

CIRCULAR DATED 7 APRIL 2017

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

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 shares in the capital of Advanced Integrated Manufacturing Corp. Ltd. (the “**Company**”), you should immediately forward this Circular, the notice of Extraordinary General Meeting and the attached proxy form 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.

The SGX-ST assumes no responsibility for the correctness for any of the statements made, reports contained or opinions expressed in this Circular.

This Circular, the Exit Offer Letter and the Acceptance Forms (all as defined herein) shall not be construed as, may not be used for the purpose of, and do not constitute, a notice or proposal or advertisement or an offer or invitation or solicitation in any jurisdiction or in any circumstance in which such a notice or proposal or advertisement or an offer or invitation or solicitation is unlawful or not authorised, or to any person to whom it is unlawful to make such a notice or proposal or advertisement or an offer or invitation or solicitation.



ADVANCED INTEGRATED MANUFACTURING CORP. LTD.

(Incorporated in Republic of Singapore)
(Company Registration Number: 200405216C)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED VOLUNTARY DELISTING OF ADVANCED INTEGRATED MANUFACTURING CORP. LTD. PURSUANT TO RULES 1307 AND 1309 OF THE SGX-ST LISTING MANUAL

Independent Financial Adviser to the Independent Directors of
Advanced Integrated Manufacturing Corp. Ltd.



STIRLING COLEMAN

施霖高诚

Capital Markets Services Licence – Corporate Finance Adviser

STIRLING COLEMAN CAPITAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200105040N)

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 30 April 2017 at 10 a.m.
Date and time of Extraordinary General Meeting : 2 May 2017 at 10 a.m.
Place of Extraordinary General Meeting : Sentosa Golf Club, Serapong Room 1 and 2,
Level 1, 27 Bukit Manis Road,
Singapore 099892

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DEFINITIONS

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

<i>“Acceptance Forms”</i>	:	FAA and/or FAT, as the case may be
<i>“Board” or “Board of Directors”</i>	:	The board of directors of the Company for the time being
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“Circular”</i>	:	This circular to Shareholders dated 7 April 2017
<i>“Closing Date”</i>	:	17 May 2017, or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last day for the lodgement of acceptances of the Exit Offer
<i>“Code”</i>	:	The Singapore Code on Take-overs and Mergers
<i>“Companies Act”</i>	:	The Companies Act, Chapter 50, of Singapore, as amended or modified from time to time
<i>“Company”</i>	:	Advanced Integrated Manufacturing Corp. Ltd.
<i>“Constitution”</i>	:	The Constitution of the Company, as amended from time to time
<i>“Control”</i>	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
<i>“Controlling Shareholder”</i>	:	A person who: (a) holds directly or indirectly 15% or more of all voting shares in the Company (unless the SGX-ST determines that such a person is not a Controlling Shareholder); or (b) in fact exercises Control over the Company
<i>“Convertible Securities”</i>	:	Securities convertible or exchangeable into new shares or existing shares
<i>“CPF”</i>	:	The Central Provident Fund
<i>“CPF Agent Banks”</i>	:	The banks approved by the CPF to be its agent banks, being DBS Bank Ltd, Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited
<i>“CPFIS”</i>	:	Central Provident Fund (Investment Schemes) Regulations

DEFINITIONS

<i>“CPFIS Investors”</i>	:	Investors who purchased Shares using their CPF savings under the CPFIS
<i>“Delisting”</i>	:	The voluntary delisting of the Company from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual
<i>“Delisting Proposal”</i>	:	The formal proposal presented by the Offeror to the Directors to seek the voluntary delisting of the Company from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual, which was announced in the Joint Announcement
<i>“Delisting Proposal Conditions”</i>	:	The conditions for the Delisting and the Exit Offer set out at paragraph 3.4 of this Circular
<i>“Delisting Resolution”</i>	:	The resolution to be proposed at the EGM to approve the Delisting
<i>“Delisting Resolution Conditions”</i>	:	The conditions for the Delisting Resolution to be passed at the EGM set out at paragraph 2.1 of this Circular
<i>“Derivatives”</i>	:	Includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities
<i>“Director”</i>	:	A director of the Company for the time being
<i>“EGM”</i>	:	The extraordinary general meeting of the Company
<i>“Exit Offer”</i>	:	The delisting exit offer by the Offeror to acquire the Offer Shares on the terms and conditions set out in the Exit Offer Letter (including the relevant Acceptance Forms)
<i>“Exit Offer Letter”</i>	:	The letter dated 7 April 2017 from the Offeror to the Shareholders in relation to the Exit Offer, which was despatched to Shareholders concurrently with this Circular
<i>“Exit Offer Period”</i>	:	The period from the Joint Announcement Date until the date the Exit Offer is declared to have closed or lapsed
<i>“Exit Offer Price”</i>	:	S\$0.21 in cash for each Offer Share
<i>“FAA”</i>	:	Form of Acceptance and Authorisation to be issued to Shareholders whose Shares are deposited with CDP
<i>“FAT”</i>	:	Form of Acceptance and Transfer to be issued to Shareholders whose Shares are not deposited with CDP

DEFINITIONS

- “FY”* : Financial year ended or ending (as the case may be) on 31 December of a particular year as stated
- “Group”* : The Company and its subsidiaries, collectively, for the time being
- “Independent Directors”* : The Directors who are considered to be independent for the purposes of making recommendations to Shareholders in respect of the Delisting and the Exit Offer, namely Mr Lim Yeow Hua and Mr Lee Teck Leng
- “Independent Valuers”* : AVA Associates Limited, Harwoods Chartered Surveyors & Estate Agents and One Asia Property Consultants (KL) Sdn Bhd, the independent valuers appointed by the Company to issue the Valuation Reports
- “Interested Person”* : As defined in the Note on Rule 23.12 of the Code, an Interested Person, in relation to a company, is:
- (a) a director, chief executive officer, or substantial shareholder of the company;
 - (b) the immediate family of a director, the chief executive officer, or a substantial shareholder (being an individual) of the company;
 - (c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer or a substantial shareholder (being an individual) and his immediate family is a beneficiary;
 - (d) any company in which a director, the chief executive officer or a substantial shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% or more;
 - (e) any company that is the subsidiary, holding company or fellow subsidiary of the substantial shareholder (being a company); or
 - (f) any company in which a substantial shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more
- “Irrevocable Undertakings”* : The irrevocable undertakings from the Relevant Shareholders, details of which are set out in paragraph 4 of this Circular

DEFINITIONS

<i>“Joint Announcement”</i>	:	Joint announcement dated 24 November 2016 by the Offeror and the Company on the Delisting Proposal and the Exit Offer
<i>“Joint Announcement Date”</i>	:	24 November 2016, being the date of the Joint Announcement
<i>“Latest Practicable Date”</i>	:	27 March 2017, being the latest practicable date prior to the printing of this Circular
<i>“Listing Manual”</i>	:	The listing manual of SGX-ST, as amended or modified from time to time
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading in securities
<i>“NAV”</i>	:	Net asset value
<i>“NTA”</i>	:	Net tangible assets
<i>“Offer Shares”</i>	:	All the Shares (excluding treasury shares), other than those Shares already owned, controlled or agreed to be acquired by the Offeror as at the date of the Exit Offer
<i>“Offeror”</i>	:	HAO Corp Pte. Ltd.
<i>“Options”</i>	:	Options to subscribe for or purchase new shares
<i>“Pinang Property”</i>	:	The property situated at Lot PT No. 1353, held under H.S. (D) 16501, Seksyen 1, Bandar Tanjong Pinang, Daerah Timor Laut, Negeri Pulau Pinang
<i>“Register of Members”</i>	:	Register of members of the Company
<i>“Relevant Directors”</i>	:	The Directors who are exempted from making a recommendation to Shareholders in respect of the Exit Offer, namely Dr Tan Kim Yong and Mr Tan Gim Seng
<i>“Relevant Shareholders”</i>	:	Dr Tan Kim Yong, Mr Tan Gim Seng, Mr Tan Kim Wah and Ms Chng Sock Cheng
<i>“Securities Account”</i>	:	Securities account maintained by a depositor with CDP, but does not include a securities sub-account
<i>“SGX Main Board”</i>	:	The Main Board of the SGX-ST
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Shareholders”</i>	:	Persons (other than CDP) who are for the time being registered as holders of the Shares in the Register of Members of the Company and Depositors who have Shares entered against their names in the Depository Register

DEFINITIONS

“Shares”	:	Ordinary shares in the capital of the Company
“SIC”	:	Securities Industry Council of Singapore
“SRS”	:	Supplemental Retirement Scheme
“SRS Agent Banks”	:	Agent banks included under the SRS
“SRS Investors”	:	Investors who have purchased Shares using their savings in their SRS accounts
“Stirling Coleman”	:	Stirling Coleman Capital Limited, the independent financial adviser to the Independent Directors in relation to the Exit Offer
“S\$” and “cents”	:	Singapore dollar and cents respectively
“TCMPL”	:	Tata Capital Markets Pte Ltd
“Undertaking Shares”	:	All the Shares that are directly or indirectly held and/or controlled by the Relevant Shareholders and any new Shares which the Relevant Shareholders may, directly or indirectly, acquire on or after the date of their Irrevocable Undertakings
“Valuation Reports”	:	The valuation reports from the Independent Valuers, of which the extracts/valuation certificates in relation thereto are set out in Appendix IV to this Circular
“VWAP”	:	Volume weighted average price
“Warrants”	:	Rights to subscribe for or purchase new shares or existing shares
“%” or “per cent.”	:	Per centum or percentage

Unless otherwise defined, the term “**acting in concert**” shall have the meaning ascribed to it in the Code.

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 term “**treasury shares**” shall have the meaning ascribed to it in Section 4 of the Companies Act. The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

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

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

DEFINITIONS

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 Companies Act, the Listing Manual or any modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the Listing Manual or modification as the case may be, unless otherwise provided.

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

Forward-Looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “potential”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the party making the statements regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Company, the Offeror, the Relevant Shareholders nor TCML undertakes any obligation to update publicly or revise any forward-looking statements.

INDICATIVE TIMETABLE

INDICATIVE TIMETABLE

Last date and time for lodgement of proxy forms for the EGM ⁽¹⁾	:	30 April 2017 at 10 a.m.
Date and time of the EGM	:	2 May 2017 at 10 a.m.
Expected last date of trading in the Shares on the SGX-ST prior to the Delisting	:	To be announced by or on behalf of the Company
Expected Closing Date of the Exit Offer	:	17 May 2017 at 5.30 p.m., or such other date(s) as may be announced from time to time by or on behalf of the Offeror
Expected date for the Delisting of the Shares	:	Approximately two (2) to three (3) weeks after the Closing Date, or such other date as may be announced from time to time by or on behalf of the Company
Expected date(s) for the payment of the Exit Offer Price, in respect of valid acceptances of the Exit Offer	:	Within seven (7) business days: (a) after the Delisting Resolution has been passed at the EGM (where valid acceptances of the Exit Offer are tendered on or prior to the date of the Delisting Resolution being passed at the EGM) and the Exit Offer becomes unconditional in all respects, or (b) after the date of receipt of valid acceptances of the Exit Offer (where such acceptances are tendered after the Delisting Resolution has been passed at the EGM and the Exit Offer becomes unconditional in all respects but before the close of the Exit Offer)

Shareholders should note that, save for the last date and time for lodgement of proxy forms for the EGM, the date and time of the EGM and the date(s) for the payment of the Exit Offer Price, in respect of valid acceptances of the Exit Offer, the above timetable is indicative only and may be subject to change. For the events listed above which are described as “expected”, please refer to future announcement(s) by the Company for the exact dates and times of these events.

Note:

- (1) Proxy forms should be duly completed and deposited at the office of the Company’s registered address at No. 23 Ubi Crescent Singapore 408579 not less than 48 hours before the time appointed for holding the EGM. Completion and return of a proxy form will not preclude a Shareholder from attending and voting in person at the EGM in place of his proxy.

PLEASE NOTE THAT THE EXIT OFFER IS CONDITIONAL UPON THE DELISTING PROPOSAL CONDITIONS BEING SATISFIED. IF THE DELISTING PROPOSAL CONDITIONS ARE NOT SATISFIED AT THE EGM TO BE CONVENED, THE DELISTING WILL NOT PROCEED, AND THE COMPANY WILL REMAIN LISTED ON THE SGX-ST AND THE EXIT OFFER WILL LAPSE.

PLEASE ALSO NOTE THAT APPROVING THE DELISTING RESOLUTION AT THE EGM DOES NOT AUTOMATICALLY MEAN THAT YOU HAVE ACCEPTED THE EXIT OFFER. PLEASE REFER TO APPENDIX 1 OF THE EXIT OFFER LETTER IF YOU WISH TO ACCEPT THE EXIT OFFER.

LETTER TO SHAREHOLDERS



ADVANCED INTEGRATED MANUFACTURING CORP. LTD.

(Incorporated in Republic of Singapore)
(Company Registration Number: 200405216C)

Directors:

Dr Tan Kim Yong (Group Chairman and Chief Executive Officer)
Mr Tan Gim Seng (Executive Director)
Mr Lim Yeow Hua (Independent Director)
Mr Lee Teck Leng (Independent Director)

Registered Office:

No. 23 Ubi Crescent
Singapore 408579

7 April 2017

To: The Shareholders of Advanced Integrated Manufacturing Corp. Ltd.

Dear Sir/Madam

PROPOSED VOLUNTARY DELISTING OF ADVANCED INTEGRATED MANUFACTURING CORP. LTD. PURSUANT TO RULES 1307 AND 1309 OF THE LISTING MANUAL

1. INTRODUCTION

- 1.1 On 24 November 2016, the Company and the Offeror jointly announced that the Offeror had presented to the Directors the Delisting Proposal.
- 1.2 Under the Delisting Proposal, Tata Capital Markets Pte Ltd (“**TCMPL**”), as the financial adviser to the Offeror, will make, for and on behalf of the Offeror, a cash offer to purchase the Offer Shares at the Exit Offer Price of S\$0.21 in cash for each Offer Share. A copy of the Joint Announcement is available on the website of the SGX-ST at www.sgx.com.
- 1.3 The Directors have reviewed the Delisting Proposal and resolved to seek an application to the SGX-ST for the Delisting and convene an EGM of the Company to seek the approval of Shareholders for the Delisting.
- 1.4 The purpose of this Circular is to provide Shareholders with relevant information regarding the Delisting Proposal and the Exit Offer and to seek Shareholders’ approval for the Delisting at the EGM to be held on 2 May 2017 at 10 a.m. at Sentosa Golf Club, Serapong Room 1 and 2, Level 1, 27 Bukit Manis Road, Singapore 099892, the notice of which is set out on page 155 of this Circular.
- 1.5 The SGX-ST takes no responsibility for the accuracy of any statements or opinions made in this Circular.

LETTER TO SHAREHOLDERS

2. THE DELISTING PROPOSAL

Under the terms of the Delisting Proposal, the Offeror is making the Exit Offer to acquire the Offer Shares. The Delisting and the Exit Offer are conditional on the Delisting Proposal Conditions being satisfied. The Delisting Proposal Conditions, if satisfied, will result in the delisting of the Company from the Official List of the SGX-ST.

Save for the Delisting Proposal Conditions, the Delisting and Exit Offer will each be unconditional in all respects.

2.1 RULES 1307 AND 1309 OF THE LISTING MANUAL

Under Rule 1307 of the Listing Manual, the SGX-ST may agree to an application by the Company to delist from the Official List of the SGX-ST if:

- (a) the Company convenes the EGM to obtain Shareholders' approval for the Delisting;
- (b) the Delisting Resolution has been approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Directors and Controlling Shareholders are not required to abstain from voting on the Delisting Resolution); and
- (c) the Delisting Resolution has not been voted against by 10% or more of the total number of issued Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM

(collectively, the “**Delisting Resolution Conditions**”).

In addition, under Rule 1309 of the Listing Manual, if the Company is seeking to delist from the SGX-ST:

- (i) a reasonable exit alternative, which should normally be in cash, should be offered to Shareholders; and
- (ii) the Company should normally appoint an independent financial adviser to advise on the Exit Offer.

2.2 APPLICATION TO THE SECURITIES INDUSTRY COUNCIL

As stated in the Exit Offer Letter (which was despatched concurrently with this Circular), an application was made by the Offeror to the SIC to seek clarification regarding the extent to which the provisions of the Code applied to the Exit Offer. The SIC ruled on 25 October 2016, *inter alia*, that:

- 2.2.1 the Exit Offer is exempted from compliance with the following provisions of the Code:
 - (i) Rule 20.1 of the Code to keep offer open for 14 days after it is revised;
 - (ii) Rule 22 of the Code on offer timetable;

LETTER TO SHAREHOLDERS

- (iii) Rule 28 of the Code on acceptances; and
- (iv) Rule 29 of the Code on the right of acceptors to withdraw their acceptances.

subject to the following conditions:

- (a) disclosure in this Circular of:
 - (i) the consolidated net tangible assets per share of the group comprising the Company, its subsidiaries and associated companies based on the latest published accounts prior to the date of this Circular; and
 - (ii) particulars of all known material changes as at the latest practicable date which may affect the consolidated net tangible assets per share referred to in paragraph 2.2.1(a)(i) above or a statement that there are no such known material changes; and
- (b) the Exit Offer remaining open for at least:
 - (i) 21 days after the date of the despatch of the Exit Offer Letter if the Exit Offer Letter is despatched after Shareholders' approval for the delisting of the Company has been obtained; or
 - (ii) 14 days after the date of the announcement of Shareholders' approval of the delisting of the Company if the Exit Offer Letter is despatched on the same date as this Circular;

2.2.2 the Offeror is exempted from the requirement to disclose the information required under Rule 23.4 (c) to (h) of the Code in the Exit Offer Letter, subject to the Offeror disclosing the fact that it is an exempt private company and as a result, does not have any published audited accounts;

2.2.3 the Irrevocable Undertakings provided by the Relevant Shareholders do not constitute "special deals" under Rule 10 of the Code⁽¹⁾;

2.2.4 TCMPL will only be required to confirm the resources available to the Offeror as are sufficient to satisfy full acceptances of the Exit Offer, save for the Shares to be tendered pursuant to the Irrevocable Undertakings by the Relevant Shareholders for which payment will be waived, subject to the Irrevocable Undertakings from each of the Relevant Shareholders not being revoked at any time before the completion of the Exit Offer;

2.2.5 Dr Tan Kim Yong and Mr Tan Gim Seng (the "**Relevant Directors**") are exempted from the requirement to make a recommendation to the Shareholders on the Exit Offer. The Relevant Directors, however, must still assume responsibility for the accuracy of facts stated in documents and advertisements issued by, or on behalf of, the Company in connection with the Exit Offer; and

LETTER TO SHAREHOLDERS

2.2.6 in order to maintain secrecy, the Offeror is permitted to limit disclosure of dealings and/or holdings of Shares in the Joint Announcement to the Offeror, the Relevant Shareholders and TCMPL, subject to the Offeror promptly making enquiries subsequent to the Joint Announcement of all other persons acting or presumed to be acting in concert with the Offeror on the number of Shares owned, controlled or agreed to be acquired by them. If the aggregate number of Shares owned, controlled or agreed to be acquired by such other parties acting or presumed to be acting in concert with the Offeror represents 0.5% or more of the total issued Shares, the Offeror must promptly announce such holdings to the public.

Note:

- (1) With regard to the reference to “special deals” in subsection 2.2.3, broadly speaking, “special deals” are defined under the Code as arrangements to deal or make purchases or sales of shares of the offeree company, or enter into arrangements concerning acceptance of an offer, either during an offer or when one is reasonably in contemplation, if there are favourable conditions attached which are not being extended to all shareholders. Further information on the restriction on “special deals” in takeover offers may be found in Rule 10 of the Code. Further information on the Irrevocable Undertakings may be found in paragraph 4 of this Circular below and in paragraph 4 of the Exit Offer Letter.

3. THE EXIT OFFER

3.1 THE EXIT OFFER

As stated in the Exit Offer Letter, TCMPL, as the financial adviser to the Offeror, will make, for and on behalf of the Offeror, a cash offer to acquire all the Offer Shares on the terms and subject to the conditions set out in the Exit Offer Letter (including the Acceptance Forms), subject to the Delisting Proposal Conditions being satisfied.

3.2 INFORMATION ON THE OFFEROR AND THE CONSORTIUM

As stated in paragraphs 7.1 and 7.4 of the Exit Offer Letter, the Offeror is an investment holding company incorporated in Singapore on 22 September 2016, whose directors are Dr Tan Kim Yong, Mr Tan Gim Seng and Mr Tan Kim Wah (the “**Offeror Directors**”) and shareholders are the Relevant Shareholders. Dr Tan Kim Yong is the Group Chairman and Chief Executive Officer of the Company and Mr Tan Gim Seng is an Executive Director of the Company.

As stated in paragraph 7.7 of the Exit Offer Letter, the Relevant Shareholders have agreed to form a consortium through the Offeror to undertake the Exit Offer and entered into a shareholders’ agreement (the “**Shareholders’ Agreement**”) with each other to, *inter alia*, regulate their relationship as members of the consortium and in the conduct of the business and affairs of the Offeror and the Enlarged Group (being the Offeror and the acquired business of the Company after the close of the Exit Offer). The principal terms of the Shareholders’ Agreement are as follows:

- (a) the Offeror Directors are entitled to vote as directors of the Offeror board. All board decisions in connection with the Offeror and the Enlarged Group after the Delisting must be unanimously agreed by each of the Offeror Directors;
- (b) the Relevant Shareholders are entitled to vote as shareholders in accordance with their shareholding in the Offeror. All shareholders’ decisions in connection with the Offeror and the Enlarged Group must be unanimously agreed by each of the Relevant Shareholders;

LETTER TO SHAREHOLDERS

- (c) the Relevant Shareholders will not dispose of their shares in the Offeror within 12 months from the Delisting; and
- (d) no shareholder of the Offeror has any put option in respect of their shares in the Offeror to the other shareholders of the Offeror.

The relationships between the Relevant Shareholders are as follows:

- (a) the Offeror Directors are brothers; and
- (b) Ms Chng Sock Cheng is the wife of Mr Tan Kim Wah.

The Relevant Shareholders are persons acting in concert with the Offeror.

For more details on the Offeror and the Relevant Shareholders, please refer to paragraph 7 and Appendix 2 of the Exit Offer Letter.

3.3 TERMS OF THE EXIT OFFER

As stated in the Exit Offer Letter, TCMPL, for and on behalf of the Offeror, will make the Exit Offer to acquire all the Offer Shares on the following basis:

For each Offer Share: S\$0.21 in cash (“Exit Offer Price”).

The Exit Offer Price shall be applicable to any number of Offer Shares that are tendered in acceptance of the Exit Offer.

Each Shareholder who accepts the Exit Offer will receive S\$210.00 for every 1,000 Offer Shares tendered for acceptance of the Exit Offer.

The Offeror shall pay the Exit Offer Price in cash for the Offer Shares which are validly tendered in acceptance of the Exit Offer.

The Exit Offer is extended to all Offer Shares. Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of Offer Shares.

The Offeror does not intend to revise or increase the Exit Offer Price. Accordingly, the Exit Offer Price will not be revised or increased under any circumstances.

The Offer Shares are to be acquired (a) fully paid, (b) free from any mortgage, debenture, lien, charge, pledge, title retention, right to acquire, security interest, option, pre-emptive or similar right, right of first refusal and any other encumbrance or condition whatsoever (“**Encumbrance**”), and (c) together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company on or after the Joint Announcement Date. If any dividend, other distribution or return of capital is declared, made or paid by the Company on or after the Joint Announcement Date, the Offeror reserves the right to reduce the Exit Offer Price by the amount of such dividend, distribution or return of capital.

Further details on the Exit Offer are set out in the Exit Offer Letter containing, *inter alia*, the terms of the Exit Offer and the relevant Acceptance Forms.

LETTER TO SHAREHOLDERS

3.4 CONDITIONS

- (a) As stated in the Exit Offer Letter, the Delisting and Exit Offer are conditional on:
- (i) the Delisting Resolution has been approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Directors and Controlling Shareholders are not required to abstain from voting on the Delisting Resolution);
 - (ii) the Delisting Resolution has not been voted against by 10% or more of the total number of issued Shares (excluding treasury shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM; and
 - (iii) the receipt by the Offeror, by close of the Exit Offer, valid acceptances in respect of such number of Offer Shares which will result in the Offeror holding more than 50% of the Shares (excluding any Shares held by the Company as treasury shares) as at the close of the Exit Offer ("**Minimum Acceptance Condition**"),

collectively, the "**Delisting Proposal Conditions**".

If the Delisting Proposal Conditions are not fulfilled, the Exit Offer will lapse and the Company will remain listed on the SGX-ST.

Save for the Delisting Proposal Conditions, the Delisting and Exit Offer will each be unconditional in all respects.

