAORDINARY GENERAL MEETING.....	14
9. ACTION TO BE TAKEN BY SHAREHOLDERS.....	14
10. DIRECTORS' RESPONSIBILITY STATEMENT.....	14
11. DIRECTORS' RECOMMENDATION.....	15
12. DOCUMENTS AVAILABLE FOR INSPECTION.....	15
APPENDIX I – VALUATION REPORT.....	16
NOTICE OF EXTRAORDINARY GENERAL MEETING.....	34
PROXY FORM.....	37

DEFINITIONS

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

- “Associate”** : (a) In relation to any Director, chief executive officer, substantial shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustee of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (b) In relation to a substantial shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.
- “Audit Committee”** : The audit committee of the Company as at the Latest Practicable Date, comprising of Mr. Yeung Koon Sang @ David Yeung, Mr. Pao Kiew Tee and Mr. Periowsamy Otharam.
- “Board”** : The board of Directors of the Company as at the Latest Practicable Date.
- “Catalist”** : The sponsor-supervised listing platform of the SGX-ST.
- “Catalist Rules”** : The SGX-ST Listing Manual (Section B: Rules of Catalist), as may be amended, modified or supplemented from time to time.
- “CDP”** : The Central Depository (Pte) Limited.
- “Circular”** : This circular to Shareholders dated 10 March 2018.
- “Companies Act”** : The Companies Act (Chapter 50) of Singapore, as may be amended, modified or supplemented from time to time.
- “Company”** : Mary Chia Holdings Limited.
- “Completion”** : The completion of the Proposed Disposal in accordance with the terms and conditions of the S&P Agreement.
- “Consideration”** : The sale consideration for the Property, being S\$64,800,000 (exclusive of GST thereon, where applicable).

DEFINITIONS

“Controlling Shareholder”	:	A person (including a corporation) who:- (a) holds directly or indirectly 15% or more of issued Shares (excluding treasury shares and subsidiary holdings) of the Company (unless otherwise determined by the SGX-ST); or (b) in fact exercises control over the Company.
“Directors”	:	The directors of the Company (including the Independent Directors) as at the Latest Practicable Date.
“EGM”	:	The extraordinary general meeting of the Company to be held on 26 March 2018 at 9.00 a.m., notice of which is set out on pages 34 and 35 of this Circular.
“LPS”	:	Loss per Share.
“FY2017”	:	The financial year ended 31 March 2017.
“Group”	:	The Company and its subsidiaries, collectively.
“GST”	:	Goods and services tax.
“Latest Practicable Date”	:	28 February 2018, being the latest practicable date prior to the printing of this Circular.
“NTA”	:	Net tangible assets.
“Notice of EGM”	:	The Notice as set out on pages 34 and 35 of this Circular.
“Ordinary Resolution”	:	A resolution passed by the shareholders present and voting by a simple majority (more than 50% of the vote) in a meeting of shareholders convened by the Company.
“Property”	:	The Vendor’s property known as Nos. 48, 49 and 50 Mosque Street (comprised in Lot No. 492L of Town Subdivision 6), Singapore 059526/27/28, together with the hotel building erected thereon.
“Proposed Disposal”	:	The proposed sale of the Property by the Vendor to the Purchaser, in accordance with the terms and conditions of the S&P Agreement.
“Purchaser”	:	JL Asia Resources Pte. Ltd.
“S&P Agreement”	:	The conditional sale and purchase agreement dated 1 March 2018 and entered into between the Vendor and the Purchaser in relation to the Proposed Disposal.
“Securities Accounts”	:	Securities accounts maintained by Depositors with CDP but not including securities sub-accounts maintained with a Depository Agent.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.

DEFINITIONS

“Share(s)”	:	Ordinary share(s) in the capital of the Company.
“Share Registrar”	:	B.A.C.S Private Limited
“Shareholders”	:	Registered holders of Shares, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors into whose Securities Accounts are credited with those Shares.
“Substantial Shareholder”	:	A person (including a corporation) who has an interest, directly or indirectly, in five percent. (5%) or more of voting Shares (excluding treasury shares and subsidiary holdings) of the Company.
“Valuation Report”	:	The valuation report dated 12 January 2018 of the Property prepared by an independent property valuer CKS Property Consultants Pte Ltd, as set out in Appendix II of this Circular.
“Vendor” or “Hotel Culture”	:	Hotel Culture Pte. Ltd.
“S\$” or “cents”	:	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore.
“%”	:	Percentage.

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 (Chapter 289) of Singapore (the “**Securities and Futures Act**”).

The term “subsidiary” shall have the meaning ascribed to it in Section 5 of the Companies Act. The terms “**entity at risk**”, “**interested person**”, “**interested person transaction**” and “**major transaction**” shall have the meanings ascribed to them in the Catalist Rules.

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

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

Any discrepancies in tables included herein between the amounts 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 and date in this Circular shall be a reference to Singapore time and date, unless otherwise stated.

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

MARY CHIA HOLDINGS LIMITED

(Company Registration No.: 200907634N)
(Incorporated in the Republic of Singapore)

Directors:

Ho Yow Ping (He YouPing) (Chief Executive Officer)
Yeung Koon Sang @ David Yeung (Lead Independent Director)
Pao Kiew Tee (Independent Director)
Periowsamy Otharam (Independent Director)

Registered Office:

26 Tai Seng Street
#01-03A J'Forte
Singapore 534057

10 March 2018

To: The Shareholders of Mary Chia Holdings Limited

Dear Sir / Madam

THE PROPOSED DISPOSAL OF THE HOTEL PROPERTY AT NOS. 48, 49 AND 50 MOSQUE STREET AS AN INTERESTED PERSON TRANSACTION AND A MAJOR TRANSACTION

1. INTRODUCTION

1.1 General

On 1 March 2018, the Board announced that the Vendor had entered into the S&P Agreement with the Purchaser for the purposes of the Proposed Disposal. The Proposed Disposal constitutes an interested person transaction and a major transaction within the meaning of Chapter 9 and Chapter 10 of the Catalist Rules respectively. Accordingly, the Proposed Disposal is conditional upon the approval of Shareholders being obtained.

The purpose of this Circular is to provide Shareholders with the relevant information pertaining to the Proposed Disposal to be tabled at the EGM and to seek Shareholders' approval for the Ordinary Resolution relating to the same. The Notice of EGM is set out on pages 34 and 35 of this Circular.

The SGX-ST and the Sponsor assume no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

1.2 Information on the Vendor

Hotel Culture is an investment holding company incorporated as a limited liability company and domiciled in Singapore. Hotel Culture is 51% owned by the Company and 49% owned by Mr. Lee Boon Leng ("Mr. Lee"), an ultimate Controlling Shareholder of the Company. The Property is the only investment held by Hotel Culture.

1.3 Information on the Purchaser

JL Asia Resources Pte. Ltd. is incorporated as a private exempt company and domiciled in Singapore, with principal activities in managing hotels and properties. JL Asia Resources Pte. Ltd. is 100% owned by Mr. Lee.

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

2. THE PROPOSED DISPOSAL

2.1 Information on the Property

The Property is a four-storey refurbished shophouse development with mezzanine floor comprising 84 hotel rooms located at 48, 49 and 50 Mosque Street (comprised in Lot No. 492L of Town Subdivision 6), Singapore 059526/27/28, with a 99-year leasehold tenure commencing from 28 August 2002 and a gross floor area of 2,141 square metres.

The Vendor leased out approximately 88% of the gross floor area to the Purchaser under a renewed lease agreement on 15 February 2017 for a term of 3 years expiring on 14 February 2020, under which the Purchaser operates a hotel business using the "The Porcelain Hotel" brand (the "**Hotel**"). The aggregate monthly rental comprises S\$125,000 and an amount equivalent to 2% of the Hotel's gross sales (the "**Rental Income**").

The remaining approximate 12% area is being leased to Spa Menu Pte. Ltd. (the "**Spa Menu**"), a wholly-owned subsidiary of the Group, as a retail outlet for its spa and massage services.

Subsequent to the Proposed Disposal, and subject to the agreement of the Purchaser and compliance with the relevant rules regulating interested person transactions under Chapter 9 of the Catalist Rules, Spa Menu will enter into a lease agreement with the Purchaser to continue to operate at the Property.