- (b) Shareholders should note that the Relevant Shareholders are not required to abstain from voting on the Delisting Resolution. The Relevant Shareholders have, pursuant to the Irrevocable Undertakings, undertaken to exercise or procure the exercise of the votes attaching to all Shares that are directly or indirectly held and/or controlled by the Relevant Shareholders and any new Shares which the Relevant Shareholders may, directly or indirectly, acquire on or after the date of their Irrevocable Undertakings (the "**Undertaking Shares**") in favour of the Delisting Resolution at the EGM. As at the Latest Practicable Date, the Relevant Shareholders directly or indirectly hold and/or control an aggregate of 116,251,679 Shares, representing approximately 88.24% of the total issued Shares. In view of the Irrevocable Undertakings, the aggregate shareholding percentage which will vote in favour of the Delisting Resolution at the EGM will be at least 88.24% of the total issued Shares.
- (c) As at the Joint Announcement Date, the Offeror has obtained Irrevocable Undertakings from the Relevant Shareholders in respect of the Undertaking Shares to accept the Exit Offer. In view of the Irrevocable Undertakings, the Offeror would be able to receive acceptances of at least 88.24% of the Offer Shares.

An application was made by the Company to the SGX-ST on 7 December 2016 to delist the Company from the Official List of the SGX-ST. The SGX-ST has in its letter dated 30 March 2017 advised that it has no objection to the Delisting, subject to Shareholders' approval in compliance with Rule 1307 of the Listing Manual.

The SGX-ST's decision is not to be taken as an indication of the merits of the Delisting.

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Shareholders are to note that the Delisting and Exit Offer will be conditional upon the Delisting Proposal Conditions being satisfied. If the Delisting Proposal Conditions are not fulfilled, the Delisting will not proceed and the Company will remain listed on the Official List of the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned. The Delisting Proposal Conditions are the only conditions outstanding in relation to the Delisting and Exit Offer.

Should the Delisting Proposal Conditions be satisfied, the Delisting will take place regardless of whether the acceptance level for the Exit Offer crosses the 90% threshold for compulsory acquisition under Section 215(1) of the Companies Act as set out in paragraph 5.2 of this Circular.

Shareholders are to also note that approving the Delisting Resolution at the EGM does NOT automatically mean that you have accepted the Exit Offer. Please refer to Section 15 of this Circular entitled “Action to be taken by Shareholders” and Appendix 1 of the Exit Offer Letter entitled “Procedures for Acceptance and Other Details of the Exit Offer” for further details on the actions to take if you wish to accept the Exit Offer.

3.5 WARRANTY

As stated in the Exit Offer Letter, acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Shareholder that each Offer Share in respect of which the Exit Offer is accepted is sold by him as, or on behalf of the beneficial owner(s) thereof, fully paid and free from all Encumbrances, and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions, if any, which may be declared, paid or made thereon by the Company on or after the Joint Announcement Date).

3.6 DURATION

As stated in the Exit Offer Letter, the Exit Offer is open for acceptance by Shareholders from the date of despatch of the Exit Offer Letter. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances are conditional and if the Delisting Proposal Conditions are not satisfied, the Exit Offer will lapse and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.

As stated in the Exit Offer Letter, if the Delisting Resolution is approved by the Shareholders at the EGM, the Exit Offer will continue to be open for acceptance by the Shareholders for a period of at least 14 days after the date of the announcement of the Shareholders’ approval of the Delisting Resolution at the EGM. If the Delisting Resolution is not approved at the EGM, the Exit Offer will lapse. Accordingly, if the Delisting Resolution is approved by the Shareholders at the EGM, the closing date of the Exit Offer is 5.30 p.m. on 17 May 2017 or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the “Closing Date”).

Further details on the duration of the Exit Offer are set out in Appendix 1 of the Exit Offer Letter.

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4. IRREVOCABLE UNDERTAKINGS

- 4.1 As stated in paragraph 4 of the Exit Offer Letter, the Offeror has obtained Irrevocable Undertakings from each of the Relevant Shareholders who collectively, as at the Latest Practicable Date, directly or indirectly hold and/or control an aggregate of 116,251,679 Shares representing approximately 88.24% of the total issued Shares.
- 4.2 Pursuant to the Irrevocable Undertakings, each of the Relevant Shareholders has made, *inter alia*, the following undertakings:
- 4.2.1 unless and until the Exit Offer lapses or is withdrawn, each Relevant Shareholder will not and shall procure that any registered holder of the Undertaking Shares will not, without the prior written consent of the Offeror sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or creation or grant of any other encumbrance or option of or over all or any of the Undertaking Shares (save for the BOS Shares⁽¹⁾ and CS Shares⁽²⁾ in respect of Dr Tan Kim Yong) or interest in any Undertaking Shares (save for the BOS Shares and CS Shares in respect of Dr Tan Kim Yong) except to the Offeror pursuant to the Exit Offer from the date of each Irrevocable Undertaking and ending on the closing date of the Exit Offer (as may be extended from time to time by or on behalf of the Offeror);
- 4.2.2 in respect of Dr Tan Kim Yong's Irrevocable Undertaking, unless and until the Exit Offer lapses or is withdrawn, Dr Tan Kim Yong will not and shall procure that any registered holder of the BOS Shares and the CS Shares will not, without the prior written consent of the Offeror sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or creation or grant of any other encumbrance or option of or over all or any of the BOS Shares and the CS Shares or interest in any of the BOS Shares and the CS Shares except to the Offeror pursuant to the Exit Offer from the date of release of the security interests granted over the BOS Shares and the CS Shares and ending on the closing date of the Exit Offer (as may be extended from time to time by or on behalf of the Offeror);
- 4.2.3 each Relevant Shareholder will accept and/or procure the acceptance of the Exit Offer in respect of all the Undertaking Shares and shall tender and/or procure that the registered holders of the Undertaking Shares shall tender the acceptances no later than 3.00 p.m. on the third business day after the despatch of the Exit Offer Letter, or such other time (no later than the close of the Exit Offer) as may be agreed between the Offeror and each Relevant Shareholder, in accordance with the procedures to be prescribed in the Exit Offer Letter and the relevant accompanying form(s) of acceptance and letter of acceptances;
- 4.2.4 each Relevant Shareholder shall waive receipt of payment of the consideration by the Offeror in respect of all the Undertaking Shares tendered in acceptance of the Exit Offer; and
- 4.2.5 each Relevant Shareholder shall exercise, or procure the exercise of all votes attaching to the Undertaking Shares in favour of any such resolution approving the Delisting.

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Notes:

- (1) As disclosed in the Joint Announcement, “**BOS Shares**” means Dr Tan Kim Yong’s 15,495,000 Shares in the Company which were charged to the Bank of Singapore Limited as security for his private banking account. Notwithstanding the charge over the BOS Shares, the Bank of Singapore Limited has confirmed that the BOS Shares are freely transferrable. For the avoidance of doubt, notwithstanding the charge over the BOS Shares, Dr Tan Kim Yong is free to transfer the BOS Shares to the Offeror pursuant to his acceptance of the Exit Offer in fulfilment of his Irrevocable Undertaking.
- (2) As disclosed in the Joint Announcement, “**CS Shares**” means Dr Tan Kim Yong’s 80,000,000 Shares in the Company which were previously charged to Credit Suisse AG as security for a property loan. As at the Latest Practicable Date, the security interests granted over the CS Shares have been duly released.

4.3 The Irrevocable Undertakings shall lapse and shall cease to have any effect upon the following:

- (i) the Delisting Resolution is not approved at the EGM; and
- (ii) the Exit Offer is withdrawn or lapses.

4.4 As stated in the Exit Offer Letter, save as set out above, none of the Offeror or any party acting in concert with it has received any irrevocable undertaking from any party to:

- (i) vote for or against the Delisting Resolution; and/or
- (ii) accept or reject the Exit Offer.

5. IMPLICATIONS OF COMPULSORY ACQUISITION AND DELISTING FOR SHAREHOLDERS

5.1 DELISTING

Shareholders should note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of marketability. **Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit. If the Company is delisted, even if such Shareholders were able to sell their Shares, they may receive a lower price as compared to the Exit Offer Price.** Further, any transfer or sale of Shares represented by share certificates will be subject to stamp duty.

Shareholders should also note that, under the Code, except with the consent of the SIC, neither the Offeror nor any person acting in concert with it may, within six (6) months of the closure of the Exit Offer, make a second offer to, or acquire any Shares from, any Shareholder on terms better than those made available under the Exit Offer.

As an unlisted company, the Company will no longer be obliged to comply with the listing requirements of the SGX-ST, in particular the continuing corporate disclosure requirements under Chapter 7 and Appendices 7.1, 7.2, 7.4.1 and 7.4.2 of the Listing Manual. Nonetheless, as a company incorporated in Singapore, the Company will still need to comply with the Companies Act and its Constitution, and the interests of Shareholders who do not accept the Exit Offer will be protected to the extent provided for by the Companies Act.

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If the Company is delisted from the Official List of the SGX-ST, each Shareholder who holds Shares that are deposited with CDP and does not accept the Exit Offer will be entitled to one (1) share certificate representing his delisted Shares. The Company's share registrar, B.A.C.S. Private Limited, will arrange to forward the share certificates to such Shareholders who are not CPFIS Investors or SRS Investors, by ordinary post and at the Shareholders' own risk, to their respective addresses as such addresses appear in the records of CDP for their physical safekeeping. The share certificates belonging to CPFIS Investors and SRS Investors will be forwarded to their respective CPF/SRS Agent Banks for their safekeeping.

Shareholders should note that the Company intends to proceed with the Delisting upon satisfaction of the Delisting Proposal Conditions set out in paragraph 3.4(a) of this Circular.

Shareholders who are in doubt of their position should seek independent professional advice.

5.2 COMPULSORY ACQUISITION

As stated in the Exit Offer Letter, if the Offeror receives valid acceptances pursuant to the Exit Offer in respect of not less than 90% of the total Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Exit Offer and excluding any treasury shares), the Offeror will be entitled to exercise its right in accordance with Section 215(1) of the Companies Act to compulsorily acquire, at the Exit Offer Price, all the Shares of Shareholders who have not accepted the Exit Offer. In addition, in accordance with Section 215(11) of the Companies Act, any Shares which the Offeror acquires or contracts to acquire, other than through valid acceptances of the Exit Offer, for a consideration that does not exceed that under the Exit Offer, shall be deemed to be acquired by virtue of valid acceptances of the Exit Offer.

As none of the Relevant Shareholders is a related corporation or nominee of the Offeror under the Companies Act, the 116,251,679 Shares (representing approximately 88.24% of the total issued Shares of the Company) to be tendered by the Relevant Shareholders in acceptance of the Exit Offer pursuant to their Irrevocable Undertakings will be included and counted towards the 90% threshold for compulsory acquisition under Section 215(1) of the Companies Act.

The Offeror intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company. Accordingly, the Offeror, when entitled, intends to exercise its rights to compulsorily acquire all the Shares from Shareholders who have not accepted the Exit Offer on the same terms as those offered under the Exit Offer.

If the Offeror acquires such number of Shares which, together with Shares held by it, its related corporations and their respective nominees, comprise 90% or more of the total Shares (excluding treasury shares), Shareholders who have not accepted the Exit Offer have a right to require the Offeror to acquire their Shares on the same terms as those offered under the Exit Offer in accordance with Section 215(3) of the Companies Act.

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Shareholders who have not accepted the Exit Offer and who wish to exercise such right are advised to seek their own independent advice if in doubt.

Please refer to paragraph 6 of the Exit Offer Letter for details on, *inter alia*, the rights of the Offeror and Shareholders under Section 215 of the Companies Act.

6. INFORMATION ON THE OFFEROR AND THE PARTIES ACTING IN CONCERT WITH IT

6.1 As at the Latest Practicable Date,

- (a) Dr Tan Kim Yong, an Offeror Director, directly or indirectly holds and/or controls in aggregate 106,747,905 Shares, representing approximately 81.03% of the total issued Shares (excluding treasury shares). In addition, Dr Tan Kim Yong is the Group Chairman and Chief Executive Officer and a Substantial Shareholder (as defined under the Companies Act) of the Company;
- (b) Mr Tan Gim Seng, an Offeror Director, directly or indirectly holds and/or controls in aggregate 4,334,974 Shares, representing approximately 3.29% of the total issued Shares (excluding treasury shares). In addition, Mr Tan Gim Seng is an Executive Director of the Company;
- (c) the shareholding structure in the Offeror is as follows:

Relevant Shareholders	Number of Shares held	Shareholding Percentage (%)
Tan Kim Yong	9,278	92.78%
Tan Gim Seng	329	3.29%
Tan Kim Wah	229	2.29%
Chng Sock Cheng	164	1.64%
Total	10,000	100%

- (d) the Offeror has an issued share capital of S\$10,000 comprising 10,000 fully paid-up ordinary shares;
- (e) the Offeror does not hold any Shares; and
- (f) the Relevant Shareholders directly or indirectly hold and/or control in aggregate 116,251,679 Shares, representing approximately 88.24% of the total issued Shares (excluding treasury shares).

6.2 Please refer to Appendix 2 to the Exit Offer Letter for further information and disclosures on the Offeror as well as the other parties acting in concert with the Offeror.

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7. INFORMATION ON THE COMPANY AND THE GROUP

- 7.1 The Company was incorporated in Singapore on 29 April 2004 and was listed on the Main Board of the SGX-ST on 26 May 2005. The Group is an electronics manufacturing services provider, with more than 21 years of experience specialising in medium to high-end performance-critical applications. The Group provides services to original equipment manufacturers/multinational corporations in the aerospace-avionics, medical/life and analytical science, metal and automotives industries. The Group has also diversified into property investment and development and minimart business.

Additional information on the Company and the Group is set out in Appendix II to this Circular.

7.2 **Asset Valuations**

In the course of obtaining refinancing for the Group's properties and in connection with the Exit Offer, the Group had commissioned independent valuations conducted by the Independent Valuers on certain of the Group's material non-current assets, comprising investment properties and land and buildings of the Group (the "**Revalued Assets**"), which will be relevant in calculating the revalued net tangible assets (the "**Revalued NTA**") and the revalued net asset value (the "**Revalued NAV**") of the Group. The Directors are satisfied with the selection of the Revalued Assets in respect of assets requiring revaluation, taking into account the materiality of these balance sheet items to the overall transaction in the context of the Exit Offer.

Please see further details on the Group's Revalued Assets under (i) the caption "Valuation Reports on Revalued Assets" in paragraph 10 of Appendix II (Additional information on the Company and the Group) to this Circular and (ii) valuation certificates/extracts of the Valuation Reports set out in Appendix IV to this Circular.

Please see further details on the Group's Revalued NAV and Revalued NTA under paragraph 9.3.3 (*RNAV and RNTA*) of the letter from Stirling Coleman to the Independent Directors set out in Appendix I to this Circular.

The potential tax liabilities that may be incurred by the Group on the hypothetical disposal of the Revalued Assets at the amount of valuation stated in the Valuation Reports on an "as is" basis is approximately S\$60,000. The aforesaid tax liabilities will not crystallise if the Group does not dispose of its interests in the Revalued Assets. As at the Latest Practicable Date, other than in the ordinary course of business, the Group does not have any impending plans for any disposal of the Revalued Assets.

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8. RATIONALE FOR THE DELISTING, THE OFFEROR'S INTENTIONS RELATING TO THE COMPANY AND THE GROUP AND EVALUATION OF THE EXIT OFFER PRICE

8.1 The following section on the rationale for the Exit Offer and the Offeror's intentions relating to the Company and the Group is reproduced from paragraph 8 of the Exit Offer Letter, and all terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated:

"8. RATIONALE FOR DELISTING PROPOSAL AND THE OFFEROR'S INTENTIONS

8.1 **Opportunity to Realise Investments with an Upfront Premium.** The Exit Offer Price represents a premium above the historical market prices of the Shares in respect of:

Period prior to the Joint Announcement Date	Share Price (S\$)⁽¹⁾	Premium above Share Price⁽²⁾ (%)
Last transacted price on the SGX-ST as of 16 November 2016, being the last trading day on which the Shares were traded prior to the Joint Announcement Date (the "Last Trading Day")	0.171	22.8
Volume weighted average price ("VWAP") ⁽³⁾ for the one-month period prior to and including the Last Trading Day	0.174	20.7
VWAP ⁽³⁾ for the three-month period prior to and including the Last Trading Day	0.174	20.7
VWAP ⁽³⁾ for the six-month period prior to and including the Last Trading Day	0.179	17.3
VWAP ⁽³⁾ for the 12-month period prior to and including the Last Trading Day	0.198	6.1

Notes:

- (1) Source: Bloomberg L.P.
- (2) Computed based on the share prices which are rounded to the nearest 3 decimal places.
- (3) The VWAP is calculated based on the daily VWAP turnover divided by VWAP volume as extracted from Bloomberg L.P. Off market transactions are excluded from the calculation.

Through the Delisting Proposal, the accepting Shareholders will have an opportunity to realise their investments in the Company, without incurring brokerage and other trading costs, for a cash consideration at a premium above the last transacted price of the Offer Shares as of the Last Trading Day and the volume weighted average price of the Shares (in respect of the relevant periods set out above), an option which may not otherwise be readily available due to the low trading liquidity of the Shares.

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8.2 **Low Trading Liquidity.** The trading volume of the Shares has been low, with an average daily trading volume¹ of approximately 4,209 Shares, 4,850 Shares, 5,346 Shares and 3,889 Shares during the one-month period, three-month period, six-month period and 12-month period respectively up to the Last Trading Day. This represents only approximately 0.003%, 0.004%, 0.004% and 0.003% of the total number of issued Shares (excluding any Shares held in treasury) respectively.

The Exit Offer will provide an exit option for Shareholders who wish to realise their entire investment in the Shares but find it difficult to do so as a result of the low trading liquidity of the Shares.

Note:

(1) The average daily trading volume is computed based on the total trading volume of the Shares on the SGX-ST for the relevant periods immediately prior to and including the Last Trading Day and divided by the total number of days on which the SGX-ST is open for trading during the relevant periods, as extracted from Bloomberg L.P.

8.3 **Compliance Costs of Maintaining Listing.** In maintaining the Company's listing status, the Company incurs additional compliance and associated costs. The Company will be able to gain cost savings as a non-listed entity by dispensing with costs associated with complying with the SGX-ST listing requirements and other regulatory requirements as well as human resources that have to be committed for such compliance. The Delisting, if approved, will eliminate the costs of compliance with the SGX-ST listing rules and regulations, thereby allowing the Company to focus its resources on its business operations.

8.4 **No Need for Access to Capital Markets.** In the last eight years, the Company has not raised cash funding from the Singapore capital markets. The Company is unlikely to require access to the Singapore capital markets to finance its operations in the foreseeable future. Accordingly, it is not necessary for the Company to maintain a listing on the SGX-ST.

8.5 **Offeror's Intention.** The Offeror has no current intention of (a) making material changes to the Company's existing business, (b) re-deploying the Company's fixed assets, or (c) discontinuing the employment of the employees of the Company and its subsidiaries, other than in the ordinary course of business. Nonetheless, the Offeror retains the flexibility at any time to consider options or opportunities which may present themselves, and which it regards to be in the interests of the Offeror and/or the Company. Following the close of the Exit Offer, the Offeror will conduct a comprehensive review of the operations, management and financial position of the Company and its subsidiaries, and will evaluate various strategic options following the privatisation of the Company.

8.6 **Closing price of the Shares.** The last closing prices of the Shares on the SGX-ST on/as at:

(a) the Latest Practicable Date is S\$0.182;

(b) 16 November 2016, being the Last Trading Day is S\$0.171; and

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- (c) the end of each of the six calendar months prior to the Joint Announcement Date are as follows:

Month	Closing Price (\$)
May 2016	0.265
June 2016	0.230
July 2016	0.190
August 2016	0.189
September 2016	0.171
October 2016	0.175

Source: Bloomberg L.P.

- 8.7 **Highest and Lowest Closing Prices of the Shares.** During the period commencing six months preceding the Joint Announcement Date and ending on the Latest Practicable Date (both dates inclusive) the highest and lowest closing prices of the Shares traded on the SGX-ST are as follows:

	Price (\$)	Date(s)
Highest closing price	0.230	6 June and 12 July 2016
Lowest closing price	0.160	18 August 2016

Source: Bloomberg L.P.

- 8.2 The Directors note that the Offeror has stated its intentions in relation to the operations and businesses of the Company as well as the employees of the Group in paragraph 8.5 of the Exit Offer Letter.

SHAREHOLDERS ARE URGED TO READ PARAGRAPH 8 OF THE EXIT OFFER LETTER CAREFULLY.

8.3 Evaluation of the Exit Offer Price based on Historical Market Prices

A comparison of the Exit Offer Price against the historical market prices of the Shares is set out in paragraph 8 of the Exit Offer Letter and reproduced in paragraph 8.1 of this Circular.

8.4 Evaluation of the Exit Offer Price based on NAV and NTA

For illustrative purposes only,

- (a) based on the Group's unaudited NAV of approximately US\$27,726,000 as at 30 September 2016, the Exit Offer Price to NAV per Share and the discount of the Exit Offer Price to NAV per Share as at 30 September 2016 were 0.7x and 26.6% respectively; and
- (b) based on the Group's unaudited NTA of approximately US\$22,806,000 as at 30 September 2016, the Exit Offer Price to NTA per Share and the discount of the Exit Offer Price to NTA per Share of the Group as at 30 September 2016 were 0.9x and 11.0% respectively.

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The NAV and NTA of the Group based on the unaudited consolidated financial statements of the Group as at 30 September 2016 had not taken into account of the gain on disposal of a property⁽¹⁾ situated at Lot PT No. 1353, held under H.S. (D) 16501, Seksyen 1, Bandar Tanjong Pinang, Daerah Timor Laut, Negeri Pulau Pinang (the “**Pinang Property**”), which was announced by the Company on 20 October 2016.

Taking into account the disposal of the Pinang Property, the adjusted unaudited consolidated NAV and NTA of the Group as at 30 September 2016 (“**Adjusted NAV**” and “**Adjusted NTA**”, respectively) are approximately US\$28,373,000 and US\$23,453,000 respectively. The details of these adjustments made to the unaudited consolidated balance sheet of the Group as at 30 September 2016 are shown in paragraph 5.3 of Appendix II of the Circular. For illustrative purposes only,

- (a) the Exit Offer Price to Adjusted NAV per Share and the discount of the Exit Offer Price to Adjusted NAV per Share of the Group as at 30 September 2016 were 0.7x and 28.4% respectively; and
- (b) the Exit Offer Price to Adjusted NTA per Share and the discount of the Exit Offer Price to Adjusted NTA per Share of the Group as at 30 September 2016 were 0.9x and 13.6% respectively.

In addition, taking into account the Revalued Assets set out in paragraph 7.2 of this Circular, adjustments were made for each of the revaluation amount based on the Adjusted NAV and Adjusted NTA of the Group as at 30 September 2016. The details of these adjustments are shown in paragraph 9.3.3 (*RNAV and RNTA*) of the letter from Stirling Coleman to the Independent Directors set out in Appendix I to this Circular. For illustrative purposes only,

- (a) the Exit Offer Price to Revalued NAV per Share and the discount of the Exit Offer Price to Revalued NAV per Share as at 30 September 2016 were 0.6x and 40.0% respectively; and
- (b) the Exit Offer Price to Revalued NTA per Share and the discount of the Exit Offer Price to Revalued NTA per Share as at 30 September 2016 were 0.7x and 30.0% respectively.

Please see further discussion on the evaluation of the Exit Offer Price based on the Group’s NAV and NTA under paragraph 9.3 (*The Group’s NAV, NTA, Adjusted NTA and RNTA*) of the letter from Stirling Coleman to the Independent Directors set out in Appendix I to this Circular.

Note:

- (1) The consideration received from the disposal of the Pinang Property of RM11,000,000, represents an excess of RM3,382,100 over the net book value of the Pinang Property and the amount of gain from the disposal is approximately RM2,677,070 after taking into account the associated costs of the disposal.

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9. OVERSEAS SHAREHOLDERS

- 9.1 This Circular does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Circular in any jurisdiction in contravention of applicable laws. The Exit Offer will be made solely by the Exit Offer Letter and the relevant Acceptance Forms, which will contain the full terms and conditions of the Exit Offer, including details of how the Exit Offer may be accepted.
- 9.2 The release, publication or distribution of this Circular in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Circular is released, published or distributed should inform themselves about and observe such restrictions.
- 9.3 Please refer to paragraph 11 of the Exit Offer Letter for the points to be noted by Overseas Shareholders in relation to the Exit Offer.