Under Hotel Culture, the Property is currently mortgaged to Hong Leong Finance to secure term loan facilities of S\$26.2 million (the "**Term Loans**") and a revolving working capital loan facility of S\$6.5 million (the "**Revolving Working Capital Loan**"). As at the Latest Practicable Date, the amounts outstanding for the Term Loans and Revolving Working Capital Loan are S\$22.4 million and S\$6.5 million respectively. The facilities will be fully repaid upon the completion of the Proposed Disposal.

2.2 Purchase consideration and terms of payment

Pursuant to the S&P Agreement, the Vendor will sell the Property at the Consideration, which was arrived at on a "willing-buyer willing-seller" basis after arms' length negotiations and after taking into account, *inter alia*, the latest available valuation on the Property (as further described under paragraph 2.3 of this Circular), the rationale for the Proposed Disposal (as further described under paragraph 3 of this Circular) and the method of payment of the Consideration (as further described below).

The Consideration will be payable by the Purchaser to the Vendor in cash. Pursuant to the terms of the S&P Agreement:-

- (a) the Purchaser has paid the Vendor one per cent. (1%) of the Consideration, being S\$648,000, and GST, upon the signing of the S&P Agreement (the "**Deposit**") on 1 March 2018; and
- (b) the Purchaser shall pay the Vendor the remaining ninety-nine per cent. (99%) of the Consideration, being S\$64,152,000, and GST, upon Completion. Such payment must be made at the office of the Vendor's solicitors on or before 15 April 2018 (the "**Completion Date**").

As at 31 March 2017, the net book value of the Property is approximately S\$60.0 million (the "**Net Book Value**") and the net profits attributable to the Property for FY2017 amounted to approximately S\$0.9 million.

The Consideration is equivalent to 108% of the Net Book Value and accordingly, there is a gain on disposal of the Property of approximately S\$4.8 million.

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

2.3 Basis of valuation

The Proposed Disposal would allow the Company to sell and dispose of the Property at a price which is at the open market value of the Property as at 8 January 2018, being S\$64,800,000, based on the Valuation Report dated 12 January 2018 of the Property prepared by an independent property valuer CKS Property Consultants Pte Ltd and commissioned by the Company. The basis of valuation and key assumptions are set out in Paragraphs 1.0 of the Valuation Report, with extractions in italics as follows:

We have prepared our report in accordance with the International Valuation Standards Council (IVSC) definition of Market Value and adopted by the Singapore Institute of Surveyors and Valuers (SISV) and the Royal Institution of Chartered Surveyors (RICS), which is:

“Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion”

and also on the following basis:

“The price at which the property might reasonably be expected to be sold at the date of the valuation assuming:

- i. a willing, but not anxious, buyer and seller; and*
- ii. a reasonable period within which to negotiate the sale, having regard to the nature and situation of the property and the state of the market for property of the same kind; and*
- iii. that the property will be reasonably exposed to the market; and*
- iv. that no account is taken of the value or other advantage or benefit, additional to market value, to the buyer incidental to ownership of the property being valued; and*
- v. that the seller has sufficient resources to allow a reasonable period for the exposure of the property for sale; and*
- vi. that the seller has sufficient resources to negotiate an agreement for the sale of the property.”*

The valuation approach is set out in Paragraphs 12.0 of the Valuation Report, with extractions in italics as follows:

The Direct Comparison Method of Valuation and Profits Method have been adopted in formulating our opinion on the market value of the subject property.

Under the Direct Comparison Method, we have taken into cognizance transaction of comparable properties, the prevailing market condition and underlying economic factors which may be of influence to the trend of the market prices.

Under the Profits Method, the net profits from operating the hotel is capitalized at an appropriate rate of interest, after taking into account the expenses, property tax payable and vacancy to arrive at the market value of the property.

2.4 Other salient terms of the S&P Agreement

2.4.1 Title to Property

Title to the Property shall pass to the Purchaser at Completion, free of all mortgages, liens and encumbrances.

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

2.4.2 Conditions Precedent

Completion shall be conditional upon the following conditions precedent (the “**Conditions Precedent**”), amongst others, having been fulfilled or waived:-

- (1) all replies to the Purchaser’s requisitions to the various government and local authorities including the Land Transport Authority and drainage as well as the road line plans being satisfactory provided always that:-
 - (a) any reply showing that the common property appurtenant to the Property is or may be affected by any road drainage or other works schemes or proposals (including but not limited to proposals for road improvement and proposals for road widening) shall not be deemed unsatisfactory;
 - (b) any reply to the legal requisitions or plans indicating that the Property will, on the contingency of a future development or a redevelopment, be affected by any adopted line or safeguarded line of road reserves, road construction and/or improvement or drainage proposals shall be deemed satisfactory;
 - (c) any reply notice requirement or circumstances capable of being complied with or remedied by and at the expense of the Vendor on or before the date fixed for completion without detriment or loss to the Purchaser shall be deemed satisfactory; and
 - (d) any reply not received fourteen (14) days before the date fixed for Completion shall be deemed satisfactory;
- (2) there being no acquisition declaration or notice of any public scheme or of any intended or contemplated acquisition by the government or any other competent authority affecting the Property in whole or in part before on or after the date of the S&P Agreement but on or before the date fixed for Completion; and
- (3) the approval of Shareholders being obtained at the EGM for the Proposed Disposal on the terms and conditions set out in the S&P Agreement. Such approval from the Shareholders shall be procured by the Completion Date. The Completion Date shall not be extended unless the Purchaser consents to the same in writing.

If any of the Conditions Precedent are not fulfilled (or waived) on or before the Completion Date, the Purchaser shall be entitled at its option to rescind the S&P Agreement by notice to the Vendor or the Vendor’s solicitors in that behalf before the date fixed for Completion whereupon the Deposit shall forthwith be refunded to the Purchaser without any interest compensation or deductions whatsoever and thereupon the S&P Agreement shall be deemed to be cancelled and of no effect whatsoever and neither party shall have any claim or demand against the other for costs damages compensation or otherwise whatsoever.

However, in the event that the Purchaser for any reason whatsoever (other than the wilful default of the Vendor) fails to complete the purchase on the Completion Date, the Vendor shall be immediately entitled forthwith upon giving twenty-one (21) days written notice to the Purchaser or their solicitors to treat the S&P Agreement as cancelled, in which event, the Deposit and the GST thereon paid shall be forfeited to the Vendor unconditionally as agreed damages and the Vendor shall be at liberty without having to give notice, and notwithstanding any pending negotiation, proceeding or litigation, to re-sell the Property either by public auction or private contract, at such time and in such manner as the Vendor may deem proper and appropriate and all losses, damages and expenses whatsoever arising from any such resale or attempted resale and any deficiency in price on such resale shall immediately thereafter be made good and paid to the Vendor by the Purchaser and shall be recoverable by the Vendor as further liquidated damages. Payment by the Purchaser of the said liquidated damages shall be in full and final settlement of all and any claims that the Vendor has or may have against the Purchaser arising from the Purchaser’s failure to complete the sale and purchase of the Property by the Completion Date.

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

2.4.3 Other Conditions

The sale and purchase of the Property is subject to The Singapore Law Society's Conditions of Sale 2012 edition in so far as the same are applicable to a sale by private treaty and are not varied by or inconsistent with the special conditions contained in the S&P Agreement.

2.5 Financial effects of the Proposed Disposal

For illustrative purposes only, the financial effects of the Proposed Disposal on the Group set out below were prepared based on the audited consolidated financial statements of the Group for FY2017 and subject to the following main assumptions:-

- (a) for the purposes of computing the LPS of the Group after the Proposed Disposal, it is assumed that the Proposed Disposal had been completed at the beginning of FY2017; and
- (b) for the purposes of computing the NTA per share and gearing ratio of the Group after the Proposed Disposal, it is assumed that the Proposed Disposal had been completed as at the end of FY2017.

The financial effects set out below are theoretical in nature and are therefore not necessarily reflective of the actual results of the Group or the related effect on the financial position that the Group would attain. Nonetheless, they take into account of the loss of Rental Income arising from the Proposed Disposal

	Before the Proposed Disposal	After completion of the Proposed Disposal
Share Capital		
Issued and paid up share capital (S\$)	7,471,212	7,471,212
Number of Shares/ Weighted Number of Shares	163,495,140	163,495,140
NTA per Share (cents)	2.74	4.25
LPS (cents)	3.75	2.67
Gearing ratio ⁽¹⁾	1.24	0.02

Note:-

(1) Gearing ratio is defined as total borrowings over total equity.