10. INFORMATION IN RESPECT OF THE DIRECTORS

10.1 INDEPENDENCE OF DIRECTORS

The Independent Directors are independent for the purposes of the Exit Offer and are required to make a recommendation to Shareholders in respect of the Exit Offer. The SIC has ruled on 25 October 2016 that the Relevant Directors will be exempted from the requirement of making a recommendation to Shareholders on the Exit Offer as they face irreconcilable conflicts of interests in relation to the Exit Offer for the following reasons:

- (a) Dr Tan Kim Yong and Mr Tan Gim Seng are shareholders and directors of the Offeror; and
- (b) Dr Tan Kim Yong and Mr Tan Gim Seng have given the Irrevocable Undertakings to accept and/or procure the acceptance of the Exit Offer as described in paragraph 4 of this Circular.

All the Directors (including, for the avoidance of doubt, the Relevant Directors) are responsible for the accuracy of facts stated and completeness of the information given by the Company to the Shareholders in connection with the Exit Offer, including information contained in announcements and documents issued by or on behalf of the Company in connection with the Exit Offer.

10.2 DIRECTORS' INTERESTS

As at the Latest Practicable Date, none of the Directors has any direct or deemed interests in any Convertible Securities, Warrants, Options or Derivatives in respect of any Shares.

The Directors' direct and deemed interests in the Shares are disclosed in paragraph 11 of this Circular.

Further details of the Directors including, *inter alia*, the Directors' direct and deemed interests in shares in the Offeror as at the Latest Practicable Date are set out in Appendix II to this Circular.

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10.3 INTENTION OF THE DIRECTORS IN RESPECT OF THEIR SHARES

- (a) As stated in paragraph 4 of this Circular entitled “Irrevocable Undertakings”, Dr Tan Kim Yong and Mr Tan Gim Seng, both of whom are Directors, have (amongst others) provided Irrevocable Undertakings to the Offeror to, *inter alia*, (i) vote in favour of the Delisting Resolution at the EGM, and (ii) accept the Exit Offer in respect of all the Shares held by them.
- (b) Mr Lim Yeow Hua has informed the Company that he intends to: (i) vote in favour of the Delisting Resolution at the EGM, and (ii) accept the Exit Offer in respect of all the Shares held by him.
- (c) Mr Lee Teck Leng does not own any direct or deemed interests in the Shares.

The Directors hold and/or control in aggregate 111,122,879 Shares representing approximately 84.35% of the total issued Shares as at the Latest Practicable Date and have confirmed that they will (i) vote in favour of the Delisting Resolution at the EGM and (ii) accept the Exit Offer in respect of their Shares.

11. DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTERESTS

11.1 The interests of the Directors in the Shares as at the Latest Practicable Date are set out below:

Director	Direct Interest	Number of Shares		
		% ⁽¹⁾	Deemed Interest	% ⁽²⁾
Dr Tan Kim Yong	9,402,905	7.14	97,345,000 ⁽²⁾	73.89
Mr Tan Gim Seng	4,334,974	3.29	–	–
Mr Lim Yeow Hua	40,000	0.03	–	–
Mr Lee Teck Leng	–	–	–	–

Notes:

- (1) Percentages are based on the issued capital of the Company of 131,797,951 Shares less treasury shares of 57,477 as at the Latest Practicable Date.
- (2) Dr Tan Kim Yong’s deemed interest comprise 1,850,000 Shares held by his wife, Mdm Teo Siew Ling and 95,495,000 Shares held in the name of nominees.

11.2 The interests of the substantial Shareholder(s) in the Shares as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are set out below:

Substantial Shareholder	Direct Interest	Number of Shares		
		% ⁽¹⁾	Deemed Interest	% ⁽²⁾
Dr Tan Kim Yong	9,402,905	7.14	97,345,000 ⁽²⁾	73.89

Notes:

- (1) Percentages are based on the issued capital of the Company of 131,797,951 Shares less treasury shares of 57,477 as at the Latest Practicable Date.
- (2) Dr Tan Kim Yong’s deemed interest comprise 1,850,000 Shares held by his wife, Mdm Teo Siew Ling and 95,495,000 Shares held in the name of nominees.

LETTER TO SHAREHOLDERS

12. ADVICE OF STIRLING COLEMAN TO THE INDEPENDENT DIRECTORS

Stirling Coleman has been appointed as the independent financial adviser to the Independent Directors in relation to the Exit Offer. The letter from Stirling Coleman setting out its advice to the Independent Directors is set out in Appendix I to this Circular. Shareholders are advised to read and consider carefully, in its entirety, the advice of Stirling Coleman contained in the letter from Stirling Coleman to the Independent Directors. An extract of Stirling Coleman's advice in relation to the Exit Offer is reproduced in italics below:

“RECOMMENDATION AND CONCLUSION

Having carefully considered the information available to us, and the analysis set out in this letter, and based upon the industry, market, economic and other relevant considerations as at the Latest Practicable Date, and subject to the qualifications and assumptions made herein, we are of the opinion that the financial terms of the Exit Offer are fair and reasonable and not prejudicial to the interests of the Independent Shareholders.

Shareholders should note that the Exit Offer is conditional upon the Delisting Proposal Conditions. If any of the conditions to the Exit Offer is not satisfied, the Exit Offer will lapse, the Delisting will not proceed and the Company will remain listed on the Official List of the SGX-ST.

Accordingly, we advise the Independent Directors to recommend that Shareholders should vote in favour of the Delisting Resolution. In the event that the Delisting Resolution is passed, the Independent Directors should recommend that Shareholders to either ACCEPT the Exit Offer or sell their Shares on the open market if they can obtain a price equal to or higher than the Exit Offer Price (after deducting expenses) in the event that the Delisting Resolution is passed and they do not intend or are not prepared to hold unlisted Shares. Shareholders should note that there is no assurance that the market prices and trading volumes of the Shares will be maintained at current levels prevailing as at the Latest Practicable Date after the close of the Exit Offer.

In rendering the above advice, we have not had regard to the specific investment objectives, financial situation, tax position or particular needs and constraints of any individual Shareholder. As each Shareholder would have different investment objectives and profiles, we would advise that any individual Shareholder who may require specific advice in relation to his investment objectives or portfolio should consult his broker, bank manager, solicitor, accountant, tax adviser or other professional advisers immediately.

Shareholders should note that the trading of the Shares are subject to, inter alia, the performance and prospects of the Group, prevailing market conditions, economic outlook and stock market conditions and sentiments. Accordingly, the advice of Stirling Coleman on the Exit Offer does not and cannot take into account future trading activities or patterns or price levels that may be established for the Shares after the Latest Practicable Date since these are governed by factors beyond the ambit of Stirling Coleman's review and also, such advice, if given, would not fall within Stirling Coleman's terms of reference in connection with the Exit Offer.

LETTER TO SHAREHOLDERS

This Letter (for inclusion in the Circular) is addressed to the Independent Directors for their benefit, in connection with and for the purpose of their consideration of the Exit Offer and for compliance by the Company with Rule 1309 of the Listing Manual. The recommendation made by the Independent Directors to the Shareholders remains the responsibility of the Independent Directors.

This Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.”

13. INDEPENDENT DIRECTORS’ RECOMMENDATION

Shareholders are advised by the Independent Directors to read and consider carefully the following recommendation of the Independent Directors and the advice of Stirling Coleman contained in the letter from Stirling Coleman to the Independent Directors as reproduced in Appendix I to this Circular in its entirety. The Independent Directors advise the Shareholders to review paragraph 8 of the Exit Offer Letter entitled “Rationale for Delisting Proposal and the Offeror’s Intentions” carefully. The Independent Directors also draw the attention of the Shareholders to paragraph 5 of this Circular to the Shareholders entitled “Implications of Compulsory Acquisition and Delisting for Shareholders”.

In reaching the recommendation set out below, the Independent Directors have considered carefully, amongst other things, the terms of the Delisting Proposal including the Exit Offer and the advice given by Stirling Coleman.

Having taken the above matters into consideration, the Independent Directors concur with the advice of Stirling Coleman in respect of the Exit Offer.

Accordingly, the Independent Directors recommend that Shareholders should vote in favour of the Delisting Resolution. In the event that the Delisting Resolution is passed, the Independent Directors recommend that Shareholders should either ACCEPT the Exit Offer or sell their Shares on the open market if they can obtain a price equal to or higher than the Exit Offer Price (after deducting expenses) in the event that the Delisting Resolution is passed and they do not intend or are not prepared to hold unlisted Shares. Shareholders should note that there is no assurance that the market prices and trading volumes of the Shares will be maintained at current levels prevailing as at the Latest Practicable Date after the close of the Exit Offer.

Shareholders should note that they should not rely on the advice of Stirling Coleman as the sole basis for deciding whether or not to accept the Exit Offer.

In rendering the above advice and giving the above recommendations, the Independent Directors have not taken into consideration nor had regard to the general or specific investment objectives, financial situation, risk profiles, tax position and/or particular or unique needs and constraints of any individual Shareholder. As different Shareholders have different investment profiles and objectives, the Independent Directors recommend that any Shareholder who may require specific advice in relation to the Exit Offer consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

LETTER TO SHAREHOLDERS

14. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 155 of this Circular, will be held on 2 May 2017 at 10 a.m. at Sentosa Golf Club, Serapong Room 1 and 2, Level 1, 27 Bukit Manis Road, Singapore 099892 for the purpose of considering and, if thought fit, passing, with or without modifications the Delisting Resolution set out therein.

15. ACTION TO BE TAKEN BY SHAREHOLDERS

15.1 VOTING AT THE EGM

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf shall complete and sign the attached proxy form in accordance with the instructions printed thereon and return it to the Company's registered office at 23 Ubi Crescent, Singapore 408579 not less than 48 hours before the time fixed for the holding of the EGM. The completion and return of the proxy form by a Shareholder will not preclude him from attending the EGM and voting in person in place of his proxy should he subsequently wish to do so.

A Depositor shall not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register maintained by the CDP at least 72 hours before the EGM.

15.2 ACCEPTANCE OF THE EXIT OFFER

The Exit Offer Letter and the Acceptance Forms have been despatched together with this Circular.

As stated in the Exit Offer Letter, if you hold Offer Shares that are deposited with CDP, you should receive a FAA for Offer Shares together with this Exit Offer Letter. If you have not received the FAA and the Exit Offer Letter, you may obtain a copy of the FAA for Offer Shares and the Exit Offer Letter from the Offeror c/o CDP, at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, upon production of satisfactory evidence that you are a Shareholder.

If you hold Offer Shares that are represented by share certificate(s) and are not deposited with CDP, you should receive a FAT together with this Exit Offer Letter. If you have not received a FAT and the Exit Offer Letter, you may obtain a copy of the FAT and the Exit Offer Letter from the Offeror c/o B.A.C.S. Private Limited, 8 Robinson Road #03-00 ASO Building, Singapore 048544, upon production of satisfactory evidence that you are a Shareholder.

The Exit Offer may only be accepted by the relevant Shareholder to whom the Exit Offer Letter is addressed. If you wish to accept the Exit Offer, you should complete, sign and return the relevant Acceptance Form in accordance with the provisions and instructions in the Exit Offer Letter and that Acceptance Form.

Shareholders may choose to accept the Exit Offer before the EGM. However, the Exit Offer remains conditional upon the Delisting Proposal Conditions being satisfied.

LETTER TO SHAREHOLDERS

In the event that the Delisting Proposal Conditions are not satisfied, the Exit Offer will lapse and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder. Those Offer Shares in respect of which acceptances have been received shall be returned to the relevant Shareholders in accordance with the procedures set out in the Exit Offer Letter and the Acceptance Forms.

If you decide to accept the Exit Offer, you should complete, sign and return the relevant Acceptance Form in accordance with the provisions and instructions in the Exit Offer Letter and the relevant Acceptance Form. If you hold the share certificate(s) of the Offer Shares beneficially owned by you and wish to accept the Exit Offer in respect of such Offer Shares, you should not deposit the share certificate(s) with CDP during the period commencing on the date of the Exit Offer Letter and ending on the Closing Date (both dates inclusive) as your Securities Account may not be credited with the relevant number of Offer Shares in time for you to accept the relevant Exit Offer.

If you decide not to accept the Exit Offer, you do not have to take any action. In the event that the Delisting Proposal Conditions are satisfied and the Company is delisted, you will continue to hold unlisted Shares in the Company as an unlisted company. If you hold Shares that are deposited with CDP, a share certificate in respect of your Shares that are deposited with CDP will be sent, by ordinary post and at your own risk, to your address as it appears in the records of CDP, after the Company has been delisted from the Official List of the SGX-ST.

The detailed procedures for acceptance and additional information on settlement of the Exit Offer are set out in Appendix 1 entitled “Procedures for Acceptance and Other Details of the Exit Offer” to the Exit Offer Letter for your information.

15.3 INFORMATION PERTAINING TO CPFIS/SRS INVESTORS

Information on the Exit Offer pertaining to CPFIS/SRS Investors is set out in paragraph 10 of the Exit Offer Letter entitled “Information Relating to CPFIS/SRS Investors”.

16. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors (including the Relevant Directors and any Director who may 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 after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Delisting, the Company and its subsidiaries (other than those relating to the Offeror, the parties acting in concert with it, the Exit Offer, the recommendation of the Independent Directors and Appendices I and IV to this Circular), and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

The Directors (including the Relevant Directors and any Director who may have delegated detailed supervision of this Circular):

- (a) jointly and severally accept full responsibility for the accuracy of information contained in this Circular (other than those relating to the Offeror, the parties acting in concert with it, the Exit Offer, the recommendation of the Independent Directors and Appendices I and IV to this Circular);

LETTER TO SHAREHOLDERS

- (b) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Circular (other than those relating to the Offeror, the parties acting in concert with it, the Exit Offer, the recommendation of the Independent Directors and Appendices I and IV to this Circular) are fair and accurate and, where appropriate, no material facts have been omitted; and
- (c) confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Circular (other than those relating to the Offeror, the parties acting in concert with it, the Exit Offer, the recommendation of the Independent Directors and Appendices I and IV to this Circular) have been arrived at after due and careful consideration and there are no other facts not contained in this Circular, the omission of which would make any statement in this Circular misleading.

In respect of the letter from Stirling Coleman to the Independent Directors (set out in Appendix I to this Circular) and the valuation certificates/extracts of the Valuation Reports (set out in Appendix IV to this Circular), the responsibility of the Directors has been to ensure that the facts stated therein with respect to the Group are, to the best of their knowledge and belief, fair and accurate in all material respects.

The recommendation of the Independent Directors to Shareholders set out in paragraph 13 of this Circular entitled “Independent Directors’ Recommendation” is the sole and full responsibility of the Independent Directors.

Where any information in this Circular (including the information contained in Appendices I and IV to this Circular) has been extracted from published or otherwise publicly available sources or obtained from a named source (including the Offeror or the parties acting in concert with it), the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

17. CONSENTS

- 17.1 The independent financial adviser, Stirling Coleman, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, its advice to the Independent Directors set out in paragraph 12 of this Circular, the “Letter from Stirling Coleman Capital to the Independent Directors of Advanced Integrated Manufacturing Corp. Ltd.” set out in Appendix I to this Circular and all references thereto in the form and context in which they appear in this Circular.
- 17.2 The Company’s share registrar, B.A.C.S. Private Limited, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, and all references thereto in the form and context in which they appear in this Circular.
- 17.3 The Independent Valuers have given and have not withdrawn their written consent to the issue of this Circular with the inclusion of their names in this Circular, the copies of the valuation certificates/extracts of the Valuation Reports set out in Appendix IV to this Circular and all references thereto in the form and context in which they appear in this Circular.

LETTER TO SHAREHOLDERS

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 23 Ubi Crescent, Singapore 408579 during normal business hours from the date of this Circular up to and including the time and date of the EGM:

- (a) the Annual Report of the Company for FY2013, FY2014 and FY2015;
- (b) the Constitution of the Company;
- (c) the unaudited consolidated financial statements of the Group for the financial period ended 30 September 2016;
- (d) Exit Offer Letter from the Offeror to the Company dated 7 April 2017 in respect of the Delisting Proposal;
- (e) letter from Stirling Coleman to the Independent Directors set out in Appendix I to this Circular;
- (f) letters of consent referred to in paragraph 17 of this Circular above;
- (g) the Joint Announcement; and
- (h) the Valuation Reports.

19. ADDITIONAL INFORMATION

Your attention is drawn to the Appendices which form part of this Circular.

Yours faithfully
For and on behalf of the Board of Directors of
Advanced Integrated Manufacturing Corp. Ltd.

Mr Lim Yeow Hua
Independent Director

APPENDIX I

LETTER FROM IFA TO THE INDEPENDENT DIRECTORS OF
ADVANCED INTEGRATED MANUFACTURING CORP. LTD.

STIRLING COLEMAN CAPITAL LIMITED

(Company registration no. 200105040N)
4 Shenton Way #07-03
SGX Centre 2
Singapore 068807

7 April 2017

To: The Independent Directors of Advanced Integrated Manufacturing Corp. Ltd.
(Deemed to be independent in respect of the Exit Offer), namely
Mr Lim Yeow Hua, and
Mr Lee Teck Leng

Dear Sir

PROPOSED VOLUNTARY DELISTING OF ADVANCED INTEGRATED MANUFACTURING CORP. LTD. (“COMPANY”) FROM THE OFFICIAL LIST OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (SGX-ST) AND EXIT OFFER (AS DEFINED HEREIN) BY HAO CORP PTE. LTD. (“OFFEROR”) PURSUANT TO RULES 1307 AND 1309 OF THE SGX-ST LISTING MANUAL (AS DEFINED HEREIN) (“DELISTING”)

For the purpose of this letter, capitalised terms not otherwise defined shall have the meaning given to them in the circular dated 7 April 2017 to the Shareholders (as define herein) of Advanced Integrated Manufacturing Corp. Ltd. (the “Circular”).

1. INTRODUCTION

On 24 November 2016 (“**Joint Announcement Date**”), the Company and the Offeror jointly announced that the Offeror had presented to directors of the Company (including the Independent Directors) (“**Directors**”, or “**Board**”) a formal proposal to seek the voluntary delisting of the Company from the official list of the SGX-ST pursuant to Rules 1307 and 1309 of the SGX-ST Listing Manual. (“**Delisting Proposal**”)

Under the Delisting Proposal, Tata Capital Markets Pte Ltd (“**TCMPL**”), as the financial adviser to the Offeror, will make, for and on behalf of the Offeror, a cash offer to purchase all the ordinary shares in the capital of the Company (“**Shares**”) (excluding treasury shares), other than those Shares already owned, controlled or agreed to be acquired by the Offeror as at the date of the Exit Offer (“**Offer Shares**”) at S\$0.21 (“**Exit Offer Price**”) in cash for each Offer Share. A copy of the joint announcement by the Offeror and the Company on the Delisting Proposal and the Exit Offer (“**Joint Announcement**”) is available on the website of the SGX-ST at www.sgx.com.

The Directors have considered the Delisting Proposal and resolved to seek an application to the SGX-ST for the Delisting and convene an extraordinary general meeting (“**EGM**”) of the Company to seek the approval of Shareholders for the Delisting (“**Delisting Resolution**”).

This letter (“**Letter**”) sets out, *inter alia*, our views and evaluation of the Exit Offer and our opinion thereon. It will form part of the Circular providing, *inter alia*, our recommendation to the Independent Directors in respect of the Exit Offer.

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2. TERMS OF REFERENCE

Stirling Coleman has been appointed as the Independent Financial Advisor (“**IFA**”) to advise the Independent Directors in respect of the Exit Offer. Our opinion, by way of this Letter will be limited to the Exit Offer, as of the date of this opinion.

We were not involved in any aspect of the negotiations in relation to the Exit Offer (as defined in the Circular), nor were we involved in the deliberations leading up to the decision by the Board of Directors to enter into the Exit Offer. Our terms of reference do not require us to evaluate or comment on the legal and commercial risks and/or merits of the Exit Offer or the future prospects of the Company other than to form an opinion on whether the Exit Offer is fair and reasonable to all Shareholders of Company, other than the Relevant Shareholders (as defined in section 4.2 of this Letter) (“**Independent Shareholders**”). Such evaluation or comment, if any, remains the responsibility of the Board of Directors and the management of the Company (“**Management**”), although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion as set out in this Letter.

We were not requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Shares or the assets of the Company. It is not within our terms of reference to compare the relative merits of the Exit Offer vis-à-vis any alternative transactions previously considered by the Board of Directors or transactions that the Board of Directors may consider in the future, and such comparison and consideration shall remain as the responsibility of the Board of Directors. The Directors have confirmed that, as at the latest practicable date being 27 March 2017 (“**Latest Practicable Date**”), apart from the Exit Offer being made by the Offeror, no alternative offer or proposal has been received from any third party.

In arriving at our opinion, we have not relied upon any financial projections or forecasts in respect of the Company or the Group. Our terms of reference do not require us to express and we do not express any view on the future growth prospects, financial position and earnings potential of the Group after the completion of the Exit Offer. We therefore do not make any projection as to the future financial performance of the Group after the completion or expiry of the Exit Offer.

We have also relied upon the responsibility statement that the Circular has been reviewed and approved by the Directors (including those who may have delegated detailed supervision of the Circular) who have taken all reasonable care and have made all reasonable enquiries to ensure that, to the best of their knowledge and after due and careful consideration, the facts stated and the opinions expressed herein (other than those relating to the Offeror and those set out in the Letter) are fair and accurate and that no material facts have been omitted from the Circular which would make any statement in the Circular misleading, and they jointly and severally accept full responsibility accordingly. We have not independently verified such information but have made reasonable enquiries and exercised judgment on the reasonable use of information disclosed in the Circular and the Exit Offer Letter as we deemed necessary and have found no reason to doubt the accuracy or reliability of such information.

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Where any information in the Circular has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror or the parties acting in concert with it, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources or, as the case may be, and/or reproduced in the Circular in its proper form and context.

In rendering our services, we have not had regard to the specific investment objectives, financial situation, tax position, tax status, risk profiles or particular needs and constraints or circumstances of any individual Shareholder. As each Shareholder would have different investment objectives and profiles, we would advise you to recommend that any individual Shareholder who may require specific advice in the context of his specific investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

The Company has been separately advised by its own advisers in the preparation of the Circular. We have had no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this Letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this Letter). A copy of this Letter will be reproduced in the Circular.

Our recommendation in respect of the Exit Offer, as set out in APPENDIX I of the Circular, should be considered in the context of the entirety of this Letter, the Circular and the Exit Offer Letter.

3. THE DELISTING PROPOSAL

Under the terms of the Delisting Proposal, the Offeror is making the Exit Offer to acquire the Offer Shares. The Delisting Proposal and the Exit Offer are conditional on (a) the Delisting Resolution being passed at the EGM; and (b) the Minimum Acceptance Condition (as defined in section 4.4 of this Letter), (collectively, the “**Delisting Proposal Conditions**”) being satisfied. The Delisting Proposal Conditions, if satisfied, will result in the delisting of the Company from the Official List of the SGX-ST.

Save for the Delisting Proposal Conditions, the Delisting and Exit Offer will each be unconditional in all respects.

3.1 Rules 1307 and 1309 of the Listing Manual

Under Rule 1307 of the Listing Manual, the SGX-ST may agree to an application by the Company to delist from the official list of the SGX-ST if:

- (a) the Company convenes an EGM to obtain Shareholders' approval of the Delisting;
- (b) the Delisting Resolution is approved by a majority of at least 75% of the total number of issued Shares (excluding treasury Shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Directors and Controlling Shareholders are not required to abstain from voting on the Delisting Resolution); and

APPENDIX I

- (c) the Delisting Resolution has not been voted against by 10% or more of the total number of issued Shares (excluding treasury Shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM

(collectively, the “**Delisting Resolution Conditions**”).

In addition, Rule 1309 of the Listing Manual requires that if the Company is seeking to delist from the official list of the SGX-ST:

- (i) a reasonable exit alternative, which should normally be in cash, should be offered to the Shareholders; and
- (ii) the Company should normally appoint an independent financial adviser to advise on the Exit Offer.

3.2 Application to the Securities Industry Council (“SIC”)

As stated in the Exit Offer Letter (which was despatched concurrently with this Circular), an application was made by the Offeror to the SIC to seek clarification regarding the extent to which the provisions of the Singapore Code on Take-overs and Mergers (“**Code**”) apply to the Exit Offer. Please refer **Section 2.2** of the Circular for the rulings of the SIC.

3.3 Application to the SGX-ST

An application was made by the Company to the SGX-ST on 7 December 2016 to delist the Company from the official list of the SGX-ST. The SGX-ST has in its letter dated 30 March 2017 advised that it has no objection to the Delisting, subject to Shareholders’ approval in compliance with Rule 1307 of the Listing Manual. The SGX-ST’s decision is not to be taken as an indication of the merits of the Delisting.

4. THE EXIT OFFER

4.1 The Exit Offer

As stated in the Exit Offer Letter, TCMPL, as the financial adviser to the Offeror, will make, for and on behalf of the Offeror, a cash offer to acquire all the Offer Shares on the terms and subject to the conditions set out in the Exit Offer Letter (including the Acceptance Forms), and the Delisting Proposal Conditions being satisfied.

4.2 Information on the Offeror and the Consortium

As stated in paragraphs 7.1 and 7.4 of the Exit Offer Letter, the Offeror is an investment holding company incorporated in Singapore on 22 September 2016, whose directors are Dr Tan Kim Yong, Mr Tan Gim Seng and Mr Tan Kim Wah (the “**Offeror Directors**”) and shareholders are Dr Tan Kim Yong, Mr Tan Gim Seng, Mr Tan Kim Wah and Ms Chng Sock Cheng (the “**Relevant Shareholders**”). Dr Tan Kim Yong is the Group Chairman and Chief Executive Officer of the Company and Mr Tan Gim Seng is an Executive Director of the Company.

As stated in paragraph 7.7 of the Exit Offer Letter, the Relevant Shareholders have agreed to form a consortium through the Offeror to undertake the Exit Offer and entered into a shareholders’ agreement (the “**Shareholders’ Agreement**”) with each other to, *inter alia*,

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regulate their relationship as members of the consortium and in the conduct of the business and affairs of the Offeror and the Enlarged Group (being the Offeror and the acquired business of the Company after the close of the Exit Offer). The principal terms of the Shareholders' Agreement are as follows:

- (a) the Offeror Directors are entitled to vote as directors of the Offeror board. All board decisions in connection with the Offeror and the Enlarged Group after the Delisting must be unanimously agreed by each of the Offeror Directors;
- (b) the Relevant Shareholders are entitled to vote as shareholders in accordance with their shareholding in the Offeror. All shareholders' decisions in connection with the Offeror and the Enlarged Group must be unanimously agreed by each of the Relevant Shareholders;
- (c) the Relevant Shareholders will not dispose of their shares in the Offeror within 12 months from the Delisting; and
- (d) no shareholder of the Offeror has any put option in respect of their shares in the Offeror to the other shareholders of the Offeror.

The relationships between the Relevant Shareholders are as follows:

- (a) the Offeror Directors are brothers; and
- (b) Ms Chng Sock Cheng is the wife of Mr Tan Kim Wah.

The Relevant Shareholders are persons acting in concert with the Offeror.

For more details on the Offeror and the Relevant Shareholders, please refer to paragraph 7 and Appendix 2 of the Exit Offer Letter.

4.3 Terms of the Exit Offer

As stated in the Exit Offer Letter, TCMPL, for an on behalf of the Offeror, will make the Exit Offer to acquire all the Offer Shares in the following basis:

For each Offer Share will be S\$0.21 in cash (“Exit Offer Price”).

The Exit Offer Price shall be applicable to any number of Offer Shares that are tendered in acceptance of the Exit Offer.

Each Shareholder who accepts the Exit Offer will receive S\$210.00 for every 1,000 Offer Shares tendered for acceptance under the Exit Offer.

The Offeror shall pay the Exit Offer Price in cash for the Offer Shares which are validly tendered in acceptance of the Exit Offer.

The Exit Offer is extended to all Offer Shares. Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of Offer Shares.

The Offeror does not intend to revise or increase the Exit Offer Price. Accordingly, the Exit Offer Price will not be revised or increased under any circumstances.

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The Offer Shares are to be acquired (a) fully paid, (b) free from any mortgage, debenture, lien, charge, pledge, title retention, right to acquire, security interest, option, pre-emptive or similar right, right of first refusal and any other encumbrance or condition whatsoever (“**Encumbrance**”), and (c) together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company on or after the Joint Announcement Date, the Offeror reserves the right to reduce the Exit Offer Price by the amount of such dividend, distribution or return of capital.

Further details on the Exit Offer are set out in the Exit Offer Letter containing, *inter alia*, the terms of the Exit Offer and the relevant Acceptance Forms.

4.4 Conditions

- (a) As stated in the Exit Offer Letter, the Delisting and Exit Offer are conditional on:
- (i) the Delisting Resolution being passed at the EGM; and
 - (ii) the receipt by the Offeror, by close of the Exit Offer, valid acceptances in respect of such number of Offer Shares which will result in the Offeror holding more than 50% of the Shares (excluding any Shares held by the Company as treasury shares) as at the close of the Exit Offer (“**Minimum Acceptance Condition**”),

(collectively, the “**Delisting Proposal Conditions**”).

If the Delisting Proposal Conditions are not fulfilled, the Exit Offer will lapse and the Company will remain listed on the SGX-ST.

Save for the Delisting Proposal Conditions, the Delisting and Exit Offer will each be unconditional in all respects.

- (b) Shareholders should note that the Relevant Shareholders are not required to abstain from voting on the Delisting Resolution. The Relevant Shareholders have, pursuant to the irrevocable undertakings (“**Irrevocable Undertakings**”), undertaken to exercise or procure the exercise of the votes attaching to all Shares that are directly or indirectly held and/or controlled by the Relevant Shareholders and any new Shares which the Relevant Shareholders may, directly or indirectly, acquire on or after the date of their Irrevocable Undertakings (the “**Undertaking Shares**”) in favour of the Delisting Resolution at the EGM. As at the Latest Practicable Date, the Relevant Shareholders directly or indirectly hold and/or control an aggregate of 116,251,679 Shares, representing approximately 88.24% of the total issued Shares. In view of the Irrevocable Undertakings, the aggregate shareholding percentage which will vote in favour of the Delisting Resolution at the EGM will be at least 88.24% of the total issued Shares.
- (c) As at the Joint Announcement Date, the Offeror has obtained Irrevocable Undertakings from the Relevant Shareholders in respect of the Undertaking Shares to accept the Exit Offer. In view of the Irrevocable Undertakings, the Offeror would be able to receive acceptances of at least 88.24% of the Offer Shares.

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An application was made by the Company to the SGX-ST on 7 December 2016 to delist the Company from the Official List of the SGX-ST. The SGX-ST has in its letter dated 30 March 2017 advised that it has no objection to the Delisting, subject to Shareholders' approval in compliance with Rule 1307 of the Listing Manual. The SGX-ST's decision is not to be taken as an indication of the merits of the Delisting.

Shareholders are to note that the Delisting and Exit Offer will be conditional upon the Delisting Proposal Conditions being satisfied. If the Delisting Proposal Conditions are not fulfilled, the Delisting will not proceed and the Company will remain listed on the Official List of the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.

Shareholders are to also note that approving the Delisting Resolution at the EGM does NOT automatically mean that you have accepted the Exit Offer. Please refer to Section 15 of the Circular entitled "Action to be taken by Shareholders" and Appendix 1 of the Exit Offer Letter entitled "Procedures for Acceptance and Other Details of the Exit Offer" for further details on the actions to take if you wish to accept the Exit Offer.

4.5 Warranty

As stated in the Exit Offer Letter, acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Shareholder that each Offer Share in respect of which the Exit Offer is accepted is sold by him as, or on behalf of, the beneficial owner(s) thereof, fully paid and free from all Encumbrances, and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions, if any, which may be declared, paid or made thereon by the Company on or after the Joint Announcement Date).

4.6 Duration

As stated in the Exit Offer Letter, the Exit Offer is open for acceptance by Shareholders from the date of despatch of the Exit Offer Letter. Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances are conditional and if the Delisting Proposal Conditions are not satisfied, the Exit Offer will lapse and both the Shareholders and the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.

As stated in the Exit Offer Letter, if the Delisting Resolution is approved by the Shareholders at the EGM, the Exit Offer will continue to be open for acceptance by the Shareholders for a period of at least 14 days after the date of the announcement of the Shareholders' approval of the Delisting Resolution at the EGM. If the Delisting Resolution is not approved at the EGM, the Exit Offer will lapse. Accordingly, if the Delisting Resolution is approved by the Shareholders at the EGM, the closing date of the Exit Offer is 5.30 p.m. on 17 May 2017 or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the "**Closing Date**").

Further details on the duration of the Exit Offer are set out in Appendix 1 of the Exit Offer Letter.

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5. IRREVOCABLE UNDERTAKINGS

5.1 As stated in paragraph 4 of the Exit Offer Letter, the Offeror has obtained Irrevocable Undertakings from each of the Relevant Shareholders who collectively, as at the Latest Practicable Date, directly or indirectly hold and/or control an aggregate of 116,251,679 Shares representing approximately 88.24% of the total issued Shares.

5.2 Pursuant to the Irrevocable Undertakings, each of the Relevant Shareholders has made, *inter alia*, the following undertaking:

5.2.1 unless and until the Exit Offer lapses or is withdrawn, each Relevant Shareholder will not and shall procure that any registered holder of the Undertaking Shares will not, without the prior written consent of the Offeror sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or creation or grant of any other encumbrance or option of or over all or any of the Undertaking Shares (save for the BOS Shares¹ and CS Shares² in respect of Dr Tan Kim Yong) or interest in any Undertaking Shares (save for the BOS Shares and CS Shares in respect of Dr Tan Kim Yong) except to the Offeror pursuant to the Exit Offer from the date of each Irrevocable Undertaking and ending on the closing date of the Exit Offer (as may be extended from time to time by or on behalf of the Offeror);

5.2.2 in respect of Dr Tan Kim Yong's Irrevocable Undertaking, unless and until the Exit Offer lapses or is withdrawn, Dr Tan Kim Yong will not and shall procure that any registered holder of the BOS Shares and the CS Shares will not, without the prior written consent of the Offeror sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or creation or grant of any other encumbrance or option of or over all or any of the BOS Shares and the CS Shares or interest in any of the BOS Shares and the CS Shares except to the Offeror pursuant to the Exit Offer from the date of release of the security interests granted over the BOS Shares and the CS Shares and ending on the closing date of the Exit Offer (as may be extended from time to time by or on behalf of the Offeror);

5.2.3 each Relevant Shareholder will accept and/or procure the acceptance of the Exit Offer in respect of all the Undertaking Shares and shall tender and/or procure that the registered holders of the Undertaking Shares shall tender the acceptances no later than 3.00 p.m. on the third business day after the despatch of the Exit Offer Letter, or such other time (no later than the close of the Exit Offer) as may be agreed between the Offeror and each Relevant Shareholder, in accordance with the procedures to be prescribed in the Exit Offer Letter and the relevant accompanying form(s) of acceptance and letter of acceptances;

¹ As disclosed in the Joint Announcement, "**BOS Shares**" means Dr Tan Kim Yong's 15,495,000 Shares in the Company which were charged to the Bank of Singapore Limited as security for his private banking account. Notwithstanding the charge over the BOS Shares, the Bank of Singapore Limited has confirmed that the BOS Shares are freely transferable. For the avoidance of doubt, notwithstanding the charge over the BOS Shares, Dr Tan Kim Yong is free to transfer the BOS Shares to the Offeror pursuant to his acceptance of the Exit Offer in fulfillment of his Irrevocable Undertaking.

² As disclosed in the Joint Announcement, "**CS Shares**" means Dr Tan Kim Yong's 80,000,000 Shares in the Company which were previously charged to Credit Suisse AG as security for a property loan. As at the Latest Practicable Date, the security interests granted over the CS Shares have been duly released.

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- 5.2.4 each Relevant Shareholder shall waive receipt of payment of the consideration by the Offeror in respect of all the Undertaking Shares tendered in acceptance of the Exit Offer; and
- 5.2.5 each Relevant Shareholder shall exercise, or procure the exercise of all votes attaching to the Undertaking Shares in favour of any such resolution approving the Delisting.
- 5.3** The Irrevocable Undertakings shall lapse and shall cease to have any effect upon the following:
- (i) the Delisting Resolution is not approved at the EGM; and
 - (ii) the Exit Offer is withdrawn or lapses.
- 5.4** As stated in the Exit Offer Letter, save as set out above, none of the Offeror or any party acting in concert with it has received any irrevocable undertaking from any party to:
- (i) vote for or against the Delisting Resolution; and/or
 - (ii) accept or reject the Exit Offer.

6. INFORMATION ON THE OFFEROR AND THE PARTIES ACTING IN CONCERT WITH IT

Please refer to paragraph 7 of the Exit Offer Letter and Appendix 2 to the Exit Offer Letter for information and further disclosures on the Offeror as well as the other parties acting in concert with the Offeror.

7. INFORMATION ON THE COMPANY AND THE GROUP

The Company was incorporated in Singapore on 29 April 2004 and was listed on the Main Board of the SGX-ST on 26 May 2005. The Group is an electronics manufacturing services provider, with more than 21 years of experience specialising in medium to high-end performance-critical applications. The Group provides services to original equipment manufacturers/multinational corporations in the aerospace-avionics, medical/life and analytical science, metal and automotives industries. The Group has also diversified into property investment and development, and minimart business. Additional information on the Company and the Group is set out in Appendix II to the Circular.

8. RATIONALE FOR THE DELISTING AND THE OFFEROR'S INTENTIONS

Rationale for the Delisting and the Offeror's intentions for the Group have been extracted from **paragraph 8 of the Exit Offer Letter** and reproduced below, and all terms and expressions used in the extract below shall bear the same meanings as attributed to them in the Exit Offer Letter unless otherwise stated:

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“8. RATIONALE FOR DELISTING AND THE OFFEROR’S INTENTIONS

8.1 Opportunity to Realise Investments with an Upfront Premium. *The Exit Offer Price represents a premium above the historical market prices of the Shares in respect of:*

Period prior to the Joint Announcement Date	Share Price (\$\$)⁽¹⁾	Premium above Share Price⁽²⁾ (%)
<i>Last transacted price on the SGX-ST as of 16 November 2016, being the last trading day on which the Shares were traded prior to the Joint Announcement Date (the “Last Trading Day”)</i>	0.171	22.8
<i>Volume weighted average price (“VWAP”)⁽³⁾ for the one-month period prior to and including the Last Trading Day</i>	0.174	20.7
<i>VWAP⁽³⁾ for the three-month period prior to and including the Last Trading Day</i>	0.174	20.7
<i>VWAP⁽³⁾ for the six-month period prior to and including the Last Trading Day</i>	0.179	17.3
<i>VWAP⁽³⁾ for the 12-month period prior to and including the Last Trading Day</i>	0.198	6.1

Notes:

(1) Source: Bloomberg L.P.

(2) Computed based on the share prices which are rounded to the nearest 3 decimal places.

(3) The VWAP is calculated based on the daily VWAP turnover divided by VWAP volume as extracted from Bloomberg L.P. Off market transactions are excluded from the calculation.

Through the Delisting Proposal, the accepting Shareholders will have an opportunity to realise their investments in the Company, without incurring brokerage and other trading costs, for a cash consideration at a premium above the last transacted price of the Offer Shares as of the Last Trading Day and the volume weighted average price of the Shares (in respect of the relevant periods set out above), an option which may not otherwise be readily available due to the low trading liquidity of the Shares.

8.2 Low Trading Liquidity. *The trading volume of the Shares has been low, with an average daily trading volume¹ of approximately 4,209 Shares, 4,850 Shares, 5,364 Shares and 3,889 Shares during the one-month period, three-month period, six-month period and 12-month period respectively up to the Last Trading Day. This represents only approximately 0.003%, 0.004%, 0.004% and 0.003% of the total number of issued Shares (excluding any Shares held in treasury) respectively.*

The Exit Offer will provide an exit option for Shareholders who wish to realise their entire investment in the Shares but find it difficult to do so as a result of the low trading liquidity of the Shares.

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Note:

- (1) *The average daily trading volume is computed based on the total trading volume of the Shares on the SGX-ST for the relevant periods immediately prior to and including the Last Trading Day and divided by the total number of days on which the SGX-ST is open for trading during the relevant periods, as extracted from Bloomberg L.P.*

8.3 Compliance Costs of Maintaining Listing. *In maintaining the Company's listing status, the Company incurs additional compliance and associated costs. The Company will be able to gain cost savings as a non-listed entity by dispensing with costs associated with complying with the SGX-ST listing requirements and other regulatory requirements as well as human resources that have to be committed for such compliance. The Delisting, if approved, will eliminate the costs of compliance with the SGX-ST listing rules and regulations, thereby allowing the Company to focus its resources on its business operations.*

8.4 No Need for Access to Capital Markets. *In the last eight years, the Company has not raised cash funding from the Singapore capital markets. The Company is unlikely to require access to the Singapore capital markets to finance its operations in the foreseeable future. Accordingly, it is not necessary for the Company to maintain a listing on the SGX-ST.*

8.5 Offeror's Intention. *The Offeror has no current intention of (a) making material changes to the Company's existing business, (b) re-deploying the Company's fixed assets, or (c) discontinuing the employment of the employees of the Company and its subsidiaries, other than in the ordinary course of business. Nonetheless, the Offeror retains the flexibility at any time to consider options or opportunities which may present themselves, and which it regards to be in the interests of the Offeror and/or the Company. Following the close of the Exit Offer, the Offeror will conduct a comprehensive review of the operations, management and financial position of the Company and its subsidiaries, and will evaluate various strategic options following the privatisation of the Company."*

The Directors note that the Offeror has stated its intentions in relation to the operations and businesses of the Company as well as the employees of the Group in paragraph 8.5 of the Exit Offer Letter.

SHAREHOLDERS ARE URGED TO READ PARAGRAPH 8 OF THE EXIT OFFER LETTER CAREFULLY.

9. FINANCIAL ASSESSMENT OF THE EXIT OFFER

In assessing the financial terms of the Exit Offer, we have deliberated on the following factors which we consider to be pertinent and have a significant bearing on our assessment:

- (i) Financial performance and position of the Group;
- (ii) Historical Share Price performance and trading liquidity;
- (iii) The Group's
 - Net Asset Value ("**NAV**") and Net Tangible Assets ("**NTA**");
 - Adjusted NTA; and
 - Revalued NTA ("**RNTA**")

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- (iv) Relative valuation analysis;
- (v) Precedent privatisation transactions analysis;
- (vi) Implication of Irrevocable Undertakings;
- (vii) Compulsory Acquisition by the Offeror; and
- (viii) Other relevant considerations.

9.1 Financial Performance and Position of the Group

We set out below a summary of the financial results of the Group for the last three financial years ended 31 December 2013, 2014 and 2015 (“FY2013”, “FY2014” and “FY2015” respectively) and the interim financial results of the Group for the nine-month period ended 30 September 2016 (“9M2016”) and 30 September 2015 (“9M2015”).

Summary of the Group’s Income and Loss Statement

US\$’000	Unaudited 9M2016	Unaudited 9M2015	Audited FY2015	Audited FY2014	Audited FY2013
Revenue	52,943	57,284	73,709	74,942	65,714
Gross Profit	6,142	7,347	8,384	10,349	9,323
(Loss)/Profit before tax	(1,193)	1,157	278	2,069	1,497
Net Profit/(loss) attributable to Shareholders of the Company	(1,322)	539	(126)	2,276	1,065

Summary of the Group’s Financial Position

US\$’000	Unaudited As at 30-Sep-16	Audited As at 31-Dec-15	Audited As at 31-Dec-14	Audited As at 31-Dec-13
Current assets	37,759	42,260	47,902	44,690
Non-current assets	20,207	14,782	17,290	10,678
Total assets	57,966	57,042	65,192	55,368
Current liabilities	21,026	20,191	24,864	19,730
Non-current liabilities	9,214	6,746	8,899	5,598
Total liabilities	30,240	26,937	33,763	25,328
Share Capital	28,739	28,739	28,739	28,739
Treasury Shares	(38)	(345)	(345)	(345)
Other reserves ⁽²⁾	(5,065)	(4,827)	(4,773)	(4,478)
Retained earnings	4,090	6,538	7,808	6,124
Total Equity	27,726	30,105	31,429	30,040
Working Capital	16,733	22,069	23,038	24,960

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Summary of the Group's Cash Flows

US\$'000	Unaudited 9M2016	Unaudited 9M2015	Audited FY2015	Audited FY2014	Audited FY2013
Net cash from/(used in) operating activities	5,286	(917)	627	2,776	3,990
Net cash from/(used in) investing activities	(6,012)	(3)	178	(7,187)	(222)
Net cash from/(used in) financing activities	512	(331)	(2,267)	4,710	(1,415)
Cash and cash equivalents at end of period/year	4,022	4,581	4,236	5,832	5,711

Source: FY2013 to FY2015 annual reports and Company's 9M2016 interim financial results announcement

Notes:

- Figures above are subject to rounding differences.
- Other reserves comprise fair value reserve, foreign currency translation reserve, premium paid on acquisition of non-controlling interests, loss on reissuing of treasury shares and employee benefits plan reserve.

9.1.1 Historical Financial Performance and Position

Sales Revenue

We noted the Group had achieved revenue of US\$74.9 million in FY2014, an increase of 14.0% from revenue of US\$65.7 million in FY2013. The increase was due mainly to the new kitting business in the aerospace avionics industry as well as increase in sales contribution from the Group's subsidiary, Colbree Engineering Group, in the United Kingdom. In FY2015, we noted a marginal decrease of 1.6% in the Group's sales revenue from US\$74.9 million in FY2014 to US\$73.7 million in FY2015, mainly due to the 18.0% decrease in sales from Colbree Engineering Group arising from the difficult business conditions in Europe.

We noted that revenue in 9M2016 decreased by 7.6% from US\$57.3 million in 9M2015 to US\$52.9 million in 9M2016. Excluding the US\$10.6 million revenue generated from the Group's new minimart business which only commenced operations at the beginning of 2016, the revenue in 9M2016 would have decreased by 26.1% compared to the corresponding period in 9M2015, mainly due to the decline in sales from the Group's printed circuit board and kitting business.

Net profit/(Loss) attributed to Shareholders

We noted the Group recorded a 113.7% increase in net profit from US\$1.1 million in FY2013 to US\$2.3 million in FY2014 owing to a 16.3% increase in sales in the printed circuit board assembly and kitting business segment. We noted the Group registered a net loss of US\$0.1 million in FY2015 compared to a profit of US\$2.3 million in FY2014, primarily attributable to lower revenue from its precision machined components segment business.

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We noted that the Group made losses of US\$1.3 million in 9M2016 compared to a profit of US\$0.5 million in 9M2015, mainly due to the slowdown in sales in the printed circuit board assembly and kitting business and increase in administrative expenses as a result of additional headcounts and other expenses for the Group's new minimart business.

We also noted that the Group had registered losses for five consecutive quarters since the 3rd quarter of 2015 mainly due to the decline in sales in the Group's printed circuit board assembly and kitting business.

Financial and Cash Flow Position

We noted that total assets increased by 17.5% to US\$65.1 million as at 31 December 2014 from US\$55.4 million as at 31 December 2013, mainly attributable to the acquisitions of investment properties in Malaysia as well as an increase in inventory to meet the increased sales in the year.

However, the Group's total assets had decreased by 12.5% to US\$57.0 million in FY2015 due to a 18.4% reduction in the value of the investment properties as a result of weakened Malaysian Ringgit against US Dollar and lower inventory held in FY2015 as a result of the slowdown in sales.

We noted a marginal increase of 1.6% in the Group's total assets as at 30 September 2016 contributed by a factory acquisition for a UK subsidiary and the goodwill arising from the acquisition of the minimart business.

We noted that the Group had maintained a positive cash position and working capital during the period under review. The net working capital of the Group was approximately US\$16.7 million as at 30 September 2016 but this has been decreasing gradually in each of the financial periods.

We wish to highlight that the Group was in a net debt position as at 30 September 2016, with a gearing ratio (total liabilities to shareholders' equity) of 1.1x. Please refer to section 9.4 of this Letter for detailed analysis of the gearing ratio against comparable companies in the same industry.