3. RATIONALE FOR AND USE OF PROCEEDS FROM THE PROPOSED DISPOSAL

The rationale for the Proposed Disposal is to realise cash for the Group, which can be deployed for its core businesses as well as strengthen the financial position of the Group. The core businesses of the Group can be broadly categorized into (i) beauty and facial services; (ii) slimming services; and (iii) spa and massage services.

Furthermore, it is intended that the proceeds from the Proposed Disposal will be deployed as follows:

- (a) repayment of the Term Loans and Revolving Working Capital Loan to Hong Leong Finance, the mortgagee of the Property;
- (b) dividends to shareholders of Hotel Culture; and
- (c) working capital for the Group.

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

For illustrative purposes, the estimated cash to the Company, after repayment of an aggregated S\$28.9 million of Term Loans and Revolving Working Capital Loan as at the Latest Practicable date and net of an assumed maximum dividend payment to the 49% non-controlling interest of Hotel Culture of approximately S\$17.2 million (estimated based on the retained earnings of S\$35.2 million in Hotel Culture's Financial Statements as at 31 March 2017), is S\$18.7 million.

Any excess cash arising from the proceeds may be deployed to explore acquisitions, joint ventures and/ or strategic alliances, with the aim of improving the profitability of the Group. Currently, we are not in discussion with any party for acquisitions, joint venture or strategic alliances and should we decide to enter into such transactions, we will seek the necessary approval and issue the appropriate announcements.

Accordingly, the Board is of the view that the Proposed Disposal is an opportunity for the Group to realise a property investment on which, in view of its present usage, returns on rental and investment for the Property may be restricted or limited.

4. SHAREHOLDERS' APPROVAL

4.1 Interested person transaction under Chapter 9 of the Catalist Rules

The Proposed Disposal will constitute an interested person transaction within the meaning of Chapter 9 of the Catalist Rules. Accordingly, the Proposed Disposal is conditional upon the approval of independent Shareholders being obtained at the EGM.

The Purchaser is wholly-owned by Mr. Lee, who is the spouse of Ms. Ho Yow Ping (He YouPing) ("**Wendy Ho**"), the Chief Executive Officer and Executive Director of the Company. As at the Last Practicable Date, Mr. Lee (i) has a deemed interest of 67.57% in the Company by virtue of his 73.75% shareholding interest in Suki Sushi Pte. Ltd. ("**Suki Sushi**"), which holds 110,466,839 Shares through DBS Nominees Pte. Ltd.; and (ii) is also a shareholder of the Vendor, holding 49% of the Vendor's issued share capital. Wendy Ho directly owns 19.99% of the total Shares and has a deemed interest of 67.57% in the Company by virtue of her 21.70% shareholding interest in Suki Sushi.

Accordingly, Mr. Lee is an interested person and the Proposed Disposal constitutes an interested person transaction within the meaning of Chapter 9 of the Catalist Rules and is subject to Shareholders' approval pursuant to Rule 906(1)(a) of the Catalist Rules as the value at risk of the transaction, being 51% of the Consideration of S\$64,800,000, payable in cash, represents approximately 737% of the Group's latest NTA (excluding non-controlling interest) of S\$4.5 million as at 31 March 2017.

Pursuant to Rule 921(4)(b)(ii) of the Catalist Rules, the opinion from an independent financial adviser is not required for the Proposed Disposal as (i) the Consideration for the Proposed Disposal is in cash; (ii) an independent professional valuation has been obtained for the Proposed Disposal; and (iii) the valuation of the Property is disclosed in this Circular. Instead, an opinion from the Audit Committee in the form required in Rule 917(4)(a) of the Catalist Rules is disclosed in this Circular.

4.2 Major transaction under Chapter 10 of the Catalist Rules

Chapter 10 of the Catalist Rules governs the continuing listing obligations of a listed company in respect of acquisitions and disposals. Under Rule 1014 of the Catalist Rules, if any of the relative figures as computed on the basis set out in Rule 1006 of the Catalist Rules for a disposal exceeds 50%, the transaction will be classified as a major transaction and must be made conditional upon the approval by shareholders in general meeting.

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

The relative figures computed on the bases pursuant to Rule 1006 (a) to (e) of the Catalist Rules concerning the Proposed Disposal, based on the Group's latest announced consolidated financial statements for the 6 months period ended 30 September 2017 ("1H2018"), are set out as follows:-

Rule	Bases	Relative figures in relation to the Proposed Disposal
1006(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value	3,617% ⁽¹⁾
1006(b)	The net profits ⁽²⁾ attributable to the assets acquired or disposed of, compared with the group's net profits ⁽²⁾	-17.9% ⁽³⁾
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	183% ⁽⁴⁾
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
1006(e)	The aggregate volume or amount of proved and probable reserved to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable

Notes:-

- (1) Determined based on the net asset value of the Property of S\$59.9 million as per 1H2018 management accounts and the Group's net asset value (excluding non-controlling interests) of S\$1.7 million both as per latest announced consolidated financial statements for 1H2018.
- (2) Under Rule 1002(3)(b), "*net profits*" means profit or loss before income tax, minority interests and extraordinary items.
- (3) Determined based on net profits in 1H2018 attributable to the Property of S\$0.5 million as per 1H2018 management accounts and the Group's net loss in 1H2018 of S\$2.6 million as per the latest announced consolidated financial statements for 1H2018.
- (4) The consideration used for the computation is based on 51% of the proceeds to be received, S\$64,800,000. The market capitalisation of the Company, being S\$18.02 million, is determined by multiplying the total number of Shares of 163,495,140 Shares by the volume-weighted average price of Shares of S\$0.1102 as at 29 September 2017, being the market day on which Shares were transacted preceding the date of the S&P Agreement.

As certain relative figures calculated on the basis pursuant to Rule 1006 exceed 50%, the Proposed Disposal will constitute a "major transaction" within the meaning of Chapter 10 of the Catalist Rules. Accordingly, pursuant to Rule 1014 of the Catalist Rules, the Proposed Disposal is conditional upon the approval of Shareholders in a general meeting.

4.3 Other interested person transactions

Pursuant to Rule 917(5) of the Catalist Rules, for the current financial year beginning 1 April 2017 up to the Last Practicable Date, the interested person transactions (excluding the Proposed Disposal) entered into by the Group, and between the Group and the Purchaser are as follows:

- (a) the current total of all interested person transactions entered into by the Group (excluding transactions less than S\$100,000) is approximately S\$4.6 million comprising of
 - (i) S\$4.5 million based on the renewal of a 3-year lease agreement dated 24 April 2017, entered between the Purchaser and the Vendor, for the operation of the Property at a monthly rental of S\$125,000 (the "**Lease Agreement 1**"); and

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

- (ii) S\$0.1 million based on a rental agreement dated 8 May 2017, entered into between the Company and Suki Sushi, for the rental of premises of 26 Tai Seng Street #01-03A for the lease period from 1 April 2017 to 23 January 2019 through, at a monthly rental of S\$6,239 (the “**Lease Agreement 2**”).
- (b) the current total of all interested person transactions entered into between the Group and the Purchaser (excluding transactions less than S\$100,000) is approximately S\$4.6 million comprising of
- (i) S\$4.5 million based on the Lease Agreement 1; and
- (ii) S\$0.1 million based on the Lease Agreement 2.

5. INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND DIRECTORS

As at the Latest Practicable Date, the interests of the Substantial Shareholders and Directors in the issued share capital of the Company, based on the registers of Substantial Shareholders and Directors’ shareholdings, are set out below:

	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽⁴⁾	Number of Shares	% ⁽⁴⁾
Substantial Shareholders (other than Directors)				
Suki Sushi Pte. Ltd. ⁽¹⁾	-	-	110,466,839	67.57
Lee Boon Leng ⁽²⁾	-	-	110,466,839	67.57
Directors				
Ho Yow Ping (He YouPing) ⁽³⁾	32,680,000	19.99	110,466,839	67.57
Yeung Koon Sang @ David Yeung	-	-	-	-
Pao Kiew Tee	-	-	-	-
Periowsamy Otharam	-	-	-	-

Notes:

- (1) Suki Sushi Pte. Ltd. (“**Suki Sushi**”) holds 110,466,839 shares in the Company through DBS Nominees Pte. Ltd. The shareholders of Suki Sushi are Mr. Lee Boon Leng (73.75%), Ms. Ho Yow Ping (He YouPing) (21.70%), Ms. Low Xiu Li Evelyn (2.84%), Mr. Khoo Chee Been (1.14%) and Mr. Seow Bao Shuen (0.57%).
- (2) As at the Last Practicable Date, Mr. Lee has a deemed interest of 67.57% in the Company by virtue of his 73.75% shareholding interest in Suki Sushi, which holds 110,466,839 Shares through DBS Nominees Pte. Ltd.
- (3) Wendy Ho directly owns 19.99% of the total Shares and has a deemed interest of 67.57% in the Company by virtue of her 21.70% shareholding interest in Suki Sushi.
- (4) The percentage of shareholdings is computed based on the issued and paid-up share capital of the Company comprising 163,495,140 Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

Save as disclosed in this Circular, none of the Directors or Controlling Shareholders has any interest, direct or indirect, (other than through their respective shareholdings in the Company, if any) in the Proposed Disposal.