9.1.2 Between 30 September 2016 and the Latest Practicable Date

In respect of the above, the Directors and Management have confirmed to us that as at the Latest Practicable Date, to the best of their knowledge and belief, save for what have been disclosed in the Circular and previously disclosed in the annual reports and financial statements over the periods under review in section 9.1.1 above and its announcements on the SGXNET:

- (i) there are no other off-balance sheet and contingent liabilities, bad or doubtful debts or material events which are likely to have a material impact on the NTA of the Group as at the Latest Practicable Date;
- (ii) there are no litigation, claim or proceeding pending or threatened against the Company or any of its subsidiaries or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of the Company and its subsidiaries taken as a whole;
- (iii) there are no other intangible assets which ought to be disclosed in the statement of financial position of the Group in accordance with the Singapore

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Financial Reporting Standards and which have not been so disclosed and where such intangible assets would have had a material impact on the overall financial position of the Group; and

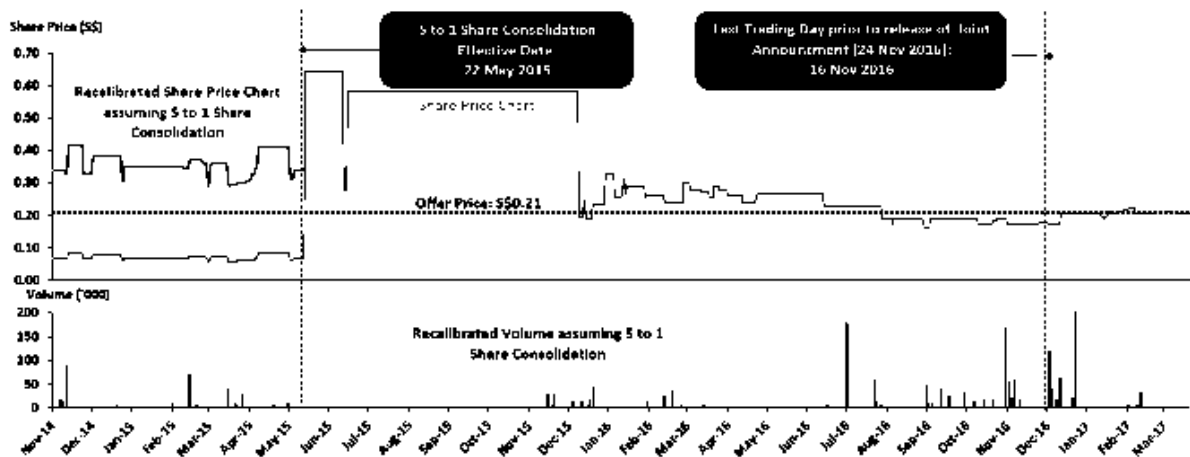
- (iv) there are no material acquisitions and disposals of assets by the Group between 1 October 2016 and the Latest Practicable Date, and the Group does not have any plans for any such impending material acquisition or disposal of assets, conversion of the use of its material assets or material change in the nature of the Group's business.

9.2 Historical Share Price performance and Trading Liquidity

9.2.1 Historical Share Price performance

The following presents the historical chart of the closing prices of the Shares and the number of Shares traded on a daily basis during the period commencing from 16 November 2014, being the last 24 months prior to the last trading day before the Joint Announcement Date (“**Last Trading Day**”), and ending on the Latest Practicable Date. For comparative purposes, we have recalibrated closing prices of the Shares to reflect the 5 to 1 Share Consolidation (as defined below) up to 22 May 2015, being the effective date of the Share Consolidation.

Chart 1: Share Price Performance from 16 November 2014 up to the Latest Practicable Date 27 March 2017.



Source: Bloomberg, and information/announcement from the SGX-ST

Share Consolidation in FY2015

The Company had on 24 March 2015 announced its intention to undertake a consolidation of every five (5) existing ordinary Shares of the Company into one (1) ordinary Share to reduce the fluctuation in magnitude of the Company's share price and the percentage transaction cost for trading in each board lot of Shares, as well as to fulfill the minimum trading price of S\$0.20 as a continuing listing requirement for issuers listed on the Mainboard of the SGX-ST (“**Share Consolidation**”). Following the completion of the Share Consolidation on 22 May 2015, being the effective date which the Share Price changed to reflect the Share Consolidation, the issued share capital of the Company, excluding treasury shares, had decreased from 658,990,000 to 131,798,000 Shares.

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Period before 22 May 2015

Based on Chart 1 and with reference to the recalibrated Share Prices assuming the Share Consolidation, the Company's closing Share Prices were above the Exit Offer Price.

Period after 22 May 2015 up to the Last Trading Day

Based on Chart 1 and with reference to closing Share Prices after the Share Consolidation, the Company's closing Share Prices were generally above the Exit Offer Price but at a downward trend from 22 May 2015 up to 17 July 2016. We noted that the downward trend in the Share Prices corresponded to the decline in the financial performance of the Group, registering losses for five consecutive quarters since the 3rd quarter of 2015. The Group's losses were mainly due to the decline in sales in the Group's printed circuit board assembly and kitting business.

Between 18 July 2016 and up to the Last Trading Day, the Shares were trading below the Exit Offer Price at a range of between S\$0.160 to S\$0.190.

9.2.2 Exit Offer Price comparison to historical Share price

We have tabulated below selected statistical information on the share price performance and trading liquidity of the Shares commencing from 16 November 2015, being the 12-month period prior to the Last Trading Day, and ending on the Latest Practicable Date:

Table 1: Share Price Performance and Trading Liquidity Table

	VWAP ⁽¹⁾ (S\$)	Premium/ (Discount) of the Exit Offer Price to VWAP per Share (%)	Lowest Transacted Price (S\$)	Highest Transacted Price (S\$)	Average daily trading volume ⁽²⁾ (Shares)	Average daily trading volume as% of free-float
For the period prior to the Joint Announcement Date⁽³⁾						
Last 12 months	0.198	6.1%	0.158	0.325	3,889	0.02%
Last 6 months	0.179	17.3%	0.158	0.230	5,346	0.03%
Last 3 months	0.174	20.7%	0.158	0.190	4,850	0.02%
Last 1 month	0.174	20.7%	0.171	0.178	4,209	0.02%
Last transacted price on 16 November 2016, being the last full day of trading prior to the Joint Announcement Date	0.171	22.8%	0.171	0.171	20,000	0.09%
For the period commencing after the Joint Announcement Date up to the Last Practicable Date⁽⁴⁾						
Till the Latest Practicable Date	0.205	2.4%	0.182	0.225	12,447	0.06%
Latest Practicable Date	0.182	15.4%	0.182	0.183	400	0.002%

Source: Bloomberg as at the Latest Practicable Date, 27 March 2017.

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Notes:

1. The Volume Weighted Average Price (“**VWAP**”) was calculated by adding up the dollar value for every transaction and then dividing by the total shares traded for the day which were rounded to the nearest three decimal places.
2. The average daily trading volume of the Shares was computed based on the total number of Shares traded during the relevant periods divided by the number of market days which the SGX-ST is open for the trading of securities (“**Market Day**”) for the relevant periods.
3. Free Float is approximately 21,058,003 Shares of the issued share capital held by the public as at the Last Trading Day.
4. Free Float is approximately 21,058,003 Shares of the issued share capital held by the public as estimated by Bloomberg as at the Latest Practicable Date.

Based on Table 1, we note that the Exit Offer Price is:

- (i) at approximately 20.7%, 20.7%, 17.3% and 6.1% premium to the VWAP for the Shares for the period 1-month, 3-months, 6-months, and 12-months prior to the Joint Announcement Date respectively;
- (ii) at a premium of approximately 22.8% from the last transacted price of S\$0.171 per Share on the last full day of trading prior to the Joint Announcement Date;
- (iii) at a premium of approximately 2.4% from the VWAP for the Shares for the period commencing after the Joint Announcement Date up to the Latest Practicable Date;
- (iv) at a premium of approximately 15.4% from the last transacted price of S\$0.182 on the Latest Practicable Date; and
- (v) at a higher premium in shorter period when comparing 1-month, 3-months, 6-months and 12-months VWAP for the Shares as Share Prices started trading on a downward trend from May 2015 corresponding to the decline in the financial performance of the Group which has registered losses for five consecutive quarters since the 3rd quarter of 2015.

9.2.3 Trading Volume and Liquidity

Based on the number of Shares traded on a daily basis during the period commencing from 16 November 2015, being the Market Day 12 months prior to the Last Trading Day, and ending on the Latest Practicable Date, we noted that:

- (i) from 16 November 2015 to the Last Trading Day, Shares were traded on 44 Trading Days out of the total 254 Market Days during the period, with the total number of Shares traded being approximately 1.0 million Shares and an average daily trading volume of approximately 3,889 Shares, which represents 0.003% of the issued Share capital as at the Latest Practicable Date or approximately 0.02% of the issued Share capital held by Shareholders other than the Substantial Shareholders and Directors as at the Latest Practicable Date; and
- (ii) for the period commencing from the Market Day immediately after the Joint Announcement Date till the Latest Practicable Date, the Shares were traded on 23 Trading Days out of the total 90 Market Days during the period, with the

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total number of Shares traded being approximately 1.12 million Shares and an average daily trading volume of approximately 12,447 Shares, which represents 0.009% of the issued Share capital as at the Latest Practicable Date or approximately 0.06% of the issued Share capital held by Shareholders other than the Substantial Shareholders and Directors as at the Latest Practicable Date.

We noted that the trading volume of the Shares had generally been low in the past 12 months prior to the Joint Announcement Date and ending on the Latest Practicable Date. The Exit Offer will provide an exit option for those Shareholders who wish to realise their investments in the Shares but find it difficult to do so as a result of the low trading liquidity. However, Shareholders should note that the past trading performance for the Shares should not be relied upon as an indication of its future trading performance.

9.3 The Group's NAV, NTA, Adjusted NTA and RNTA

9.3.1 NAV and NTA analysis

The NAV based approach of valuing a company or group is based on the aggregate value of all the assets of the company in their existing condition, after deducting the sum of all liabilities of the company and minorities' interests. The NAV based approach is meaningful as it shows the extent to which the value of each share is backed by both tangible and intangible assets and would be relevant in the event that the company or group decides to realise or convert the use of all or most of its assets. The NAV based approach in valuing a company may provide an estimate of the value of a company or group assuming the hypothetical sale of all its assets (including any intangible assets including but not limited to goodwill, trademarks and brand names) in an orderly manner or over a reasonable period of time and at the aggregate value of the assets used in the computation of the NAV, the proceeds of which are used to settle the liabilities, minority interest and obligation of the company or group with the balance to be distributed to its shareholders. However the NAV approach does not take into account or consideration the hypothetical sale of assets in a non-orderly manner or over a short period of time. The NAV does not illustrate the values at which assets may actually be realised or disposed of.

The NTA based approach of valuing a company or group is based on the aggregate value of all the assets of the company in their existing condition, after deducting the sum of all liabilities, minority interest and intangible assets of the company. The NTA based approach is meaningful as it shows the extent to which the value of each share is backed by tangible assets and would be relevant in the event that the company or group decides to realise or convert the use of all or most of its assets. The NTA based approach in valuing a company may provide an estimate of the value of a company or group assuming the hypothetical sale of all its assets (other than intangible assets) in an orderly manner over a reasonable period of time at the aggregate value of the assets used in the computation of the NTA, the proceeds of which are used to settle the liabilities, minority interest and obligation of the company or group, with the balance to be distributed to its shareholders. However the NTA based approach does not take into account or consideration the presence of any intangible assets including but not limited to land use rights, goodwill,

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trademarks and brand names nor does it take into account the hypothetical sale of assets in a non-orderly manner or over a short period of time. The NTA does not illustrate the values of which assets may actually be realised or disposed of.

Based on the Group's unaudited third quarter financial statement ended 30 September 2016⁽¹⁾	
NAV as at 30 September 2016 (US\$'000)	27,726
Less: Intangible assets (US\$'000) ⁽²⁾	4,512
Less: Deferred Tax Assets (US\$'000)	408
NTA as at 30 September 2016 (US\$'000)	22,806
Number of ordinary shares of the Company (excluding 57,477 treasury shares)	131,740,474
NAV per Share (US\$)	0.210
NAV per Share (S\$)⁽³⁾	0.286
NTA per Share (US\$)	0.173
NTA per Share (S\$)⁽³⁾	0.236
Exit Offer Price(S\$)	0.210
Exit Offer Price to NAV per Shares (x)	0.73
Discount of Exit Offer Price to NAV per Share (%)	26.6%
Exit Offer Price to NTA per Shares (x)	0.89
Discount of Exit Offer Price to NTA per Share (%)	11.0%

Notes:

1. Figures and computations above are subject to rounding.
2. Intangible assets comprise of US\$2.68 million goodwill arising from acquisition of minimart business and US\$1.832 million goodwill arising from acquisition of subsidiaries.
3. Based on exchange rate US\$1= S\$1.3626 as at 30 September 2016.

For illustrative purposes only, the Exit Offer Price to NAV per Share (“**P/NAV**”) and the discount of the Exit Offer Price to NAV per Share as at 30 September 2016 were 0.7x and 26.6% respectively. The Exit Offer Price to NTA per Share (“**P/NTA**”) and the discount of the Exit Offer Price to NTA per Share of the Group as at 30 September 2016 were 0.9x and 11.0% respectively.

9.3.2 Adjusted NAV and NTA

We understand from the Management of the Company that the NAV and NTA of the Group based on the unaudited consolidated financial statements of the Group as at 30 September 2016 has not taken into account of the gain on disposal of a property³

³ The consideration received from the disposal of RM11,000,000, represents an excess of RM3,382,100 over the net book value of the Property and the amount of gain from the disposal is approximately RM2,677,070 after taking into account the associated costs of the disposal.

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situated at Lot PT No. 1353, held under H.S. (D) 16501, Seksyen 1, Bandar Tanjung Pinang, Daerah Timor Laut, Negeri Pulau Pinang ("**Property**"), which was announced by the Company on 20 October 2016.

Taking into account the disposal of the Property, the adjusted unaudited consolidated NAV and NTA of the Group as at 30 September 2016 ("**Adjusted NAV**" and "**Adjusted NTA**", respectively) are approximately US\$28,373,000 and US\$23,453,000 respectively. The details of these adjustments made to the unaudited consolidated balance sheet of the Group as at 30 September 2016 are shown in paragraph 5.3 of **Appendix II** of the Circular.

For illustrative purposes only, the Exit Offer Price to Adjusted NAV per Share ("**P/Adjusted NAV**") and the discount of the Exit Offer Price to Adjusted NAV per Share of the Group as at 30 September 2016 were 0.7x and 28.3% respectively. The Exit Offer Price to Adjusted NTA per Share ("**P/Adjusted NTA**") and the discount of the Exit Offer Price to Adjusted NTA per Share of the Group as at 30 September 2016 were 0.9x and 13.6% respectively.

9.3.3 RNAV and RNTA

In our evaluation of the Exit Offer Price, we have also considered whether there are any assets which may be valued at an amount that is materially different from what was recorded in the unaudited balance sheet of the Group as at 30 September 2016.

We understand from the directors of the Company ("**Directors**") that the Company has commissioned valuers ("**Independent Valuers**"), to conduct independent valuations of the Group's material non-current assets, comprising investment properties and land and buildings of the Group ("**Revalued Assets**⁴"). The Revalued Assets were selected after discussions between the Independent Valuers and the Company in relation to the materiality of the balance sheet assets to the overall transaction, meaning, the Delisting and the Exit Offer.

We recommend that the Independent Directors advise Shareholders to note and review carefully the valuation reports of which the extracts/valuation certificates in relation thereto are set out in **Appendix IV** of the Circular ("**Valuation Reports**") in its entirety including the assumptions made and the bases of these assumptions.

Except for the assets identified in the Valuation Reports, the Directors and the Management of the Company had confirmed that, to their best knowledge and belief, as at the Latest Practicable Date, on aggregate basis, there are no material differences between the estimated fair value of the other assets for which no valuation was obtained and their respective book value. The Directors confirmed that they are aware of and are satisfied with the selection of the Revalued Assets for the valuation exercise.

We have not made any independent evaluation or appraisal of the Revalued Assets and we have been furnished by the Company with the Valuation Reports in respect of the fair value of the Revalued Assets. With respect to such valuation, we are not

⁴ The Revalued Assets includes a property located at 25 Ubi Crescent, Singapore, 408580. No valuation was conducted on this property as it is similar to 23 Ubi Crescent, Singapore, 408579 in which AVA Associates Limited had conducted an open market valuation on, as at 30 September 2016, for the purpose of this exercise.

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experts in the evaluation or appraisal of the Revalued Assets and have relied on the Valuation Reports for the fair value of the Revalued Assets and the Directors' opinion and confirmation as mentioned in this section.

The Directors have represented that they had reviewed the Valuation Reports to understand the assumptions used by each Independent Valuer and the information relied upon by each Independent Valuer in arriving at the fair value of the Revalued Assets. The Directors have reviewed the information made available to them as a whole and are of the opinion that the assumptions used by the Independent Valuers are reasonable and confirmed that each Independent Valuer has been provided with information that to the best of their knowledge or belief is true, complete as per request and accurate in all respects and that there is no other information or fact, the omission of which would render the assumptions used by the Independent Valuers to be untrue, inaccurate or incomplete in any respect or misleading.

For illustrative purposes only, we have presented the Revalued Assets and made adjustment for each of the revaluation amount based on the Adjusted NTA of the Group as at 30 September 2016 in the following tables:

Revalued Assets	Date of Valuation	Independent Valuer	Net Book Value as at 30-Sep-16 (US\$) ⁽¹⁾	Revaluation (US\$) ^{(1),(2)}	Net Gain/(Loss) (US\$) ^{(1),(2)}
Property, Plant and Equipment					
Leasehold Building at 23 Ubi Crescent, Singapore, 408579	30-Sep-16	AVA Associates Limited	853,849	3,302,460	2,448,611
Leasehold Buildings at 25 Ubi Crescent, Singapore, 408580	⁽³⁾	⁽³⁾	892,066	3,302,460 ⁽³⁾	2,410,394
Freehold Land and Building at 6 Jln Laman Setia 7/3 Taman Setia Eco Garden, 81550, Johor Bahru, Malaysia	21-Nov-16	One Asia Property Consultants (KL) Sdn Bhd	3,072,969	3,114,010	41,041
Investment Properties					
A Condominium Unit at 1 Tanjong Tower B #37-01, Penang, Malaysia	30-Sep-16	AVA Associates Limited	1,303,128	1,451,220	148,092
A Condominium Unit at 1 Tanjong Tower B #38-01, Penang, Malaysia	30-Sep-16	AVA Associates Limited	1,314,302	1,458,476	144,174
A Condominium Unit at 1 Tanjong Tower B #39-01, Penang, Malaysia	30-Sep-16	AVA Associates Limited	1,325,243	1,572,155	246,912
					5,439,224

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Adjusted NAV (US\$)	28,373,000	Adjusted NTA (US\$)	23,453,000
Add: Net Gain from Revaluation (US\$)	5,439,224	Add: Net Gain from Revaluation (US\$)	5,439,224
Revalued NAV (“RNAV”)	33,812,224	Revalued NTA (“RNTA”)	28,892,224
RNAV per Share (US\$)	0.26	RNTA per Share (US\$)	0.22
RNAV per Share (S\$)	0.35	RNTA per Share (S\$)	0.30
Exit Offer Price/RNAV (x)	0.60	Exit Offer Price/RNTA (x)	0.70

Notes:

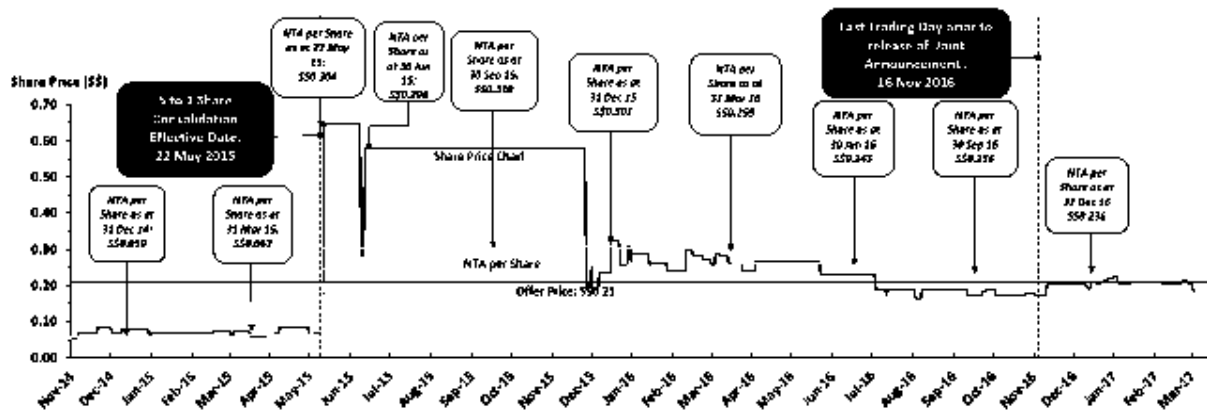
- Figures and computations above are subject to rounding and exchange rate differences.
- For the computation of RNAV and RNTA, we have excluded the potential tax liabilities of approximately S\$60,000 that may be incurred by the Group on the hypothetical disposal of the Revalued Assets, this is because, other than in the ordinary course of business, the Group does not have any impending plans for any disposal of the Revalued Assets as at the Latest Practicable Date.
- No revaluation has been done on the property as it is similar to 23 Ubi Crescent, Singapore, 408579. For the purpose of RNAV and RNTA computation, we have relied on the valuation conducted on 23 Ubi Crescent, Singapore, 408579 as at 30 September 2016.

For illustrative purposes only, the Exit Offer Price to RNAV per Share (“P/RNAV”) and the discount of the Exit Offer Price to RNAV per Share as at 30 September 2016 were 0.6x and 40.0% respectively; the Exit Offer Price to RNTA per Share (“P/RNTA”) and the discount of the Exit Offer Price to RNTA per Share as at 30 September 2016 were 0.7x and 30.0% respectively.

9.3.4 Historical Share Prices of the Company against its trailing NTA per Share

We have compared the historical Share prices of the Company and the Exit Offer Price against the trailing NTA per Share of the Group as announced in its interim and annual results over the 24 months period prior to the Last Trading Day, as shown below:

Chart 2: Historical Share Prices of the Company against its trailing NTA per Share⁽¹⁾



Source: Bloomberg as at the Latest Practicable Date, annual reports and interim financial statements

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Notes:

1. Subject to exchange rates and rounding differences.
2. NTA per Share as at 22 May 2015 was calculated based on NTA of S\$29.8 million as at 31 March 2015 over issued share capital (excluding treasury shares) of 131,273,806 Shares immediately after the Share Consolidation at an exchange rate of US\$1 = S\$1.3363.

Based on Chart 2 above, we noted the closing Share Prices of the Company had generally been trading below its NTA per Share in the past 12 months prior to and including the Last Trading Day. We also noted that the closing Share Prices of the Company were trading below its NTA per Share at a discount between 0.3% and 38.4% in 40 days out of the total 44 Trading Days in the past 12 months prior to and including the Last Trading Day on 16 November 2016.

Shareholders should note that the computation above is solely for illustration purposes as the NTA may not be fully realisable at its book value or revalued value, especially within a short time frame, given that the assets held by the Group is very specialised and the market value of these assets may vary depending on, amongst others, the prevailing market and economic conditions and whether a buyer can be found for such specialised assets. Also, we wish to highlight that the NTA of the Group may deteriorate further if the Group continues to incur losses after 30 September 2016.

9.3.5 Comparison of P/RNTA against comparable companies and precedent privatisation transactions

We have compared the P/RNTA of the Group against the P/NTA (and if available, the P/RNTA) of comparable companies to the Group. Please refer to section 9.4 of this Letter.

We have also compared the P/RNTA of the Group against the exit offer price to NTA multiple (and if available, the exit offer price to RNTA multiple) of precedent privatisation transactions. Please refer to section 9.5 of this Letter.

We have made the above comparison only against the P/RNTA of the Group and not against the P/RNAV of the Group as the RNTA and RNAV of the Group is not materially different, with the difference being the goodwill arising from acquisition of minimart business and subsidiaries and deferred tax assets. The conclusions drawn from the comparisons made against the P/RNAV of the Group would be the same as the conclusion drawn from the above comparison against the P/RNTA of the Group.

9.4 Relative Valuation Analysis (including gearing ratio analysis)

In assessing the reasonableness of the Exit Offer Price, we have also considered the financial performance, financial position and valuation statistics of selected comparable companies listed on the SGX-ST with market capitalisation below S\$100.0 million ("**Comparable Companies**") that may, in our view, be broadly comparable to the core business of the Group, which are the manufacturing services relating to printed circuit board (PCB) and precision machined components.

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We advise the Independent Directors to note that there may not be any company listed on the SGX-ST that is directly comparable to the Group in terms of size, diversity of business activities and products/services, branding, geographical spread, track record, prospects, operating and financial leverage, risk profile, quality of earnings and accounting, listing status and such other relevant criteria. We wish to highlight that it may be difficult to place reliance on the comparison of valuation statistics for the Comparable Companies as the business of these selected companies, their capital structures, growth rates, operating and financial leverage, taxation and accounting policies as well as the liquidity of these shares and the demand/supply conditions for these shares and that of the Group may differ. In addition, we wish to highlight that the list of Comparable Companies is by no means exhaustive. As such, any comparison made herein is necessarily limited and serves only an illustrative guide and any conclusion drawn from the comparison may not necessarily reflect the perceived or implied market valuation (as the case may be) of the Group as at the Latest Practicable Date.

Independent Directors should note that the prices at which shares trade include factors other than historical financial performance, and some of these, *inter alia*, include prospects real or perceived of the financial performance, the historical share price performance, the demand/supply conditions of the shares, the relative liquidity of the shares, the relative sentiments of the market for the shares, as well as the market capitalisation.