No new directors are proposed to be appointed to the Board in connection with the Proposed Disposal. As such, no service agreements will be entered into with any new director of the Company in connection with the Proposed Disposal.

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

6. STATEMENT OF AUDIT COMMITTEE

As at the Latest Practicable Date, the Audit Committee comprised Mr. Yeung Koon Sang @ David Yeung, Mr. Pao Kiew Tee and Mr. Periowsamy Otharam. The Chairman of the Audit Committee is Mr. Yeung Koon Sang @ David Yeung. All members of the Audit Committee are considered independent for the purpose of the Proposed Disposal.

Having considered the terms of the Proposed Disposal and the rationale thereof, the Audit Committee is of the opinion that the Proposed Disposal as an interested person transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

7. SHAREHOLDERS WHO WILL ABSTAIN FROM VOTING

Rule 919 of the Catalist Rules prohibits interested person and their Associates from voting on the resolution to obtain shareholder approval of the interested person transaction. Mr. Lee, being an interested person, will abstain and has undertaken that his Associates (including Suki Sushi and Wendy Ho) will abstain from voting at the EGM in respect of the Ordinary Resolution, and will not accept nominations as proxy or otherwise for voting at the EGM in respect of the said Ordinary Resolution unless the independent Shareholders appointing them as proxies give specific instructions in the relevant proxy form as to how their votes are to be cast for the Ordinary Resolution.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 34 and 35 of this Circular, will be held on Monday, 26 March 2018 at 9.00 a.m. at SAFRA Toa Payoh, 293 Toa Payoh Lorong 6, Level 3, Everest Room, Singapore 319387 for the purpose of considering and, if thought fit, passing with or without modifications the Ordinary Resolution set out therein.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy or proxies to attend and vote at the EGM on their behalf should complete, sign and return the proxy form enclosed in this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company's Share Registrar's office at 8 Robinson Road #03-00 ASO Building Singapore 048544 not less than 48 hours before the time fixed for the EGM. The completion and lodgement of a proxy form by a Shareholder will not preclude him from attending and voting in person at the EGM if he so wishes, although the appointment of the proxy shall be deemed to be revoked by such attendance.

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 72 hours before the time appointed for holding the EGM, as certified by CDP to the Company.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Board collectively and individually accepts full responsibility for the accuracy of the information given in this Circular and confirms after making all reasonable enquiries that, to the best of its knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Board is not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Board has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

11. DIRECTORS' RECOMMENDATION

Ms Wendy Ho, the Chief Executive Officer and Executive Director of the Company, has abstained from making any recommendation to the Shareholders as she is the spouse of Mr. Lee, the "interested person" in the Proposed Disposal as an "interested person transaction", and therefore deemed interested in the Proposed Disposal.

Having considered and reviewed, among other things, the terms and conditions of the S&P Agreement, the rationale for the Proposed Disposal and the financial effects of the Proposed Disposal as set out in this Circular, the Directors (save for Wendy Ho) are of the opinion that the Proposed Disposal is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution relating to the Proposed Disposal set out in the Notice of EGM on pages 34 and 35 of this Circular.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours at the Company's registered office for three (3) months from the date of this Circular:-

- (a) the annual report of the Company for FY2017;
- (b) the S&P Agreement;
- (c) the Valuation Report;
- (d) the Constitution of the Company; and
- (e) the consent letter from CKS Property Consultants Pte Ltd.

Yours faithfully

For and on behalf of the Board of Directors of
MARY CHIA HOLDINGS LIMITED

Yeung Koon Sang @ David Yeung
Lead Independent Director

APPENDIX I – VALUATION REPORT

Our Ref : 18/P109035/GC/CL/XY

12 January 2018



PROPERTY CONSULTANTS

Mary Chia Holdings Ltd
26 Tai Seng Street
#07-02 J'Forte
Singapore 534057

Dear Sirs

VALUATION OF 48/49/50 MOSQUE STREET THE PORCELAIN HOTEL SINGAPORE 059526/059527/059528

1.0 Instructions

We refer to the instructions issued by Mary Chia Holdings Ltd requesting formal valuation advice in respect of the above mentioned property for sale purpose. We have specifically been instructed to provide our opinion of Market Value of the remaining leasehold interest in the property as at 08 January 2018 (date of inspection).

We have prepared our report in accordance with the International Valuation Standards Council (IVSC) definition of Market Value and adopted by the Singapore Institute of Surveyors and Valuers (SISV) and the Royal Institution of Chartered Surveyors (RICS), which is:

"Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion".

and also on the following basis:

"the price at which the property might reasonably be expected to be sold at the date of the valuation assuming:

- i. a willing, but not anxious, buyer and seller; and
- ii. a reasonable period within which to negotiate the sale, having regard to the nature and situation of the property and the state of the market for property of the same kind; and
- iii. that the property will be reasonably exposed to the market; and
- iv. that no account is taken of the value or other advantage or benefit, additional to market value, to the buyer incidental to ownership of the property being valued; and
- v. that the seller has sufficient resources to allow a reasonable period for the exposure of the property for sale; and
- vi. that the seller has sufficient resources to negotiate an agreement for the sale of the property."

Qualifications and Assumptions

Where the information provided in the report has been supplied to the valuer by the Company, this information is believed to be reliable.



Cert No: SG08/01936
Co Reg No: 197301070H
Estate Agent Licence No. L3004325E

CKS PROPERTY CONSULTANTS PTE LTD (Part of PhillipCapital Group)

250 North Bridge Road #09-02 Raffles City Tower Singapore 179101
Tel: (65) 6533 0220 Fax: (65) 6533 5103 website: www.cks.com.sg

APPENDIX I – VALUATION REPORT

CKS PROPERTY CONSULTANTS PTE LTD

● Page 2

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

2.0 Purpose of Valuation

To determine the market value of the subject property for sale purpose

3.0 Date of Inspection

08 January 2018

4.0 Title & Tenure

Legal Description

TS6-492L

Tenure

Leasehold for a term of 99 years commencing from 28 August 2002

Land Area

560.5 square metres / 6,033 square feet

Registered Proprietor(s)

Hotel Culture Pte. Ltd.

Remarks

No title searches have been conducted for the subject property. We recommend that all legal encumbrances be confirmed through your solicitors.

5.0 Town Planning

Master Plan (2014) Zoning

Commercial

6.0 Location

The subject property is located at Mosque Street, off New Bridge Road and South Bridge Road and within Chinatown Conservation Area.

The immediate vicinity comprises shophouses, hotels and shopping centres. Prominent developments nearby include Chinatown Complex, Lucky Chinatown, People's Park Complex, People's Park Centre and Chinatown Point.

Amenities such as food establishments and retail facilities are available along New Bridge Road, Upper Cross Street, South Bridge Road and Eu Tong Sen Street.

Public transportation is available along New Bridge Road, Eu Tong Sen Street and Upper Cross Street. The Chinatown MRT Station is located within walking distance from the subject property.

APPENDIX I – VALUATION REPORT

CKS PROPERTY CONSULTANTS PTE LTD

● Page 3

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

7.0 Subject Site

Shape

The land is generally rectangular in shape with a small splay corner.

Contour

Generally flat and slightly above access road level.

8.0 Subject Property

Type of Property

A 4-storey boutique hotel development (84 rooms) with roof mezzanine and spa centre at 1st storey.

Year of Completion

Prewar built. However, the subject property has since undergone refurbishment in 2011.

Total Gross Floor Area

Approximately 2,140.658 square metres / 23,042 square feet

Construction

The building is constructed of reinforced concrete frame structure with loadbearing walls and tiled pitch/concrete roof.

Types of Rooms

Types of Room	No. of Rooms
Standard Single	11
Standard Double	22
Superior Double	24
Superior Twin	15
Executive Double	7
Executive Triple	1
Premier Double	2
Premier Jacuzzi	2
Total	84

Guest Room Features

LCD television / cable TV Channels / digital safe / mini-fridge / air-conditioning / coffee & tea making facilities / electric door lock / laundry services / wireless internet access

APPENDIX I – VALUATION REPORT

CKS PROPERTY CONSULTANTS PTE LTD

● Page 4

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

Other Improvements

1 passenger lift / staircases / CCTV system / gardens at 2nd storey / water feature

Fire Protection

The building is fitted with water sprinkler system, fire alarm system, smoke detectors, fire hose reels and fire extinguishers.

9.0 Accommodation, Finishes & Fittings

Accommodation

- As shown on floor plans

Finishes

Floors

Granite / carpet / homogeneous / mosaic / timber decking / vinyl / epoxy / cement sand screed generally

Walls

Plaster and paint / spray textured paint / dry wall partitions / wallpaper / homogeneous / mosaic / glass panels generally

Ceiling

Plaster and paint / false ceiling / downlights generally

Fittings

Centralised/cassette-unit/split-unit air-conditioning system / reception counter / shelves / cabinets / desks / settees / wardrobes / lockers / mirror panels / headboards / display niches / decorative wall panels / raised platforms with undercounter storage space / decorative wall dividers / decorative trellis / high and low level cabinets with sink / vanity tops with undercounter cabinets / jacuzzi / saunas / central water heater / shower screens / surveillance cameras generally

10.0 Annual Value

S\$990,000

11.0 Structural Survey of Building

We have not been instructed to conduct a structural survey of the subject property. For the purpose of this valuation, the subject property is assumed to be in sound structural condition.

APPENDIX I – VALUATION REPORT

CKS PROPERTY CONSULTANTS PTE LTD

● Page 5

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

12.0 Valuation Approaches

The Direct Comparison Method of Valuation and Profits Method have been adopted in formulating our opinion on the market value of the subject property.

Under the Direct Comparison Method, we have taken into cognizance transactions of comparable properties, the prevailing market condition and underlying economic factors which may be of influence to the trend of the market prices.

Under the Profits Method, the net profits from operating the hotel is capitalized at an appropriate rate of interest, after taking into account the expenses, property tax payable and vacancy to arrive at the market value of the property.

13.0 Limiting Conditions

This report is subject to the limiting conditions enclosed.

14.0 Disclaimer

CKS has relied upon the property data supplied by the Company which we assume to be true and accurate. CKS takes no responsibility for inaccurate data supplied by the Company and subsequent conclusions related to such data.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. CKS has no present or prospective interest in the Property and has no personal interest or bias with respect to the property owner(s) or party(s) involved. The valuers' compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

APPENDIX I – VALUATION REPORT

CKS PROPERTY CONSULTANTS PTE LTD

● Page 6

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

15.0 Opinion of Value(s) as at 08 January 2018
**48/49/50 MOSQUE STREET THE PORCELAIN HOTEL SINGAPORE 059526/059527/
059528**

Market Value : S\$64,800,000
(Singapore Dollar Sixty Four Million Eight Hundred Thousand Only)



Ang Guan Choon, Licensed Appraiser
Appraiser's Licence No : AD041-2009651E
B. Property Economics
For and On behalf of CKS Property Consultants Pte Ltd