9.4.1 Comparable Companies

Comparable Companies (all these companies are listed on the SGX-ST)	Market capitalisation (US\$ million)	Principal activities
PCI Limited ("PCI")	74.3	The company is an investment holding company that provides electronics manufacturing services in the United States, the People's Republic of China, Germany, ASEAN, and internationally. The company operates through electronics manufacturing services, estate management and rental income, and investment holding segments. Its electronics manufacturing services include printed circuit board assembly, customer user interface design and manufacturing, schematic design, board layout, component selection, firmware design, mechanical design, and turnkey electronics manufacturing services.

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Comparable Companies (all these companies are listed on the SGX-ST)	Market capitalisation (US\$ million)	Principal activities
Frencken Group Limited (“Frencken”)	106.9	The company operates as a capital and consumer equipment service provider worldwide. Its mechatronics segment designs, develops, and produces precision-engineered systems and machines, complex electromechanical assemblies, and high precision parts and components for original equipment manufacturers. Its integrated manufacturing services segment offers integrated contract design and manufacturing services for automotive, office automation, tooling, and consumer and industrial electronics products. It also provides a range of outsourcing services, including mechanical and electronic design and engineering support; tooling design and manufacture; plastic injection molded parts and components; printed circuit board assemblies; and final test and assembly of modules and box build products.
CEI Limited (“CEI”)	64.7	The company provides contract manufacturing services to industrial equipment market in the United States, Europe, and Asia Pacific. The company provides printed circuit board and box-build assembly services, as well as equipment design, cable harness assembly, and manufacturing services; and value-added services, such as materials management, circuit layout, prototype and development engineering, metal stamping, cable harnessing, and precision machined components. It also designs and manufactures its own brand of proprietary equipment for the semiconductor industry.
Multi-Chem Limited (“Multi-Chem”)	59.5	The company distributes hardware and software related to Internet and network products in Singapore, the People’s Republic of China, and internationally. The company offers installation, technical, and maintenance services related to its hardware and software products. In addition, it provides printed circuit board (PCB) manufacturing services, such as mechanical drilling, routing, and laser drilling services primarily in precision drilling to PCB fabricators; distributes a range of specialty chemicals for surface treatment; and supplies PCB-related materials and equipment.

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Comparable Companies (all these companies are listed on the SGX-ST)	Market capitalisation (US\$ million)	Principal activities
Sunright Limited (“Sunright”)	43.2	The company provides burn-in services for a range of integrated circuits, as well as turnkey services. It assembles electronic and electrical components; offers research and development services for burn-in and test related activities; and provides design, engineering, and manufacturing services for electronic products to aerospace, automotive, computing, consumers’ electronics, industrial, medical, and mobile OEM customers. Further, the company trades in and distributes high-technology equipment, and electrical and electronic components and materials.
AEM Holdings Ltd (“AEM”)	63.8	The company provides solutions in equipment systems, precision components, and plating and related manufacturing services for various industries. It is involved in the design and manufacture of semiconductor manufacturing equipment, precision engineering products. The company also manufactures precision mechanical assembly modules that are used in the electronics, life sciences, instrumentation, and aerospace industries, as well as printed circuit boards. In addition, it develops processes and associated chemical product formulations for surface finishing in the electronics industry.
Jadason Enterprises Ltd (“Jadason”)	24.4	The company distributes machines and materials for the printed circuit board (PCB) and semiconductor industries in Singapore, the People’s Republic of China, and internationally. The company engages in the provision of re-sharpening services to the PCB industry; installation of machines; and provision of sales support and procurement services; lamination of PCBs; provision of drilling services; and assembly of laser photo plotters, exposure machines, and other PCB equipment. Further, it offers testing services for PCBs; manufactures and trades in machineries; and produces and distributes wet process equipment.

Source: S&P Capital IQ as at 27 March 2017

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The following tabulates the key financial ratios for comparison of financial performance for the past 12-month period ended 30 September 2016 (“T12”) and financial position as at 30 September 2016 for the Comparable Companies and the Group:

Table 3: Financial Performance and debt position of the Group and the Comparable Companies

Comparable Companies	T12 ROE ⁽¹⁾ (%)	T12 Net profit/loss margin ⁽²⁾ (%)	T12 Asset turnover ⁽³⁾ (x)	Total liabilities/shareholders' equity (x)	Total borrowings/shareholders' equity (x)	Net Debt/Cash Position ⁽⁴⁾
PCI	211.8	3.6	1.4	0.5	0.0	Net Cash
Frencken	209.2	3.6	1.4	0.5	0.0	Net Cash
CEI	323.7	7.7	1.9	0.7	0.1	Net Cash
Multi-Chem	388.7	2.1	1.9	1.0	0.3	Net Cash
Sunright	179.6	1.1	0.8	0.6	0.2	Net Cash
AEM	260.4	12.3	1.6	0.7	0.0	Net Cash
Jadason	313.1	(4.3) ⁽⁵⁾	2.0	0.6	0.2	Net Cash
High	388.7	12.3	2.0	1.0	0.3	
Low	179.6	(4.3)	0.8	0.5	0.0	
Median	260.4	3.6	1.6	0.6	0.1	
Simple Average	269.5	3.7	1.6	0.7	0.1	
The Group	250.2	(2.9)⁽⁶⁾	1.2	1.1	0.7	Net Debt

Source: S&P Capital IQ as at the Latest Practicable Date, annual reports and the unaudited interim financial statements of the Comparable Companies as at 30 September 2016, save for (a) CEI which was based on its latest unaudited financial statements as at 30 June 2016 and its annual report of 2015; and (b) Sunright which was based on its latest full year audited financial results ended 31 July 2016.

Notes:

- The T12 Return On Equity (“ROE”) was calculated based on the ratio of the T12 net profit after tax attributable to the shareholders to the shareholders’ equity exclude minority interest as at the end of the latest published financial quarter of the respective companies.
- T12 net profit/loss margin was calculated based on the ratio of T12 net profits/losses after tax attributable to shareholders to the T12 revenue of the respective companies.
- T12 asset turnover was calculated based on the ratio of the T12 revenue to the total assets as at as at the end of the latest published financial quarter of the respective companies.
- The Net Debt is the sum of all short-term and long-term debt less the total cash and cash equivalents as at the end of the latest published financial quarter. Net cash, in the context of this Letter, represents as a positive cash position after deducting total debt from cash and its short-term equivalents.
- Jadason recorded a T12 loss after tax attributable to shareholder of approximately US\$4.7 million based on its unaudited financial statements for the 9-month ended 30 September 2016 and its audited full year financial of 2015.
- The Group recorded a T12 loss after tax attributable to shareholders of approximately US\$2.0 million based on its unaudited financial statements for the 9-month ended 30 September 2016 and its audited financial in its FY2015 annual report.

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Based on Table 3, we noted the following:

- (i) the Group's T12 ROE, T12 net profit/loss margin and T12 asset turnover ratio was within range but lower (less favourable) than the median and the simple average of the Comparable Companies;
- (ii) the Group's total liabilities to shareholders' equity ratio and total borrowings to shareholders' equity ratio of 1.1x and 0.7x were above (less favourable) the range of the Comparable Companies. We also noted that the Group is in a net debt position, whereas all the Comparable Companies are in net cash positions.

Table 4: Valuation Statistics of the Group and the Comparable Companies

Comparable Companies	Interim Financial	Market Capitalisation (US\$ million)	T12 PER ⁽¹⁾ (x)	T12 EV/EBITDA ⁽²⁾ (x)	P/NTA ⁽³⁾ (x)
PCI	31-Dec-16	74.3	9.3	2.9	0.9
Frencken	30-Sep-16	106.9	9.4	5.8	0.8
CEI	30-Jun-16	64.7	10.2	7.0	2.4
Multi-Chem	30-Sep-16	59.5	8.5	3.3	0.8
Sunright	31-Jan-17	43.2	n.m ⁽⁴⁾	2.0	0.5
AEM	30-Sep-16	63.8	19.1	11.0	3.1
Jadason	30-Sep-16	24.4	18.8	6.2	0.7
High			19.1	11.0	3.1
Low			8.5	2.0	0.5
Median			9.8	5.8	0.8
Simple Average			12.5	5.4	1.3
The Group (implied by the Exit Offer Price)	30-Sep-16	19.4⁽⁵⁾	Negative⁽⁶⁾	Negative⁽⁶⁾	0.7⁽⁷⁾

Source: S&P Capital IQ as at the Latest Practicable Date, annual reports and the unaudited interim financial statements of the Comparable Companies as at 30 September 2016, save for (a) CEI which was based on its latest unaudited financial statements as at 30 June 2016 and its annual report of 2015; and (b) Sunright which was based on its latest full year audited financial results ended 31 July 2016.

Notes:

- T12 Price-Earnings Ratio ("PER") was calculated based on the ratio of market capitalisation as at Latest Practicable Date to T12 net profits after tax attributable to shareholders of the respective companies.
- The Enterprise Value ("EV") was calculated based on the sum of the companies' market capitalisation as Latest Practicable Date, preferred equity, minority interests, short and long term debts less cash and cash equivalents. The T12 Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA") is computed based on the trailing 12 months period ending on the latest financial quarter for which financial results have been published.

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3. The Price to NTA ("**P/NTA**") was calculated based on the ratio of market capitalisation as at the Latest Practicable Date to the NTA attributable to shareholders of the respective companies.
4. Sunright's T12 PER of approximately 30.9x is construed as an outlier and has been excluded from the analysis.
5. Based on the Exit Offer Price of S\$0.210, the Company's share capital of 131,741,000 Shares and the exchange rate of S\$1= US\$0.7005 as at the Latest Practicable Date.
6. The Group recorded a negative T12 EBITDA and T12 loss after tax attributable to shareholders of approximately US\$0.1 million and US\$2.0 million based on its unaudited financial statements for the 9-month ended 30 September 2016 and its audited financial statements in the FY2015 annual report.
7. Based on the Group's RNTA per Share of approximately S\$0.30 as at 30 September 2016. P/RNAV based on RNAV per Share of S\$0.35 as at 30 September 2016 is approximately 0.6x.

Based on Table 4, we noted the following:

- (i) the Group's T12 PER and T12 EV/EBITDA were negative as the Group incurred unaudited T12 losses of US\$2.0 million and negative T12 EBITDA of S\$0.1 million; and
- (ii) the Group's P/RNTA of 0.7x based on the Group's unaudited RNTA per Share of approximately S\$0.30 as at 30 September 2016 was within range but below the median and the simple average of the Comparable Companies.

9.5 Precedent Privatisation Transactions Analysis

In assessing the reasonableness of the Exit Offer Price, we have also compared the valuation statistics implied by the Exit Offer Price with those of selected recently successful privatisation transactions undertaken by SGX-ST listed companies.

For our analysis, we have compared the financial terms of the Exit Offer against:

- (i) precedent voluntary delistings whereby the offeror's stake and/or undertakings received from shareholders is greater than 80% of the total shareholding interest ("**>80% VD**"). Such >80% VD transactions are similar to the Company as the Relevant Shareholders have, pursuant to the Irrevocable Undertakings, directly or indirectly hold and/or control an aggregate of approximately 88.24% of the total issued Shares; and
- (ii) all precedent privatisation transactions carried out either by way of voluntary delistings (**VD**) since January 2014 and up to the Latest Practicable Date or general takeover offer (including Scheme of Arrangement (SOA)) (**VGO**) since January 2015 and up to the Latest Practicable Date.

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Table 9: Valuation Statistics of >80% VD transactions

Company	Type	Ann Date	offeror's stake/IU (%)	Offer Price (S\$)	Premium/(discount) over the				Offer Price to NTA/NAV (x)
					Last transacted price prior to ann date (%)	1-month VWAP prior to ann date (%)	3-month VWAP prior to ann date (%)	6-month VWAP prior to ann date (%)	
Chemoil Energy Limited	VD	25-Feb-14	89.2	US\$0.400	29.0	31.1	32.5	31.2	1.1
Asia Power Corporation Limited	VD	24-Mar-14	89.6	0.160	0.0	1.2	2.1	9.7	0.6
Eastern Holdings Ltd	VD	22-Sep-15	86.9	0.425	41.7	41.7	26.8	21.8	0.8 ⁽³⁾
High					41.7	41.7	32.5	31.1	1.1
Low					0.0	1.2	2.1	9.7	0.6
Median					29.0	31.1	26.8	21.8	0.8
Simple Average					23.6	24.7	20.5	20.9	0.8
The Group		20-Sep-16	88.2	0.210	22.8	20.7	20.7	17.3	0.7⁽⁴⁾

Notes:

1. “**offeror’s stake**”, in the context of this Letter, refers to offeror’s shareholding interest in the company prior to the commencement of the delisting exercise.
2. “**%IU**”, in the context of this Letter, refers to undertakings shareholders’ total interest in the company during the delisting exercise, in which the undertaking shareholders had irrevocably undertaken to vote, and/or procure his nominees and parties acting in concert with, in favour of the delisting resolution AND accept the exit offer.
3. Based on RNTA per share of S\$0.515 as at 30 September 2015.
4. Based on the Group’s RNTA per Share of approximately S\$0.30 as at 30 September 2016. P/RNAV based on RNAV per Share of S\$0.35 as at 30 September 2016 is approximately 0.6x.

Based on Table 9, we noted that:

- (i) the premiums of 22.8% and 20.7% for the Group as implied by the Exit Offer Price over the last transaction price and 1-month VWAP prior for the Shares prior to the Joint Announcement Date, respectively, are within the comparable range but *slightly* below the median and simple average of >80% VD transactions; and
- (ii) the Group’s Exit Offer Price to RNTA multiple of 0.7x based on the Group’s unaudited RNTA as at 30 September 2016 was, within range but *slightly* below the median and simple average of the >80% VD transactions.

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Table 10: Valuation Statistics of precedent VGOs and VDs

Company	Type	Ann Date	Offer Price (S\$)	Premium/ (discount) over the				Offer Price to NTA/NAV (x)
				Last transacted price prior to ann date (%)	1-month VWAP prior to ann date (%)	3-month VWAP prior to ann date (%)	6-month VWAP prior to ann date (%)	
Popular Holdings Limited	VGO	14-Jan-15	0.320	39.1	39.7	37.3	32.2	1.2 ⁽¹⁾
Keppel Land Limited	VGO	23-Jan-15	4.380 ⁽²⁾	20.0	25.0	28.8	28.2	0.9
Lantrovision Ltd	SOA	27-Jan-15	3.250	47.7	42.8	46.2	56.6	1.5
Lizhong Wheel Group Ltd	VGO	17-Aug-15	0.500	96.1	87.3	79.2	92.3	0.6 ⁽³⁾
Chosen Holdings Limited	VGO	1-Sep-15	0.240	21.2	26.3	27.0	33.3	0.8 ⁽⁴⁾
Tiger Airways Holdings Limited ⁽⁵⁾	VGO	6-Nov-15	0.450	45.2	48.5	56.3	50.0	5.4
Interplex Holdings Ltd	VGO	23-Dec-15	0.820	15.5	11.1	13.1	16.5	1.7
China Yongsheng Limited	VGO	24-Feb-16	0.032	52.4	67.4	62.4	56.9	0.7 ⁽⁶⁾
Osim International Ltd	VGO	29-Feb-16 ⁽⁷⁾	1.410	27.0	40.9	42.5	16.7	2.6
Pteris Global Limited	VGO	20-Apr-16	0.735	14.5	19.3	24.6	29.4	1.1 ⁽⁸⁾
China Merchants Holdings Limited	VGO	9-May-16	1.020	22.9	21.9	25.5	20.1	1.1
Eu Yan Sang International Ltd	VGO	16-May-16	0.600	2.6	8.5	16.5	24.7	1.7
SMRT Corporation Ltd	SOA	15-Jul-16	1.680	8.7	10.8	10.7	8.7	n.a.
Sim Lian Group Limited	VGO	8-Aug-16	1.08	14.9	16.6	19.6	21.3	0.8 ⁽⁹⁾
High				96.1	87.3	79.2	92.3	5.4
Low				2.6	8.5	10.7	8.7	0.6
Median				22.5	25.7	27.9	28.8	1.2
Simple Average				30.6	33.3	35.0	34.8	1.7
Chemoil Energy Limited	VD	25-Feb-14	US\$0.400	29.0	31.1	32.5	31.2	1.1

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Company	Type	Ann Date	Offer Price (S\$)	Premium/ (discount) over the				Offer Price to NTA/NAV (x)
				Last transacted price prior to ann date (%)	1-month VWAP prior to ann date (%)	3-month VWAP prior to ann date (%)	6-month VWAP prior to ann date (%)	
Asia Power Corporation Limited	VD	24-Mar-14	0.160	0.0 ⁽¹⁰⁾	1.2 ⁽¹⁰⁾	2.1 ⁽¹⁰⁾	9.7 ⁽¹⁰⁾	0.6
Action Asia Limited	VD	27-Feb-15	0.190	69.6	68.1	66.7	65.2	0.8 ⁽¹¹⁾
Junma Tyre Cord Company Limited	VD	10-Mar-15	0.200	222.6 ⁽¹⁰⁾	162.3 ⁽¹⁰⁾	174.8 ⁽¹⁰⁾	167.8 ⁽¹⁰⁾	0.9 ⁽¹¹⁾
Eastern Holdings Ltd	VD	22-Sep-15	0.425	41.7	41.7	26.8	21.8	0.8 ⁽¹²⁾
Sinotel Technologies Ltd	VD	30-Nov-15	0.128	50.6	30.6	45.5	(4.5)	0.8
China Dairy Group Ltd	VD	12-Apr-16	0.195	87.7	96.4	82.5	82.5	1.1 ⁽¹³⁾
Otto Marine Limited	VD	2-Jun-16	0.320	39.1	44.9	43.5	42.9	2.3 ⁽¹⁴⁾
High				87.7	96.4	82.5	82.2	2.3
Low				29.0	30.6	26.8	(4.5)	0.6
Median				46.2	43.3	44.5	37.0	0.9
Simple Average				53.0	52.1	49.6	39.8	1.1
The Group		20-Sep-16	0.210	22.8	20.7	20.7	17.3	0.7⁽¹⁵⁾

Source: Circulars of the respective selected transactions

Notes:

1. Based on RNTA per share of S\$0.2957 as at 31 October 2014.
2. Based on base offer price.
3. Based on RNTA per share of S\$0.86 as at 30 June 2015.
4. Based on RNAV per share of S\$0.2826 as at 30 June 2015.
5. Based on revised offer letter. Time reference in calculating the premium is 5 November 2015 being the last trading date prior to the offer announcement.
6. Based on RNAV per share of S\$0.0489 as at 31 December 2015.
7. Based on the final offer price. Time reference in calculating the premium is based on “unaffected date”, being the last full market day preceding 1 March 2016, which is the date the SGX-ST issued the query regarding trading activity to the Company.
8. Based on RNTA per share of S\$0.686 as at 31 March 2016.
9. Based on RNAV per share of S\$1.382 as at 30 June 2016.
10. Excluded as statistical outlier in the computation of the median and simple average computation.
11. Based on RNAV per share of S\$0.255 as at 31 March 2015.
12. Based on RNTA per share of S\$0.515 as at 30 September 2015.
13. Based on RNTA per share of S\$0.21 as at 31 December 2014.
14. Based on RNAV per share of S\$0.184 as at 31 December 2015.
15. Based on the Group’s RNTA per Share of approximately S\$0.30 as at 30 September 2016. P/RNAV based on RNAV per Share of S\$0.35 as at 30 September 2016 is approximately 0.6x.

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Based on Table 10, we noted that:

- (i) the premiums of 22.8% and 20.7% for the Group as implied by the Exit Offer Price over the last transacted price and 1-month VWAP for the Shares prior to the Joint Announcement Date, respectively, are within the comparable range but below (less favourable) the median and the simple average of the precedent VGOs.
- (ii) the premiums of 22.8% and 20.7% for the Group as implied by the Exit Offer Price over the last transacted price and 1-month VWAP for the Shares prior to the Joint Announcement Date, respectively, are below (less favourable) the comparable range of the precedent VDs.
- (iii) The Group's Exit Offer Price to RNTA multiple of 0.7x based on the Group's unaudited RNTA as at 30 September 2016 was within the range but below (less favourable) the median and simple average of the precedent VGOs and within the range but below (less favourable) the median and simple average of the precedent VDs.

We wish to highlight that the circumstances for each of the transactions is unique and as the companies of transactions involved may not be directly comparable to the Company and the Group in terms of business activities, size of operations, market capitalisation, asset base, risk profile, track record, future prospects, time and other relevant criteria. As such, the analysis is necessarily limited. Furthermore, the list of precedent privatisation transactions is by no means exhaustive and information relating to the said companies was compiled from publicly available information. Accordingly, any comparison between the Exit Offer and the precedent privatisation transactions serves as an illustrative guide only.

9.6 Implication of Irrevocable Undertakings

As stated in the Exit Offer Letter, the Delisting Proposal and Exit Offer are conditional on the Delisting Proposal conditions, that is, (a) the Delisting Resolution being passed at the EGM; and (b) the Minimum Acceptance Condition.

9.6.1 Delisting Resolution Conditions

Under Rule 1307 of the Listing Manual, the SGX-ST may agree to an application by the Company to delist from the official list of the SGX-ST if:

- (i) the Company convenes an EGM to obtain Shareholders' approval of the Delisting;
- (ii) the Delisting Resolution is approved by a majority of at least 75% of the total number of issued Shares (excluding treasury Shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on the Delisting Resolution (the Directors and Controlling Shareholders are not required to abstain from voting on the Delisting Resolution); and
- (iii) the Delisting Resolution has not been voted against by 10% or more of the total number of issued Shares (excluding treasury Shares) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM,

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collectively, the Delisting Resolution Conditions.

Shareholders should note that the Relevant Shareholders are not required to abstain from voting on the Delisting Resolution. The Relevant Shareholders have, pursuant to the Irrevocable Undertakings, undertaken to exercise or procure the exercise of the votes attaching to the Undertaking Shares in favour of any such resolution approving the Delisting (in this case the Delisting Resolution). As at the Latest Practicable Date, the Relevant Shareholders directly or indirectly hold and/or control an aggregate of 116,251,679 Shares, representing approximately 88.24% of the total issued Shares.

Upon the Relevant Shareholders carrying out their Irrevocable Undertaking and vote in favour of the Delisting Resolution, condition (ii) of the Delisting Resolution Conditions will be met and the Delisting Resolution will be passed unless it is voted against by 10% or more of the total number of issued Shares (excluding treasury Shares) held by Shareholders present and voting at the EGM.

9.6.2 Minimum Acceptance Condition

Save for the Delisting Resolution Conditions, the Delisting and Exit Offer are also conditional on the receipt by the Offeror, by close of the Exit Offer, valid acceptances in respect of such number of Offer Shares which will result in the Offeror holding more than 50% of the Shares (excluding any Shares held by the Company as treasury shares) as at the close of the Exit Offer ("**Minimum Acceptance Condition**").

We wish to highlight that each Relevant Shareholders has, pursuant to the Irrevocable Undertakings, undertaken to accept and/or procure the acceptance of the Exit Offer in respect of all the Undertaking Shares and shall tender and/or procure that the registered holders of the Undertaking Shares shall tender the acceptances no later than 3.00 p.m. on the third business day after the despatch of the Exit Offer Letter, or such other time (no later than the close of the Exit Offer) as may be agreed between the Offeror and each Relevant Shareholder, in accordance with the procedures to be prescribed in the Exit Offer Letter and the relevant accompanying form(s) of acceptance and letter of acceptances.

Upon the Relevant Shareholders accepting the Exit Offer, and tendering their acceptance in accordance to the Irrevocable Undertakings, the Minimum Acceptance Condition will be met.

Shareholders should note that if the Delisting Proposal Conditions are not fulfilled, the Exit Offer will lapse and the Company will remain listed on the SGX-ST. Save for the Delisting Proposal Conditions, the Delisting and Exit Offer will each be unconditional in all respects.

Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of Offer Shares. However, such acceptances would be conditional upon the Delisting Proposal Conditions being satisfied. If the Delisting Proposal Conditions are not satisfied, the conditions to the Exit Offer will not be fulfilled and the Exit Offer will lapse.

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9.6.3 Implication of Delisting for Shareholders

Shareholders should note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of marketability. **Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit. If the Company is delisted, even if such Shareholders were able to sell their Shares, they may receive a lower price as compared to the Exit Offer Price.** Further, any transfer or sale of Shares represented by share certificates will be subject to stamp duty.

Shareholders should also note that, under the Code, except with the consent of the SIC, neither the Offeror nor any person acting in concert with it may, within six (6) months of the closure of the Exit Offer, make a second offer to, or acquire any Shares from, any Shareholder on terms better than those made available under the Exit Offer.

As an unlisted company, the Company will no longer be obliged to comply with the listing requirements of the SGX-ST, in particular the continuing corporate disclosure requirements under Chapter 7 and Appendices 7.1, 7.2, 7.4.1 and 7.4.2 of the Listing Manual. Nonetheless, as a company incorporated in Singapore, the Company will still need to comply with the Companies Act and its Constitution, and the interests of Shareholders who do not accept the Exit Offer will be protected to the extent provided for by the Companies Act.