18/P109035/GC/CL/XY

APPENDIX I – VALUATION REPORT

● Page 7

CKS PROPERTY CONSULTANTS PTE LTD

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

PHOTOGRAPHS



Subject Development



Reception Area

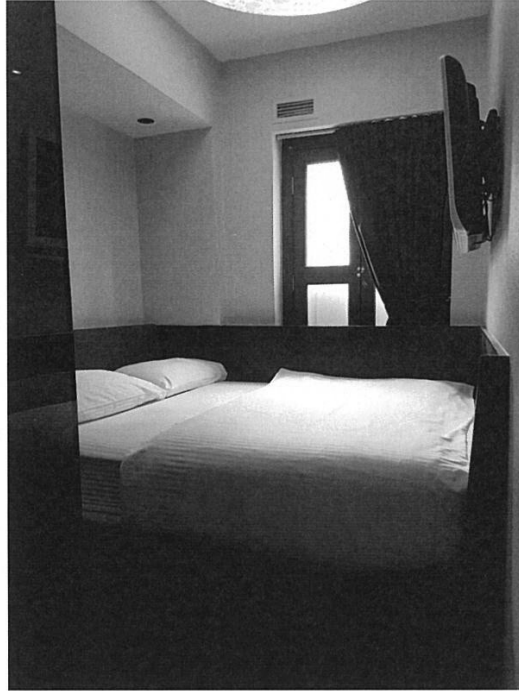
APPENDIX I – VALUATION REPORT

● Page 8

CKS PROPERTY CONSULTANTS PTE LTD

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

PHOTOGRAPHS



Superior Double Room



Attached Bathroom

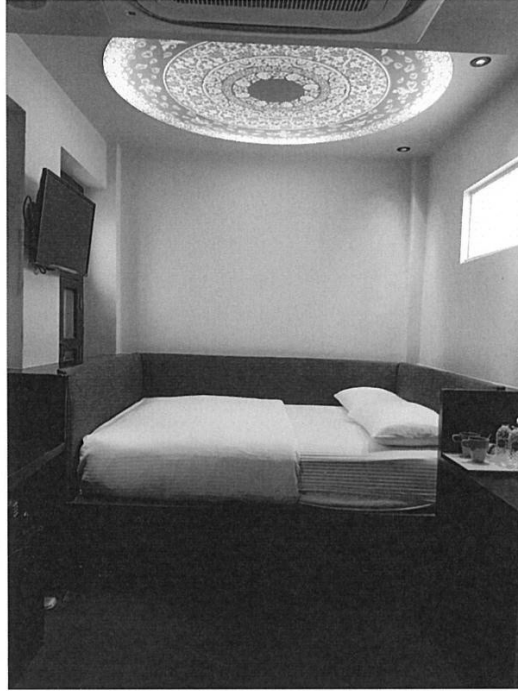
APPENDIX I – VALUATION REPORT

● Page 9

CKS PROPERTY CONSULTANTS PTE LTD

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

PHOTOGRAPHS



Executive Double Room



Attached Bathroom

APPENDIX I – VALUATION REPORT

● Page 10

CKS PROPERTY CONSULTANTS PTE LTD

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

PHOTOGRAPHS



Executive Double Room



Attached Bathroom

APPENDIX I – VALUATION REPORT

● Page 11

CKS PROPERTY CONSULTANTS PTE LTD

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

PHOTOGRAPHS



Premier Room



Attached Bathroom

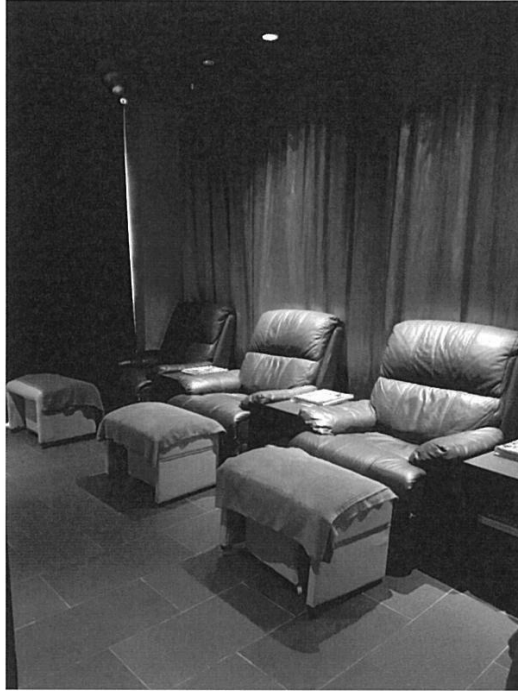
APPENDIX I – VALUATION REPORT

● Page 12

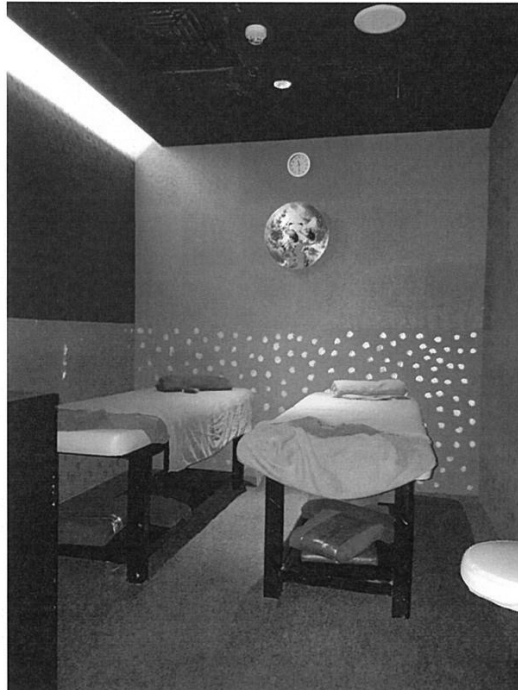
CKS PROPERTY CONSULTANTS PTE LTD

48/49/50 MOSQUE STREET THE PORCELAIN HOTEL

PHOTOGRAPHS



Reflexology Room

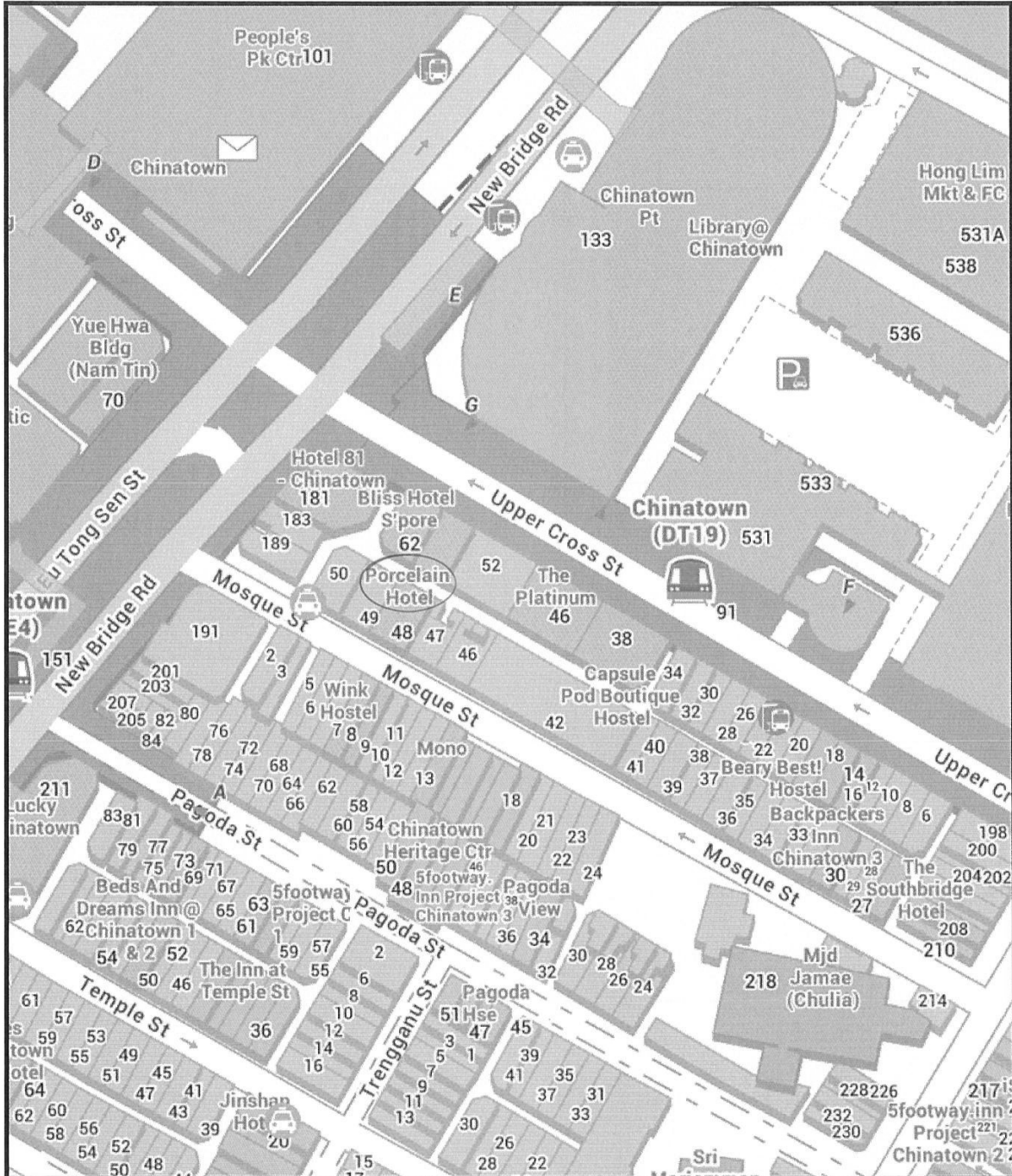


Massage Room

APPENDIX I – VALUATION REPORT

CKS PROPERTY CONSULTANTS PTE LTD

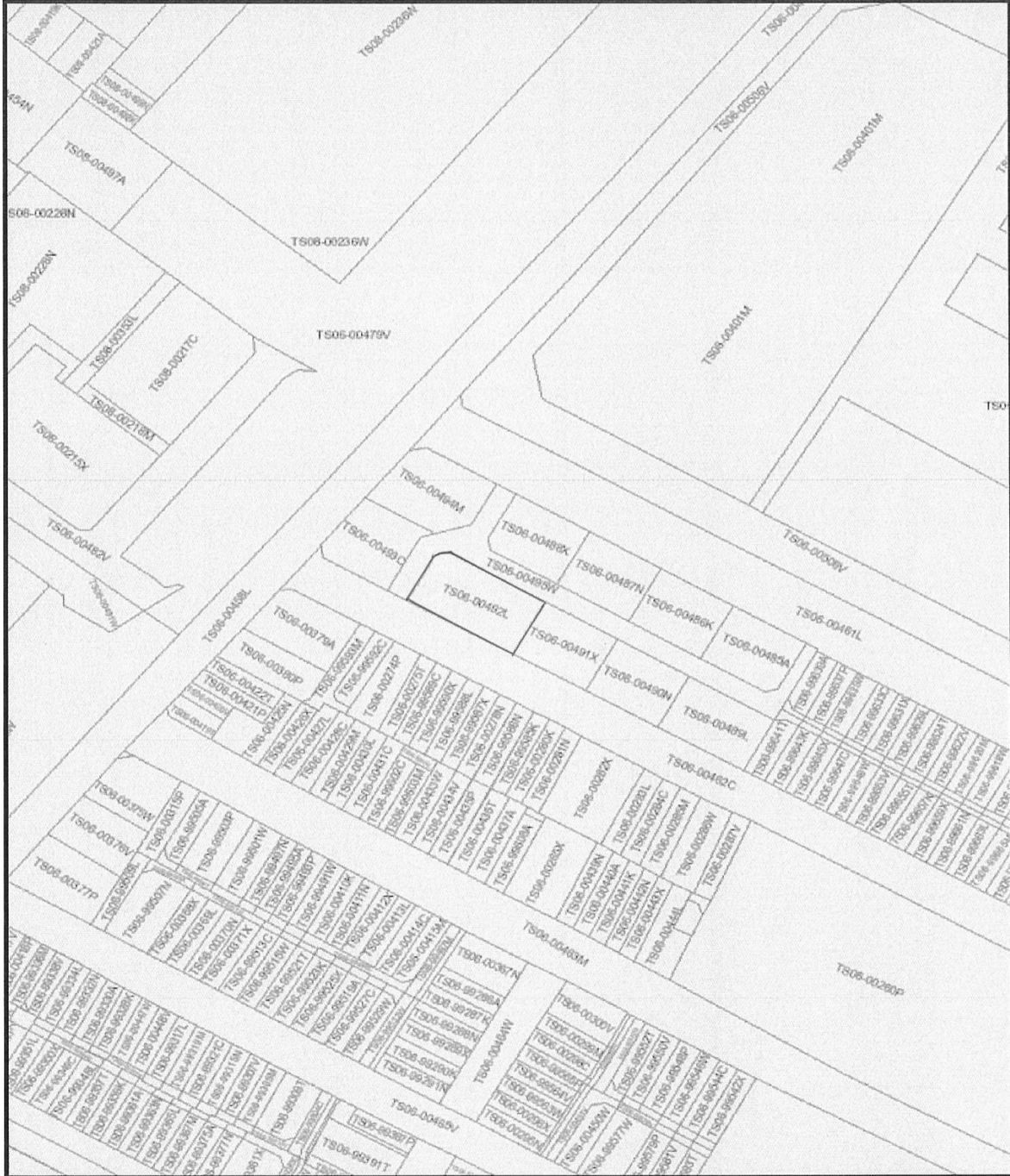
LOCATION PLAN THE PORCELAIN HOTEL



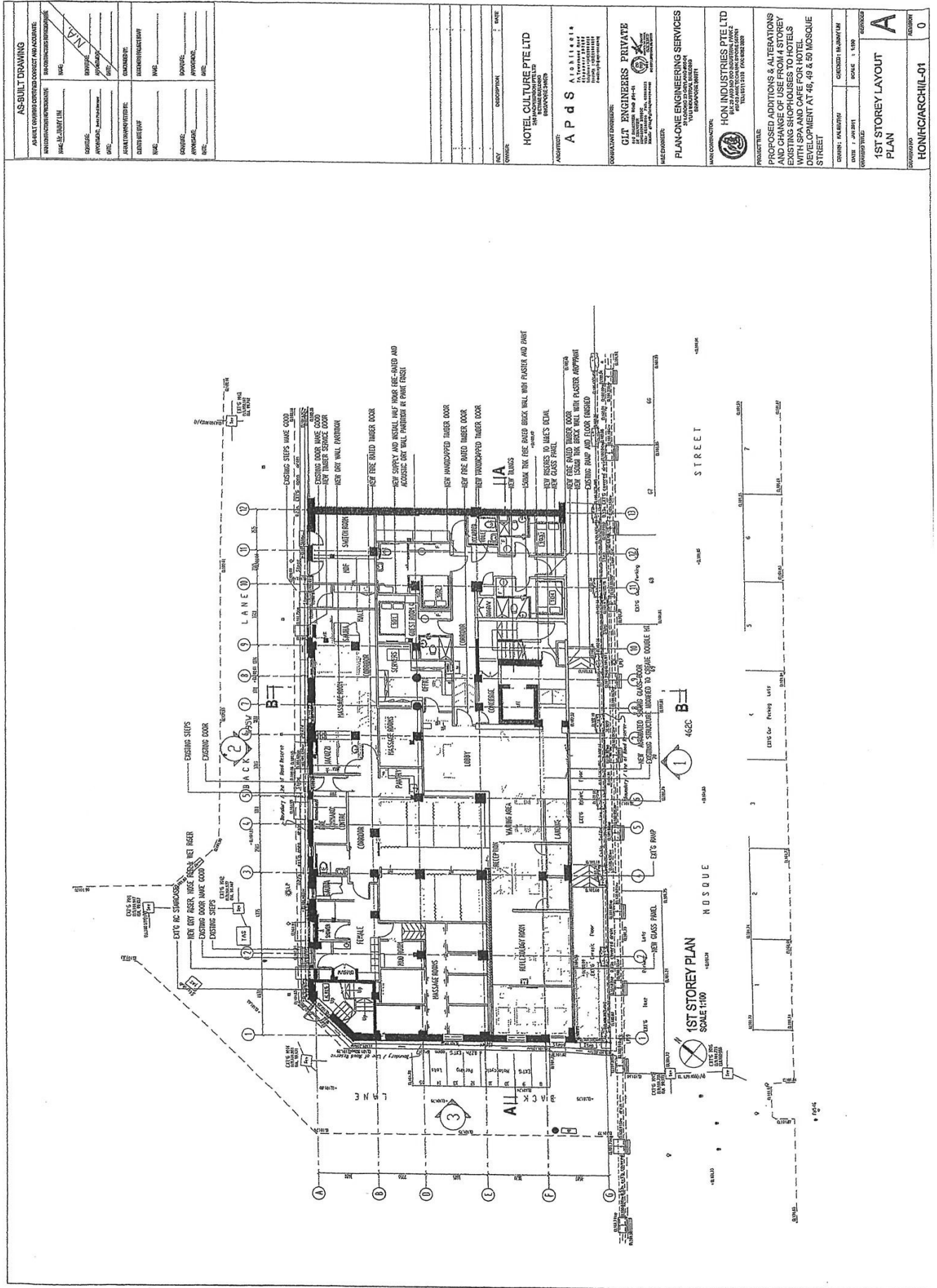
APPENDIX I – VALUATION REPORT

CKS PROPERTY CONSULTANTS PTE LTD

SITE PLAN THE PORCELAIN HOTEL



APPENDIX I – VALUATION REPORT



APPENDIX I – VALUATION REPORT

<p>AS-BUILT DRAWING</p> <p>AS-BUILT DRAWING CERTIFIED CORRECT AND ACCURATE IN ACCORDANCE WITH THE REQUIREMENTS OF THE BUILDING ACT 2011 (MAY 2011)</p> <p>DATE: 11/01/2018</p> <p>PROJECT: HOTEL CULTURE PTE LTD</p> <p>CLIENT: HOTEL CULTURE PTE LTD</p> <p>CONTRACTOR: PLAN-ONE ENGINEERING SERVICES</p> <p>SCALE: 1:100</p> <p>DRAWING NO: 2ND & 3RD STOREY LAYOUT PLAN</p> <p>PROJECT NO: HON/HCI/ARCHIL-02</p>	<p>PROPOSAL