If the Company is delisted from the Official List of the SGX-ST, each Shareholder who holds Shares that are deposited with CDP and does not accept the Exit Offer will be entitled to one (1) share certificate representing his delisted Shares. The Company's share registrar, B.A.C.S Private Limited, will arrange to forward the share certificates to such Shareholders who are not CPFIS Investors, by ordinary post and at the Shareholders' own risk, to their respective addresses as such addresses appear in the records of CDP for their physical safekeeping. The share certificates belonging to CPFIS Investors will be forwarded to their respective CPF Agent Banks for their safekeeping.

Shareholders who are in doubt of their position should seek independent professional advice.

9.7 Compulsory Acquisition Threshold

As stated in the Exit Offer Letter, if the Offeror receives valid acceptances pursuant to the Exit Offer in respect of **not less than 90% of the total Shares** (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Exit Offer and excluding any treasury shares), the Offeror will be entitled to exercise its right in accordance with Section 215(1) of the Companies Act to compulsorily acquire, at the Exit Offer Price, all the Shares of Shareholders who have not accepted the Exit Offer. In addition, in accordance with Section 215(11) of the Companies Act, any Shares which the Offeror acquires or contracts to acquire, other than through valid acceptances of the Exit Offer, for a consideration that does not exceed that under the Exit Offer, shall be deemed to be acquired by virtue of valid acceptances of the Exit Offer.

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As none of the Relevant Shareholders is a related corporation or nominee of the Offeror under the Companies Act, the 116,251,679 Shares (representing approximately 88.24% of the total issued Shares of the Company) to be tendered by the Relevant Shareholders in acceptance of the Exit Offer pursuant to their Irrevocable Undertakings will be included and counted towards the 90% threshold for compulsory acquisition under Section 215(1) of the Companies Act.

The Offeror intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company. Accordingly, the Offeror, when entitled, intends to exercise its rights to compulsorily acquire all the Shares from Shareholders who have not accepted the Exit Offer on the same terms as those offered under the Exit Offer.

If the Offeror acquires such number of Shares which, together with Shares held by it, its related corporations and their respective nominees, comprise 90% or more of the total Shares (excluding treasury shares), Shareholders who have not accepted the Exit Offer have a right to require the Offeror to acquire their Shares on the same terms as those offered under the Exit Offer in accordance with Section 215(3) of the Companies Act. **Shareholders who have not accepted the Exit Offer and who wish to exercise such right are advised to seek their own independent advice if in doubt.**

9.8 Other Relevant Considerations

9.8.1 No revision in Exit Offer Price

Pursuant to **Section 3.3** of the Circular, we note that the Offeror does not intend to revise or increase the Exit Offer Price under any circumstances.

9.8.2 No Competing Offer Received

The Directors have confirmed that, as at the Latest Practicable Date, apart from the Exit Offer being made by the Offeror, there is no competing offer or proposal received from any third party. We also note that there is no publicly available evidence of any alternative offer for the Shares from any third party.

9.8.3 Dividend Track Record of the Company

In view of the Group's profitability in FY2013 and FY2014, and notwithstanding the losses in FY2015, the Company had paid first and final dividend of 0.16 cent, 0.23 cent and 1.15 cent (following 5 to 1 Share Consolidation) per ordinary share for FY2013, FY2014 and FY2015 respectively.

The Directors have confirmed that the Company does not have a fixed dividend policy and that they will recommend future dividends after taking into consideration the Company's cash and financial position, financial performance of the Group, working capital requirements, projected capital expenditure and other investment plans.

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10. SUMMARY OF ANALYSIS

In arriving at our opinion in respect of the Exit Offer, we have deliberated on various factors which we consider to be pertinent and have a significant bearing on our assessment including, *inter alia*, the following:

(a) Rationale for the Delisting Proposal

We have considered the rationale for the Delisting Proposal and they appear to be based on sound commercial grounds.

(b) Financial performance and position of the Group

Declining financial performance and net losses incurred for FY2015 and 9M2016

The Group had registered net losses of US\$0.1 million in FY2015 and US\$1.3 million in 9M2016 from profitable positions in the corresponding periods in FY2014 and 9M2015, due to the challenging business environment, resulting in lower sales from its precision machines components business and its printed circuit board assembly and kitting business.

We also noted that the Group had registered losses for five consecutive quarters since the 3rd quarter of 2015 mainly due to the decline in sales in the Group's printed circuit board assembly and kitting business.

High Gearing Ratio as at 30 September 2016

We wish to highlight that the Group was in a net debt position as at 30 September 2016, with a relatively high gearing ratio (total liabilities to shareholders' equity) of 1.1x as compared to the net cash position of the Comparable Companies.

(c) Historical Share price performance and trading liquidity

Share price trending downwards after the Share Consolidation

Since the Share Consolidation exercise in May 2015, the Share price had been on a downward trend. We noted that the downward trend in the Share prices corresponded to the decline in the financial performance of the Group which registered losses for five consecutive quarters, beginning from the 3rd quarter of 2015. The Group's losses were mainly due to the decline in sales in the Group's printed circuit board assembly and kitting business.

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Exit Offer Price comparison to historical Share price

The Exit Offer Price is at approximately 20.7%, 20.7%, 17.3% and 6.1% premium to the VWAP for the Shares for the period 1-month, 3-months, 6-months and 12-months prior to the Joint Announcement Date respectively. The Exit Offer Price is at a premium of 22.8% from the last transacted price of S\$0.171 per Share on the last full day of trading prior to the Joint Announcement Date.

Low trading volume for the Shares

We noted that the trading volume of the Shares on the SGX-ST had generally been low and the Shares of the Company only traded on 44 days out of total 254 Market Days in the past 12 months prior to the Joint Announcement Date.

The Exit Offer will provide an exit option for those Shareholders who wish to realise their investments in the Shares but find it difficult to do so as a result of the low trading liquidity.

(d) **The Group's NAV, NTA, and RNTA**

Exit Offer Price to NAV and RNAV

The Group's P/NAV and P/NTA were approximately 0.7x and 0.9x respectively. The Group's P/RNAV and P/RNTA were approximately 0.6x and 0.7x respectively.

Historical Share price had consistently been trading at a discount to NTA per Share

We noted the closing Share Prices of the Company had generally been trading below its NTA per Share in the past 12 months prior to the Joint Announcement Date. We also noted that the closing Share Prices of the Company were trading below its NTA per Share at a discount between 0.3% and 38.4% in 40 days out of total 44 Trading Days in the past 12 months prior to the Joint Announcement Date.

Comparison of the Exit Offer Price to RNTA per Share against Comparable Companies

The Group's P/RNTA of 0.7x based on the Group's unaudited RNTA per Share of approximately S\$0.30 as at 30 September 2016 was within the range but below the median and the simple average of the Comparable Companies.

Comparison of the Exit Offer Price to RNTA per Share against precedent privatisation transactions

The Group's Exit Offer Price to RNTA multiple of 0.7x based on the Group's unaudited RNTA as at 30 September 2016 was,

- (i) within the range but *slightly* below the median and simple average of the >80% VD transactions; and
- (ii) within the range but below (less favourable) the median and simple average of the precedent VGOs and within the range but below (less favourable) the median and simple average of the precedent VDs.

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Nonetheless, we wish to highlight that the circumstances for each of the transactions is unique and as the companies of transactions involved may not be directly comparable to the Company and the Group in terms of business activities, size of operations, market capitalisation, asset base, risk profile, track record, future prospects, time and other relevant criteria, the analysis is necessarily limited.

Book value or revalued book value may not be fully realisable and may deteriorate further

Shareholders should note that the NAV/NTA may not be fully realisable at its book value or revalued value, especially within a short time frame, given that the assets held by the Group is very specialised and the market value of these assets may vary depending on, amongst others, the prevailing market and economic conditions and whether a buyer can be found for such specialised assets. Also, the NAV/NTA of the Group may deteriorate further if the Group continues to incur losses after 30 September 2016.

(e) Relative valuation analysis

The Group's performance ratio were less favorable compared to the Comparable Companies

The Group's T12 ROE, T12 net profit/loss margin and T12 asset turnover ratio were within the range but lower (less favourable) than the median and the simple average of the Comparable Companies. Both the Group's T12 PER and T12 EV/EBITDA were negative as the Group incurred unaudited T12 losses of US\$2.0 million and negative T12 EBITDA of S\$0.1 million based on its unaudited financial statements for the 9-month ended 30 September 2016 and its audited financial statements in the FY2015 annual report.

Higher leverage ratios against the Comparable Companies

We wish to highlight that the Group's total liabilities to shareholders' equity ratio and total borrowings to shareholders' of 1.1x and 0.7x were above the range of Comparable Companies. We also noted that the Group is in a net debt position, whereas all the Comparable Companies are in net cash position.

(f) Precedent privatisation transactions

Comparison of Exit Offer Price against precedent privatisation transactions

- (i) we noted that the premiums of 22.8% and 20.7% for the Group as implied by the Exit Offer Price over the last transacted price and 1-month VWAP prior for the Shares prior to the Joint Announcement Date, respectively, are within the comparable range but *slightly* below the median and simple average of >80% VD transactions; and
- (ii) we noted that the premiums of 22.8% and 20.7% for the Group as implied by the Exit Offer Price over the last transacted price and 1-month VWAP for the Shares prior to the Joint Announcement Date, respectively, are within the

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comparable range but below (less favourable) the median and the simple average of the precedent VGOs but below (less favourable) the comparable range of the precedent VDs.

We wish to highlight that the circumstances for each of the transactions is unique and as the companies of transactions involved may not be directly comparable to the Company and the Group in terms of business activities, size of operations, market capitalisation, asset base, risk profile, track record, future prospects, time and other relevant criteria, the analysis is necessarily limited. Furthermore, the list of precedent privatisation transactions is by no means exhaustive and information relating to the said companies was compiled from publicly available information. Accordingly, any comparison between the Exit Offer and the precedent privatisation transactions serves as an illustrative guide only.

(g) Implication Of Irrevocable Undertakings

Passing of Delisting Resolution

The Relevant Shareholders have, pursuant to the Irrevocable Undertakings, undertaken to exercise or procure the exercise of the votes attaching to the Undertaking Shares in favour of any such resolution approving the Delisting Resolution. As at the Latest Practicable Date, the Relevant Shareholders directly or indirectly hold and/or control an aggregate of 116,251,679 Shares, representing approximately 88.24% of the total issued Shares.

Upon the Relevant Shareholders carrying out their Irrevocable Undertaking and vote in favour of the Delisting Resolution, the Delisting Resolution will be passed unless it has been voted against by 10% or more of the total number of issued Shares (excluding treasury Shares) held by Shareholders present and voting at the EGM.

Minimum Acceptance Condition will be met (if Irrevocable Undertakings are executed)

Save for the Delisting Resolution Conditions, the Delisting and Exit Offer are also conditional on the receipt by the Offeror of the Minimum Acceptance of more than 50% of the Shares (excluding any Shares held by the Company as treasury shares) as at the close of the Exit Offer.

Upon the Relevant Shareholders accepting the Exit Offer, and tendering their acceptance in accordance to the Irrevocable Undertakings, the Minimum Acceptance Condition will be met.

Implication of Delisting for Shareholders

Shareholders should note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of marketability. **Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit. If the Company is delisted, even if such Shareholders were able to sell their**

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Shares, they may receive a lower price as compared to the Exit Offer Price. Further, any transfer or sale of Shares represented by share certificates will be subject to stamp duty.

(h) Close to Compulsory Acquisition Threshold

As none of the Relevant Shareholders is a related corporation or nominee of the Offeror under the Companies Act, the 116,251,679 Shares (representing approximately **88.24%** of the total issued Shares of the Company) to be tendered by the Relevant Shareholders in acceptance of the Offer pursuant to their Irrevocable Undertakings will be included and counted towards the 90% threshold for compulsory acquisition under Section 215(1) of the Companies Act.

(i) Other Relevant Considerations

No revision in Exit Offer Price

Pursuant to **Section 3.1** of the Circular, we noted that the Offeror does not intend to revise the Exit Offer Price.

No Competing Offer Received

The Directors have confirmed that, as at the Latest Practicable Date, apart from the Exit Offer being made by the Offeror, there is no competing offer or proposal received from any third party. We also note that there is no publicly available evidence of any alternative offer for the Shares from any third party.

Dividend track record of the Company

The Directors have confirmed that the Company does not have a fixed dividend policy and that they will recommend future dividends after taking into consideration the Company's cash and financial position, financial performance of the Group, working capital requirements, projected capital expenditure and other investment plans.

11. RECOMMENDATION AND CONCLUSION

Having carefully considered the information available to us, and the analysis set out in this letter, and based upon the industry, market, economic and other relevant considerations as at the Latest Practicable Date, and subject to the qualifications and assumptions made herein, we are of the opinion that the financial terms of the Exit Offer are fair and reasonable and not prejudicial to the interests of the Independent Shareholders.

Shareholders should note that the Exit Offer is conditional upon the Delisting Proposal Conditions. If any of the conditions to the Exit Offer is not satisfied, the Exit Offer will lapse, the Delisting will not proceed and the Company will remain listed on the Official List of the SGX-ST.

Accordingly, we advise the Independent Directors to recommend that Shareholders should vote in favour of the Delisting Resolution. In the event that the Delisting Resolution is passed, the Independent Directors should recommend that

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Shareholders to either ACCEPT the Exit Offer or sell their Shares on the open market if they can obtain a price equal to or higher than the Exit Offer Price (after deducting expenses) in the event that the Delisting Resolution is passed and they do not intend or are not prepared to hold unlisted Shares. Shareholders should note that there is no assurance that the market prices and trading volumes of the Shares will be maintained at current levels prevailing as at the Latest Practicable Date after the close of the Exit Offer.

In rendering the above advice, we have not had regard to the specific investment objectives, financial situation, tax position or particular needs and constraints of any individual Shareholder. As each Shareholder would have different investment objectives and profiles, we would advise that any individual Shareholder who may require specific advice in relation to his investment objectives or portfolio should consult his broker, bank manager, solicitor, accountant, tax adviser or other professional advisers immediately.

Shareholders should note that the trading of the Shares are subject to, *inter alia*, the performance and prospects of the Group, prevailing market conditions, economic outlook and stock market conditions and sentiments. Accordingly, the advice of Stirling Coleman on the Exit Offer does not and cannot take into account future trading activities or patterns or price levels that may be established for the Shares after the Latest Practicable Date since these are governed by factors beyond the ambit of Stirling Coleman's review and also, such advice, if given, would not fall within Stirling Coleman's terms of reference in connection with the Exit Offer.

This Letter (for inclusion in the Circular) is addressed to the Independent Directors for their benefit, in connection with and for the purpose of their consideration of the Exit Offer and for compliance by the Company with Rule 1309 of the Listing Manual. The recommendation made by the Independent Directors to the Shareholders remains the responsibility of the Independent Directors.

This Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
STIRLING COLEMAN CAPITAL LIMITED
YAP YEONG KEEN
MANAGING DIRECTOR

APPENDIX II

ADDITIONAL INFORMATION ON THE COMPANY AND THE GROUP

1 Directors

The names, addresses and descriptions of the Directors as at the Latest Practicable Date are as follows:

Name	Address	Designation
Dr Tan Kim Yong	c/o 23 Ubi Crescent Singapore 408579	Group Chairman and Chief Executive Officer
Mr Tan Gim Seng	c/o 23 Ubi Crescent Singapore 408579	Executive Director
Mr Lim Yeow Hua	c/o 23 Ubi Crescent Singapore 408579	Independent Director
Mr Lee Teck Leng	c/o 23 Ubi Crescent Singapore 408579	Independent Director

2 Registered Office

The registered office of the Company is at 23 Ubi Crescent, Singapore 408579.

3 Principal Activities

The Company was incorporated in Singapore on 29 April 2004 and was listed on the Main Board of the SGX-ST on 26 May 2005. The Group is an electronics manufacturing services provider, with more than 21 years of experience specialising in medium to high-end performance-critical applications. The Group provides services to original equipment manufacturers/multinational corporations in the aerospace-avionics, medical/life and analytical science, metal and automotives industries. The Group has also diversified into property investment and development and minimart business.

4 Share Capital

4.1 Issued Share Capital

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of US\$28,739,313 comprising 131,740,474 ordinary Shares and 57,477 treasury shares.

4.2 Rights in respect of Capital, Dividends and Voting

The rights of Shareholders in respect of capital, dividends and voting are contained in the Constitution, which are available for inspection at the Company's registered office at 23 Ubi Crescent, Singapore 408579. The relevant provisions have been extracted from the Constitution and reproduced in Appendix III to this Circular.

4.3 New Issues

As at the Latest Practicable Date, no new Shares were issued since 31 December 2015.

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4.4 Options and Convertibles

As at the Latest Practicable Date, (i) the Company has not granted any options under the Company's employee share option scheme and (ii) there are no outstanding awards granted under the Company's share performance plan which may be vested into and be settled by the issue of new Shares in the Company.

As at the Latest Practicable Date, the Company has not issued any outstanding instruments convertible into, rights to subscribe for, nor options in respect of, securities which carry voting rights of the Company.

4.5 Pre-Emption

There is no restriction in the Constitution on the right to transfer any Offer Shares, which has the effect of requiring the holders of such Offer Shares, before transferring them, to offer them for purchase to members of the Company or to any person.

5 **Financial Information**

5.1 Consolidated Income Statements

A summary of the audited consolidated income statements of the Group for FY2013, FY2014 and FY2015 and the unaudited consolidated income statements of the Group for the financial period ended 30 September 2016 is set forth below. This summary is extracted from, and should be read together with, the annual reports and the audited financial statements of the Group for FY2013, FY2014 and FY2015 as well as the unaudited financial statements of the Group for the financial period ended 30 September 2016, and the respective accompanying notes, copies of which are available for inspection at the Company's registered office at 23 Ubi Crescent, Singapore 408579.

	Audited FY2013 US\$'000	Audited FY2014 US\$'000	Audited FY2015 US\$'000	Unaudited financial period ended 30 September 2016 US\$'000
Revenue	65,714	74,942	73,709	52,943
Cost of sales	(56,391)	(64,593)	(65,325)	(46,801)
Gross profit	9,323	10,349	8,384	6,142
Other operating income	495	201	179	109
Expenses:				
Marketing and distribution costs	(83)	(135)	(79)	(22)
Administrative expenses	(7,665)	(7,556)	(7,329)	(6,583)
Finance costs	(541)	(744)	(801)	(639)
Other operating expenses	(32)	(46)	(76)	(200)
Exceptional items	–	–	–	–
Profit/(loss) before income tax	1,497	2,069	278	(1,193)
Income tax expense	(432)	207	(404)	(129)
Net profit/(loss)	1,065	2,276	(126)	(1,322)

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	Audited FY2013 US\$'000	Audited FY2014 US\$'000	Audited FY2015 US\$'000	Unaudited financial period ended 30 September 2016 US\$'000
Other comprehensive income:				
Item that will not be reclassified to profit or loss				
Re-measurement of defined benefit obligation	144	(29)	43	–
Item that may be reclassified subsequently to profit or loss				
Foreign currency translation	54	(73)	(38)	(24)
Net gain on fair value changes of available-for-sale financial assets	8	51	–	–
Net change in fair value due to disposal of available-for-sale financial assets reclassified to profit or loss	–	–	(59)	–
Other comprehensive income/(loss), net of tax	206	(51)	(54)	(24)
Total comprehensive income	1,271	2,225	(180)	(1,346)
Profit/(loss) attributable to:				
Equity holders of the Company	1,065	2,276	(126)	(1,322)
Non-controlling interests	–	–	–	–
	1,065	2,276	(126)	(1,322)
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	1,271	2,225	(180)	(1,346)
Non-controlling interests	–	–	–	–
	1,271	2,225	(180)	(1,346)
Earnings/(loss) per share attributable to equity holders of the Company (US cents per share)				
Basic ⁽¹⁾	0.81	1.73	(0.10)	(1.00)
Diluted ⁽¹⁾	0.81	1.73	(0.10)	(1.00)

Note:

- (1) The comparative figures for FY2013 and FY2014 are restated to adjust for the effects of the share consolidation of every five ordinary shares of the Company into one ordinary share which was completed on 21 May 2015. The figures were calculated based on the issued share capital of 131,740,474 Shares as at the Latest Practicable Date.

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5.2 Balance Sheet

A summary of the audited consolidated balance sheet of the Group as at 31 December 2015 and the unaudited consolidated balance sheet of the Group as at 30 September 2016 is set out below. This summary is extracted from, and should be read together with, the annual report and the audited financial statements of the Group for FY2015, the unaudited financial statements of the Group for the financial period ended 30 September 2016, and the respective accompanying notes, copies of which are available for inspection at the Company's registered office at 23 Ubi Crescent, Singapore 408579.

	Audited as at 31 December 2015 US\$'000	Unaudited as at 30 September 2016 US\$'000
Current assets	42,260	37,759
Non-current assets	14,782	20,207
Total assets	57,042	57,966
Current liabilities	20,191	21,026
Non-current liabilities	6,746	9,214
Total liabilities	26,937	30,240
NET ASSETS	30,105	27,726
Share capital	28,739	28,739
Treasury shares	(345)	(38)
Reserves	1,711	(975)
TOTAL EQUITY	30,105	27,726

5.3 Consolidated NTA per Share

The consolidated NTA per Share of the Group based on the unaudited consolidated financial statements of the Group for the financial period ended 30 September 2016 is US\$0.173 (approximately S\$0.236 per Share).

As announced on 20 October 2016, the Group disposed of the Pinang Property. The consideration received from the disposal of the Pinang Property of RM11,000,000 ("**Disposal Consideration**"), represents an excess of RM3,382,100 over the net book value of the Pinang Property and the amount of gain from the disposal is approximately RM2,677,070 after taking into account the associated costs of the disposal.

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As the disposal of the Pinang Property took place after 30 September 2016, below are the adjustments to be made to the unaudited consolidated balance sheet of the Group, for illustrative purposes, if the disposal of the Pinang Property had taken place as at 30 September 2016:

US\$'000	Unaudited ⁽¹⁾ 30-Sep-16	Adjusted ⁽¹⁾ 30-Sep-16	Increase/ (Decrease) %
ASSETS			
Non-Current Assets:			
Property, plant and equipment	9,447	9,447	–
Investment properties	5,840	3,995	-46.2% ⁽²⁾
Intangible assets ⁽³⁾	4,512	4,512	–
Deferred tax assets	408	408	–
	20,207	18,362	-10.0%
Current Assets			
Inventories	23,603	23,603	–
Trade and other receivables	9,999	12,397	19.3% ⁽⁴⁾
Prepaid operating expenses	135	135	–
Cash and cash equivalents	4,022	4,146	2.9%
	37,759	40,281	6.3%
TOTAL ASSETS	57,966	58,643	1.1%
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	35	35	–
Loans and borrowings	8,064	8,064	–
Employment benefits	1,115	1,115	–
	9,214	9,214	–
Current Liabilities			
Trade and other payables	8,451	8,318	-1.6%
Accrued operating expenses	1,206	1,207	–
Amount due to related parties	765	765	–
Loans and borrowings	10,581	10,581	–
Income tax payables	23	185	87.6% ⁽⁵⁾
	21,026	21,056	0.1%

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US\$'000	Unaudited ⁽¹⁾ 30-Sep-16	Adjusted ⁽¹⁾ 30-Sep-16	Increase/ (Decrease) %
EQUITY			
Share capital	28,739	28,739	–
Treasury shares	(38)	(38)	–
Retained earnings	4,090	4,742	13.7% ⁽⁶⁾
Other reserves	(5,065)	(5,070)	0.1%
TOTAL EQUITY	27,726	28,373	2.3%
	NAV: 27,726 NTA: 22,806	Adjusted NAV: 28,373 Adjusted NTA: 23,453	

Notes:

- (1) Figures and computations above are subject to rounding.
- (2) The decrease was due to derecognition of the net book value of the Pinang Property of approximately RM7,617,900.
- (3) Intangible assets comprise US\$2.68 million goodwill arising from acquisition of minimart business and US\$1.832 million goodwill arising from acquisition of subsidiaries.
- (4) The increase was due to balance of Disposal Consideration of RM9,900,000.
- (5) Included an estimated amount for the capital gain tax.
- (6) As a result of the disposal, the gain attributed to the earnings was estimated to be RM2,677,070.

The adjusted NTA per Share of the Group based on the unaudited consolidated financial statements of the Group for the financial period ended 30 September 2016, taking into account the disposal of the Pinang Property is US\$0.178 (approximately S\$0.243 per Share).

As at the Latest Practicable Date, save as disclosed in paragraph 7.2 of this Circular and the disposal of the Pinang Property, the Directors are not aware of any material changes which may affect the above stated consolidated NTA per Share.