TITLE:</p> <p>PROPOSED ADDITIONS & ALTERATIONS AND CHANGE OF USE FROM 4 STOREY EXISTING SHOPHOUSES TO HOTELS WITH SPA AND CAFE FOR HOTEL DEVELOPMENT AT 48, 49 & 50 INSOUKE STREET</p> <p>CLIENT: HOTEL CULTURE PTE LTD</p> <p>ARCHITECT: APDS ARCHITECTS</p> <p>ENGINEER: PLAN-ONE ENGINEERING SERVICES</p> <p>MANUFACTURER: HON INDUSTRIES PTE LTD</p>	<p>DATE: 11/01/2018</p> <p>SCALE: 1:100</p> <p>DRAWING NO: 2ND & 3RD STOREY LAYOUT PLAN</p> <p>PROJECT NO: HON/HCI/ARCHIL-02</p>	<p style="text-align: center;">3RD STOREY PLAN SCALE 1:100</p> <p style="text-align: center;">2ND STOREY PLAN SCALE 1:100</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------

APPENDIX I – VALUATION REPORT

<p>AS-BUILT DRAWING</p> <p>AS-BUILT DRAWING CERTIFIED CORRECT AND ACCURATE</p> <p>PROPOSED ADDITIONS & ALTERATIONS</p> <p>NAME: _____</p> <p>DATE: _____</p> <p>BY: _____</p> <p>DATE: _____</p> <p>FOR: _____</p> <p>DATE: _____</p> <p>BY: _____</p> <p>DATE: _____</p> <p>FOR: _____</p> <p>DATE: _____</p>	<p>PROJECT: HOTEL CULTURE PTE LTD</p> <p>ADDRESS: 48, 49 & 50 MOSQUE STREET</p> <p>ARCHITECT: A P S ARCHITECTS</p> <p>CONTRACTOR: GIL ENGINEERS PRIVATE</p> <p>ENGINEER: PLAN-ONE ENGINEERING SERVICES</p> <p>DATE: _____</p> <p>SCALE: 1:100</p>	<p>PROPOSED ADDITIONS & ALTERATIONS</p> <p>EXISTING 4TH STOREY</p> <p>EXISTING SPA PHASES TO HOTELS</p> <p>WITH SPA AND CAFE FOR HOTEL</p> <p>DEVELOPMENT AT 48, 49 & 50 MOSQUE STREET</p>	<p>PROJECT TITLE: 4TH STOREY & MEZZANINE STOREY LAYOUT PLAN</p> <p>DATE: JAN 2011</p> <p>SCALE: 1:100</p> <p>REVISION: A</p> <p>DRAWN BY: _____</p> <p>CHECKED BY: _____</p> <p>DATE: _____</p> <p>PROJECT NO: _____</p> <p>DRAWING NO: _____</p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

MEZZANINE STOREY PLAN
SCALE 1:100

4TH STOREY PLAN
SCALE 1:100

APPENDIX I – VALUATION REPORT

CKS PROPERTY CONSULTANTS PTE LTD

LIMITING CONDITIONS

This valuation report is subject to the following limiting conditions:-

- 1] Our valuation is prepared in accordance with the international definition of "Market Value", namely:

"Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion".

In adopting this definition of Market Value, we are of the opinion that it is consistent with the international definition of Market Value as advocated by the Royal Institute of Chartered Surveyors (RICS) and the Singapore Institute of Surveyors and Valuers (SISV).

No allowances are made for any expenses or taxation which might arise in the event of a disposal. All property is considered as if free and clear of all mortgages, encumbrances, and other outstanding premiums, charges and liabilities.

Our valuation further assumes that all development charges and maintenance/service/conservancy charges, if any, whether outstanding or payable as at the date of valuation, have already been fully paid.
- 2] Our responsibility in connection with this valuation report is limited to our client or person to whom this report is addressed and to that client only. We disclaim all responsibility and accept no liability to any other person(s) or party should this report be used by any such person(s) or party or for any purposes.
- 3] Neither the whole nor any part of this valuation report or any reference to it may be included in any document, circular, statement, correspondence nor published in any way without our prior written approval of the form and context in which it may appear.
- 4] Where it is stated in this report that information has been supplied to us by another party, this information is believed to be reliable and accurate and we disclaim all responsibility if this information should later prove not to be so.
- 5] The values assessed in this report for the subject property and any allocation of values between parts of the property applies strictly on the terms of and for the purpose of this valuation. The values assessed should not be used in conjunction with any other assessment as they may prove inappropriate if so used.
- 6] No structural survey has been made and no guarantee is given that the building is free from rot, termite, pest infestation or other hidden defects. We have also not made any tests on the building services (e.g. air-conditioning, fire-fighting systems, lifts, escalators, plumbing and lighting etc) and these services are presumed to be in good working order.
- 7] Our valuation assumes that the title(s) is(are) in good order and marketable, free from any liens, mortgages, encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title(s), searches, legal requisitions, legal validity of title or any charges, claims, liabilities registered against the title(s).
- 8] Any plans that are included in this report are meant for identification purposes and to assist the client in visualizing the subject property. The plans should not be treated as certified true copies of areas or other particulars contained therein. We have not made any cadastral survey of the property and assumed no responsibility in connection in such matters.
- 9] We have not made any requisition for the Road Line Plan or for drainage proposal. We have also not made any application for information/document in respect of Building Control Records. Such requisitions/applications will not be made unless specifically instructed by our client.
- 10] As matters concerning compulsory acquisitions by the Government are confidential, we are unable to provide information relating to Government acquisitions unless the subject property has already been gazetted for acquisition.
- 11] Our valuation presumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations.
- 12] We shall not be required to give testimony before a tribunal such as the Valuation Review Board or to appear as an expert witness in Court by reason of this valuation report or with reference to the subject property unless specific arrangements have been made thereof and we be properly reimbursed.

NOTICE OF EXTRAORDINARY GENERAL MEETING

MARY CHIA HOLDINGS LIMITED

(Company Registration No.: 200907634N)

(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless otherwise defined, all capitalised terms used herein shall bear the same meaning as used in the Circular dated 10 March 2018 issued by Mary Chia Holdings Limited.

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Mary Chia Holdings Limited (the “**Company**”) will be held at SAFRA Toa Payoh, 293 Toa Payoh Lorong 6, Level 3, Everest Room, Singapore 319387 on 26 March 2018 at 9 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the following ordinary resolution:-

THE PROPOSED DISPOSAL OF THE HOTEL PROPERTY AT NOS. 48, 49 AND 50 MOSQUE STREET AS AN INTERESTED PERSON TRANSACTION AND A MAJOR TRANSACTION

AS ORDINARY RESOLUTION

THAT:-

- (a) pursuant to Chapter 9 and 10 of the Catalist Rules, approval be and is hereby given for the disposal of the hotel property at Nos. 48, 49 and 50 Mosque Street (comprised in Lot No. 492L of Town Subdivision 6), Singapore 059526/27/28 for a consideration of S\$64,800,000.00 (exclusive of goods and services tax thereon, where applicable) payable in cash (the “**Proposed Disposal**”) on the terms and conditions set out in S&P Agreement dated 1 March 2018 and entered into between the Company’s 51% direct subsidiary Hotel Culture Pte. Ltd. and JL Asia Resources Pte. Ltd.; and
- (b) the directors of the Company, or any one of them, be and are hereby authorised to complete and do all such acts and things (including without limitation, executing all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices forms and documents with or to the relevant authorities) as they may consider necessary, desirable, expedient or in the interests of the Company to give effect to the Proposed Disposal.

BY ORDER OF THE BOARD

Yeung Koon Sang @ David Yeung
Lead Independent Director
10 March 2018

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting (“EGM”) is entitled to appoint a proxy to attend and vote on his/her behalf. A proxy need not be a member of the Company.
2. A member who is not a relevant intermediary (as defined in section 181 of the Companies Act, (Cap. 50)) is entitled to appoint not more than two proxies and where two proxies are appointed, shall specify the proportion of shareholding to be represented by each proxy.
3. A member who is a relevant intermediary is entitled to appoint more than two proxies and where such member’s proxy form appoints more than one proxy, the number of and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. Each proxy must be appointed to exercise the rights attached to the different share or shares held by such member.
4. In any case where more than one proxy is appointed, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. 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.
5. 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 executed either under its seal or under the hand of an 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), if required by law, be duly stamped and lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
6. The instrument appointing a proxy must be deposited at the registered office of the Company at 26 Tai Seng Street #01-03A, J’Forte, Singapore 534057 not less than 48 hours before the time set for the EGM.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representative appointed for the meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over 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 representatives to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representatives 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 representatives for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

This page is intentionally left blank.

IMPORTANT

1. Relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 may appoint more than 2 proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For CPF/SRS investors who have used their CPF monies to buy shares in Mary Chia Holdings Holdings Limited, 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. CPF/SRS investors should contact their CPF Approved Nominees if they have any queries regarding their appointment as proxies.
3. By submitting an instrument appointing a proxy(ies) and/or representative(s), a member accepts and agrees to the personal data privacy terms set out in the Notes to this Proxy Form.

Mary Chia Holdings Limited

(Incorporated in the Republic of Singapore)
(Registration No: 200907634N)

**PROXY FORM
EXTRAORDINARY GENERAL MEETING**

I/We, _____ (name)

_____ (NRIC/Passport/Co. Reg. No.)

of _____ (address)

being a member/members of Mary Chia Holdings Limited (the “**Company**”), hereby appoint:

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

and/or (delete as appropriate)

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

or failing the person, or either or both of the persons, referred to above, the Chairman of the Extraordinary General Meeting (“**EGM**”) as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the EGM of the Company to be held at SAFRA Toa Payoh, 293 Toa Payoh Lorong 6, Level 3, Everest Room, Singapore 319387 on Monday, 26 March 2018 at 9 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolution(s) proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote “For” or “Against” with a tick “√” within the box provided. Alternatively, please indicate the no. of votes as appropriate.)

No.	Ordinary Resolution	By way of poll	
		For	Against
1.	The Proposed Disposal of the Hotel Property at Nos. 48, 49 and 50 Mosque Street as an Interested Person Transaction and a Major Transaction		

Dated this _____ day of _____ 2018

Total number of Shares held:

Signature(s) of member(s) or common seal

IMPORTANT: PLEASE READ NOTES OVERLEAF



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 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. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
 2.
 - (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholdings concerned to be represented by each proxy shall be specified in the form of proxy.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
- "Relevant intermediary" means:
- (i) A banking corporation licensed under the Banking Act (Chapter 19) 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;
 - (ii) A person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or
 - (iii) The Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a member of the Company.
 4. Where a member appoints more than one proxy, the member must specify the proportion of shareholdings to be represented by each proxy. If no proportion of shareholdings is specified, the proxy whose name appears first shall be deemed to carry 100% of the shareholdings of his/her appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.
 5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 26 Tai Seng Street #01-03A, J'Forte, Singapore 534057 not less than 48 hours before the time appointed for holding the EGM.
 6. Completion and return of the instrument appointing a proxy or proxies by a member shall not preclude him from attending and voting at the EGM if he so wishes. Any appointment of a proxy or proxies by a member shall be deemed to be revoked if a member 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 instrument of proxy to the EGM.
 7. The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorized 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 authorized. A corporation which is a member may authorize by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM.
 8. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
 9. The Company shall be entitled to reject an instrument of proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 10 March 2018.