5.4 Significant Accounting Policies and Changes

Save as disclosed in the notes to the audited consolidated financial statements of the Group for FY2015 attached to the annual report of the Company for FY2015 and the notes to the unaudited consolidated financial statements of the Group for the financial period ended 30 September 2016 which are available for inspection at the registered office of the Company at 23 Ubi Crescent, Singapore 408579:

- (a) there were no significant accounting policies or any matter from the notes of the financial statements of the Group which are of any major relevance for the interpretation of the financial statements of the Group; and
- (b) there was no change in the accounting policies of the Group which will cause the financial statements of the Group not to be comparable to a material extent.

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5.5 Material Changes in Financial Position

Save as set out in publicly available information on the Group (including but not limited to the announcement of the unaudited financial statements of the Group for the financial period ended 30 September 2016), as at the Latest Practicable Date, there has been no known material change in the financial position of the Group since 31 December 2015, the date of the Group's last published audited financial statements.

6 DISCLOSURE OF INTERESTS

6.1 Shareholdings

(a) Interests of the Company in securities of the Offeror

The Company does not have any direct or deemed interest in (i) any shares of the Offeror or (ii) any Convertible Securities, Warrants, Options or Derivatives in respect of any shares of the Offeror, as at the Latest Practicable Date.

(b) Dealings in securities of the Offeror by the Company

The Company has not dealt for value in (i) any shares of the Offeror or (ii) any Convertible Securities, Warrants, Options or Derivatives in respect of any shares of the Offeror during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

(c) Interests of the Directors in securities of the Company

As at the Latest Practicable Date, none of the Directors has any direct or deemed interests in any Convertible Securities, Warrants, Options or Derivatives in respect of any Shares.

The Directors' direct and deemed interests in the Shares as at the Latest Practicable Date are disclosed as follows:

Director	Direct Interest	Number of Shares		
		% ⁽¹⁾	Deemed Interest	% ⁽²⁾
Dr Tan Kim Yong	9,402,905	7.14	97,345,000 ⁽²⁾	73.89
Mr Tan Gim Seng	4,334,974	3.29	–	–
Mr Lim Yeow Hua	40,000	0.03	–	–
Mr Lee Teck Leng	–	–	–	–

Notes:

- (1) Percentages are based on the issued capital of the Company of 131,797,951 Shares less treasury shares of 57,477 as at the Latest Practicable Date.
- (2) Dr Tan Kim Yong's deemed interest comprise 1,850,000 Shares held by his wife, Mdm Teo Siew Ling and 95,495,000 Shares held in the name of nominees.

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(d) Dealings in securities of the Company by the Directors

None of the Directors has dealt for value in any (i) Shares and (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any Shares during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

(e) Interests of the Directors in securities of the Offeror

Save as disclosed below, none of the Directors has any direct or deemed interest in any (i) shares of the Offeror or (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any shares of the Offeror, as at the Latest Practicable Date.

Director	Direct Interest	Number of Shares		% ⁽¹⁾
		% ⁽¹⁾	Deemed Interest	
Dr Tan Kim Yong	9,278	92.78	–	–
Mr Tan Gim Seng	329	3.29	–	–
Mr Lim Yeow Hua	–	–	–	–
Mr Lee Teck Leng	–	–	–	–

Note:

(1) Percentages are based on the issued capital of the Offeror of 10,000 shares as at the Latest Practicable Date.

(f) Dealings in securities of the Offeror by the Directors

Save for Dr Tan Kim Yong and Mr Tan Gim Seng who have subscribed for the shares of the Offeror as disclosed in Section 6.1(e) above, none of the Directors has dealt for value in any (i) shares of the Offeror and (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any shares of the Offeror during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

(g) Interests of Stirling Coleman in securities of the Company

None of Stirling Coleman, its related corporations or any funds whose investments are managed by Stirling Coleman on a discretionary basis owns or controls any (i) Shares or (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any Shares as at the Latest Practicable Date.

(h) Dealings by Stirling Coleman in securities of the Company

None of Stirling Coleman, its related corporations or any funds whose investments are managed by Stirling Coleman on a discretionary basis has dealt for value in any (i) Shares or (ii) Convertible Securities, Warrants, Options or Derivatives in respect of any Shares during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

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6.2 Other Disclosures

- (a) There are no service contracts between any of the Directors or proposed directors with the Company or its subsidiaries which have more than twelve (12) months to run and which are not terminable by the employing company within the next twelve (12) months without paying any compensation. There are no such service contracts entered into or amended by the Company or its subsidiaries during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.
- (b) It is not proposed that any payment or other benefit be made or given to any Director or director of any other corporation which is by virtue of Section 6 of the Companies Act deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Exit Offer.
- (c) Save for the Irrevocable Undertakings (details of which are disclosed in paragraph 4 of this Circular and paragraph 4 of the Exit Offer Letter), there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Exit Offer.

6.3 Material Contracts

Save for the Relevant Directors, none of the Directors has a material personal interest, whether direct or indirect, in any material contract entered into by the Offeror as at the Latest Practicable Date.

7. MATERIAL CONTRACTS WITH INTERESTED PERSONS

Neither the Company nor any of its subsidiaries has entered into material contracts with persons who are Interested Persons (other than those entered into in the ordinary course of business) during the period commencing three (3) years prior to the Joint Announcement Date and ending on the Latest Practicable Date.

8. MATERIAL LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries is engaged in any material litigation as plaintiff or defendant which might materially and adversely affect its financial position and the Directors are not aware of any proceedings (pending or threatened) against the Company or any of its subsidiaries or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position of the Company and its subsidiaries taken as a whole.

9. MATERIAL CHANGE IN INFORMATION

Save as disclosed in this Circular and save for information relating to the Company, the Group or the Exit Offer and the Delisting that is publicly available, there has been no material change in any information previously published by or on behalf of the Company during the period commencing from the Joint Announcement Date and ending on the Latest Practicable Date.

APPENDIX II

10. VALUATION REPORTS ON REVALUED ASSETS

(a) Valuation on 23 Ubi Crescent, Singapore 408579

AVA Associates Limited has conducted a valuation of the Group's property known as 23 Ubi Crescent, Singapore 408579 (the "**Ubi Crescent Property**") and an extract of the valuation report is set out in Appendix IV to this Circular. As set out in the valuation report, the estimated open market value of the Ubi Crescent Property is S\$4,500,000 (as compared to its net book value of approximately S\$1,163,455) as at 30 September 2016. The valuation was carried out in connection with the Exit Offer and on the market value basis as defined in the valuation report.

No valuation was conducted on the Group's property known as 25 Ubi Crescent Singapore 408580 as it is similar to the Ubi Crescent Property in all material aspects such as land area, location and condition of building. The net book value of 25 Ubi Crescent Singapore 408580 as at 30 September 2016 is approximately S\$1,233,620.

(b) Valuations on No. 519B-37-01, No. 519B-38-01 and No. 519B-39-01, 1 Tanjong, Jalan Tanjong Bungah, 11200 Tanjong Bungah, Penang

AVA Associates Limited has conducted a valuation of the Group's properties in Penang which comprise premises No. 519B-37-01, No. 519B-38-01 and No. 519B-39-01, 1 Tanjong, Jalan Tanjong Bungah, 11200 Tanjong Bungah, Penang (the "**Penang Properties**") and an extract of the valuation report is set out in Appendix IV to this Circular. The estimated market values of the Penang Properties as at 30 September 2016 set out in the valuation report are:

Property	Market Value
No. 519B-37-01, 1 Tanjong, Jalan Tanjong Bungah, 11200 Tanjong Bungah, Penang	RM6,000,000 (approximately S\$1,974,529) ⁽¹⁾
No. 519B-38-01, 1 Tanjong, Jalan Tanjong Bungah, 11200 Tanjong Bungah, Penang	RM6,030,000 (approximately S\$1,984,401) ⁽¹⁾
No. 519B-39-01, 1 Tanjong, Jalan Tanjong Bungah, 11200 Tanjong Bungah, Penang	RM6,500,000 (approximately S\$2,139,073) ⁽¹⁾

Note:

(1) Based on an exchange rate of SGD1.000: MYR3.0387.

The valuations were carried out in connection with the Exit Offer and on the market value basis as defined in the valuation report.

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- (c) Valuation on 10, 11 and 12 Beacon Court, Pitstone Green Business Park, Pitstone, Bedfordshire

Harwoods Chartered Surveyors & Estate Agents has conducted a valuation of the Group's property in Bedfordshire (United Kingdom) which comprise units 10, 11 and 12 Beacon Court, Pitstone Green Business Park, Pitstone, Bedfordshire, LU7 9GY (the "**Beacon Court Property**") and an extract of the valuation report is set out in Appendix IV to this Circular. As set out in the valuation report, the estimated market value of the Beacon Court Property is £1,775,000 (approximately S\$3,451,293 based on an exchange rate of S\$1.000: GBP0.5143) as at 30 March 2016. The valuation was carried out for financing purpose and on the market value basis as defined in the valuation report.

- (d) Valuation on 6 Jalan Laman Setia, 7/3, Taman Setia Eco Garden, 81550 Johor Bahru

One Asia Property Consultants (KL) Sdn Bhd has conducted a valuation of the Group's property in Johor Bahru, Malaysia which comprise a single storey detached factory annexed with a double storey office building together with a guard house held under lot no. PTD 180285, title no. HSD 496189, Mukim of Pulai, District of Johor Bahru, State of Johor Darul Takzim (i.e. 6 Jalan Laman Setia, 7/3, Taman Setia Eco Garden, 81550 Johor Bahru) (the "**Johor Property**") and a certificate of valuation on the Johor Property is set out in Appendix IV to this Circular. As set out in the valuation report, the estimated market value of the Johor Property is RM13,700,000 (approximately S\$4,508,507 based on an exchange rate of S\$1.000: MYR3.0387) as at 18 November 2016. The valuation was carried out in connection with the Exit Offer and on the market value basis as defined in the valuation report.

APPENDIX III

PROVISIONS IN THE ARTICLES RELATING TO THE RIGHTS OF THE SHAREHOLDERS IN RESPECT OF CAPITAL, DIVIDENDS AND VOTING

The rights of Shareholders in respect of capital, dividends and voting are contained in the Company's Constitution, which are available for inspection at the Company's registered office at No. 23 Ubi Crescent, Singapore 408579. The relevant provisions have been extracted from the Constitution and reproduced below. Capitalised terms and expressions not defined below have the meanings ascribed to them in the Constitution and/or the Companies Act:

ISSUE OF SHARES

4. *Subject to the Act and these Articles, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject there to and to Article 8, and to any special rights attached to any shares for the time being issued, the Directors may allot or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration or for no consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors provided always that:*
- (a) no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the members in a General Meeting;*
 - (b) no shares shall be issued at a discount except in accordance with the Act;*
 - (c) (subject to any direction to the contrary that may be given by the Company in a General Meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 8(A) with such adaptation as are necessary shall apply; and*
 - (d) any other issue of shares, the aggregate of which would exceed the limits referred to in Article 8, shall be subject to the approval of the Company in General Meeting.*

RIGHTS OF PREFERENCE SHAREHOLDERS

- 5(A) *Preference shares may be issued subject to such limitation thereof as may be prescribed by any Stock Exchange upon which shares in the Company may be listed. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any Meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the Meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrear.*

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- 5(B) *The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.*
- 5(C) *The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.*

VARIATION OF RIGHTS

- 6(A) *Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting, all the provisions of these Articles relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, Provided always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from the holders of three-quarters in nominal value of the issued shares of the class concerned within two months of such General Meeting shall be as valid and effectual as a Special Resolution carried at such General Meeting. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.*
- 6(B) *The repayment of preference capital other than redeemable preference capital, or any alteration of preference shareholders' rights, may only be made pursuant to a Special Resolution of the preference shareholders concerned Provided always that where the necessary majority for such a Special Resolution is not obtained at the General Meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two months of the General Meeting, shall be as valid and effectual as a special resolution carried at the General Meeting.*
- 6(C) *The special rights attached to any class of shares having preferential rights shall not, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.*

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ALTERATION OF SHARE CAPITAL

- 8(A) *Subject to any direction to the contrary that may be given by the Company in a General Meeting or except as permitted under the listing rules of the Singapore Exchange Securities Trading Limited, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as far as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article 8(A).*
- 8(B) *Notwithstanding Article 8(A), the Company may pursuant to Section 161 of the Act by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to issue:*
- (a) shares in the capital of the Company (whether by way of bonus, rights or otherwise);*
 - (b) convertible securities;*
 - (c) additional convertible securities arising from adjustments made to the number of convertible securities previously issued in the event of rights, bonus or capitalisation issues (notwithstanding that the general authority may have ceased to be in force at the time the securities are issued) provided that the adjustment does not give the holder a benefit that a shareholder does not receive; or*
 - (d) shares arising from the conversion of convertible securities in (b) and (c) above (notwithstanding that the general authority may have ceased to be in force at the time the securities are to be issued), at any time and upon such terms and conditions for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares and convertible securities to be issued pursuant to such authority does not exceed such limit(s) as may be prescribed or permitted by the Singapore Exchange Securities Trading Limited (or any other stock exchange upon which the shares in the Company may be listed); and unless previously revoked or varied by the Company in General Meeting, such authority to issue shares and convertible securities does not continue beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution or the date by which such Annual General Meeting is required to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).*
- 8(C) *Except so far as otherwise provided by the conditions of issue or by these Articles, all new shares shall be subject to the provisions of the Act and of these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.*

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9. *The Company may by Ordinary Resolution:*
- (a) *consolidate and divide all or any of its share capital;*
 - (b) *sub-divide its shares or any of them (subject nevertheless to the provisions of the Act) provided always that in such sub-division the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; or*
 - (c) *subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares.*
- 10(A) *The Company may reduce its share capital, or any other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these Articles and the Act, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.*
- 10(B) *Subject to and in accordance with the provisions of the Act, the listing rules of the Singapore Exchange Securities Trading Limited, and other written law, the Company may authorise the Directors in General Meeting to purchase or otherwise acquire ordinary shares, stocks, preference shares, options, debentures, debenture stocks, bonds, obligations, securities and all other equity, derivative, debt and financial instruments issued by it on such terms as the Company may think fit and in the manner prescribed by the Act. Unless held in treasury in accordance with the Act, all shares purchased by the Company shall be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any shares as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act.*

SHARES

11. *Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or (as the case may be) person whose name is entered in the Depository Register in respect of that share.*
12. *Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the provisions of the Act, the Company may issue preference shares which are, or at the option of the Company are liable, to be redeemed.*

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13. *Subject to the provisions of these Articles and of the Act relating to authority, pre-emption rights and otherwise and of any resolution of the Company in a General Meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.*
14. *The Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.*
15. *Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within ten market days of the closing date (or such other period as may be approved by any Stock Exchange upon which the shares in the Company may be listed) of any such application. The term "market day" shall have the meaning ascribed to it in Article 18. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.*

SHARE CERTIFICATE

16. *Every share certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates and the amount paid and the amount (if any) unpaid thereon. No certificate shall be issued representing shares of more than one class.*
- 17(A) *The Company shall not be bound to register more than three persons as the registered joint holders of a share except in the case of executors, trustees or administrators of the estate of a deceased member.*

In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.

- 17(B) *Subject to the payment of all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require, every person whose name is entered as a member in the Register of Members shall be entitled to receive within ten market days of the closing date of any application for shares (or such other period as may be approved by any Stock Exchange upon which the shares of the Company may be listed) or within 10 market days after the date of lodgement of a registrable transfer (or such other period as may be approved by any Stock Exchange upon which the shares of the Company may be listed) one certificate for all his shares of any one class or several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where such a member transfers part only of the shares comprised in a certificate or where such a member requires the Company to cancel any certificate or certificates and issue new certificate(s) for the purpose of subdividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such member shall pay all or any part of the stamp duty payable*

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(if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require and a maximum fee of \$2 for each new certificate or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any Stock Exchange upon which the shares in the Company may be listed. For the purposes of this Article 18, the term "market day" shall mean a day on which the Singapore Exchange Securities Trading Limited is open for trading in securities.

- 19(A) *Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.*
- 19(B) *If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of \$2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any Stock Exchange upon which the shares in the Company may be listed.*
- 19(C) *In the case of shares registered jointly in the names of several persons, any such request may be made by any one of the registered joint holders.*
- 20 *Subject to the provisions of the Act, if any share certificates shall be defaced, worn-out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of any Stock Exchange upon which the Company is listed or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding \$2 as the Directors may from time to time require together with the amount of the proper duty with which such share certificate is chargeable under any law for the time being in force relating to stamps. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.*

CALLS ON SHARES

- 21 *The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares but subject always to the terms of issue of such shares. A call on each Member shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed and may be made payable by instalments.*
- 22 *Each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.*

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- 23 *If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding ten per cent. per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.*
- 24 *Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.*
- 25 *The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.*
- 26 *The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tan to the liability upon the shares in respect of which it is made and upon the moneys so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding eight per cent. per annum) as the member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not, while carrying interest, confer a right to participate in profits.*

FORFEITURE AND LIEN

27. *If a member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.*
28. *The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith, the shares on which the call has been made will be liable to be forfeited.*
29. *If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.*
30. *A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition, the forfeiture or surrender may be cancelled on such*

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terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer or effect the transfer of a forfeited or surrendered share to any such other person as aforesaid.

31. *A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at eight per cent. per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.*
32. *The Company shall have a first and paramount lien on every share (not being a fully paid share) and on the dividends declared or payable in respect thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and for all moneys as the Company may be called upon by law to pay in respect of the shares of the member or deceased member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.*
33. *The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.*
34. *The residue of the proceeds of such sale pursuant to Article 33 after the satisfaction of the unpaid calls and accrued interest and expenses of such sale shall be paid to the person entitled to the shares at the time of the sale or to his executors, administrators or assigns, as he may direct. For the purpose of giving effect to any such sale, the Directors may authorise some person to transfer or effect the transfer of the shares sold to the purchaser.*
35. *A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold or disposed to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, to the Depository) or allottee thereof shall (subject to the execution of a transfer if the same is required) constitute a good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.*

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TRANSFER OF SHARES

36. *All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by any Stock Exchange upon which the Company may be listed or any other form acceptable to the Directors. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed Provided that an instrument of transfer in respect of which the transferee is the Depository shall be effective although not signed or witnessed by or on behalf of the Depository. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.*
37. *The Register of Members may be closed at such times and for such period as the Directors may from time to time determine Provided always that such Register shall not be closed for more than 30 days in any year Provided always that the Company shall give prior notice of such closure as may be required to any Stock Exchange upon which the Company may be listed, stating the period and purpose or purposes for which the closure is made.*
- 38(A) *There shall be no restriction on the transfer of fully paid up shares (except where required by law, the listing rules of any Stock Exchange upon which the shares of the Company may be listed or the rules and/or bye-laws governing any Stock Exchange upon which the shares of the Company may be listed) but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve Provided always that in the event of the Director refusing to register a transfer of shares, they shall within ten market days beginning with the day on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Act.*
- 38(B) *The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:*
- (a) all or any part of the stamp duty (if any) payable on each share certificate and such fee not exceeding \$2 as the Directors may from time to time require pursuant to Article 41, is paid to the Company in respect thereof;*
 - (b) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by a certificate of payment of stamp duty (if any), the certificates of the shares to which the transfer relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do;*
 - (c) the instrument of transfer is in respect of only one class of shares; and*
 - (d) the amount of proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is paid.*

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39. *If the Directors refuse to register a transfer of any shares, they shall within ten market days after the date on which the transfer was lodged with the Company send to the transferor and the transferee notice of the refusal as required by the Act.*
40. *All instruments of transfer which are registered may be retained by the Company.*
41. *There shall be paid to the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares such fee not exceeding \$2 as the Directors may from time to time require or prescribe.*
42. *The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, Provided always that:*
- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;*
 - (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; and*
 - (c) references herein to the destruction of any document include references to the disposal thereof in any manner.*

TRANSMISSION OF SHARES

- 43(A) *In the case of the death of a member whose name is entered in the Register of Members, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.*

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- 43(B) *In the case of the death of a member who is a Depositor, the survivor or survivors where the deceased is a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.*
- 43(C) *Nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.*
44. *Any person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register of Members may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his legal title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the person whose name is entered in the Register of Members had not occurred and the notice or transfer were a transfer executed by such person.*
45. *Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share pursuant to Article 43(A) or (B) or Article 44 (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the member in respect of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in the Register of Members or his name shall have been entered in the Depository Register in respect of the share.*

STOCK

46. *The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares of any denomination.*
47. *The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.*
48. *The holders of stock shall, according to the number of stock units held by them have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by any such number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.*

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GENERAL MEETING

49. *An Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.*
50. *The Directors may whenever they think fit, and shall on requisition in accordance with the Act, proceed with proper expedition to convene an Extraordinary General Meeting.*

PROCEEDINGS AT GENERAL MEETINGS

55. *The Chairman of the Board of Directors, failing whom the Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.*
56. *No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the Meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two or more members present in person or by proxy.*
57. *If within 30 minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following that public holiday) at the same time and place or such other day, time or place as the Directors may by not less than ten days' notice appoint. At the adjourned meeting, any one or more members present in person or by proxy shall be a quorum.*
58. *The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for 30 days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.*
59. *Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.*

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60. *If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.*
61. *At any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:*
- (a) the chairman of the meeting; or*
 - (b) not less than two members present in person or by proxy and entitled to vote; or*
 - (c) a member present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or*
 - (d) a member present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting and being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid on all the shares conferring that right (excluding treasury shares),*
- Provided always that no poll shall be demanded on the choice of a chairman or on a question of adjournment.*
62. *A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll is required, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.*
63. *In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.*
64. *A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.*

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VOTES OF MEMBERS

65. *Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 5(C) each Member entitled to vote may vote in person or by proxy. On a show of hands every member who is present in person and by proxy shall have one vote (provided that in the case of a Member who is represented by two proxies, only one of the two proxies as determined by that Member or, falling such determination, by the Chairman of the Meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands) and on a poll, every member who is present in person or by proxy shall have one vote for every share which he holds or represents. For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company.*
66. *In the case of joint holders of a share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the Register of Members or the Depository Register, as the case may be, in respect of such share shall alone be entitled to vote in respect thereof. For this purpose, several executors or administrators of a deceased shareholder in whose name any share stands shall be deemed joint holders thereof.*
67. *Where in Singapore or elsewhere, a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.*
68. *No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid.*
69. *No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.*
70. *On a poll, votes may be given personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.*

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- 71(A) *A member may appoint not more than two proxies to attend and vote at the same General Meeting Provided that if the member is a Depositor, the Company shall be entitled and bound:*
- (a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company; and*
 - (b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.*
- 71(B) *The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.*
- 71(C) *In any case where a form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.*
- 71(D) *A proxy need not be a member of the Company.*
- 72(A) *An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:*
- (a) in the case of an individual, shall be signed by the appointor or his attorney; and*
 - (b) in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.*
- 72(B) *The signature on such instrument need not be witnessed. Where an instrument appointing a proxy 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 pursuant to Article 73, failing which the instrument may be treated as invalid.*
- 73 *An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office) not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; Provided that an instrument of proxy relating to more than one meeting*

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(including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

74. *An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.*
75. *A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made Provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office at least one hour before the commencement of the Meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.*

CORPORATION ACTING BY REPRESENTATIVES

76. *Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these Articles (but subject to the Act) be deemed to be present in person at any such meeting if a person so authorised is present thereat.*

RESERVES

120. *The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any part of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same, the Directors shall comply with the provisions of the Act.*

DIVIDENDS

121. *The Company may by Ordinary Resolution declare dividends but no such dividends shall exceed the amount recommended by the Directors.*
122. *If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.*

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123. *Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article, no amount paid on a share in advance of calls shall be treated as paid on the share.*
124. *No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Act.*
125. *No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.*
- 126(A). *The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.*
- 126(B). *The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.*
- 126(C). *The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture. If the Depository Register returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date of declaration of such dividend or the date on which such other moneys are first payable.*
- 126(D). *A payment by the Company to the Depository Register of any dividend or other moneys payable to a Depositor shall, to the extent of the payment made, discharge the Company from any liability to the Depositor in respect of that payment.*
127. *The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.*
128. *The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets*

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or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

129(A). *Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary share capital of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:*

- (a) the basis of any such allotment shall be determined by the Directors;*
- (b) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article;*
- (c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion;*
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "elected ordinary shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of Article 133, the Directors shall capitalise and apply the amount standing to the credit of the Company's reserve accounts as the Directors may determine, such sum as may be required to pay up in full (to the nominal value thereof) the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.*

129(B) (a) *The ordinary shares allotted pursuant to 'the provisions of paragraph (A) of this Article shall rank pari passu in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.*

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- (b) *The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Article, with full power to make such provisions as they think fit in the case of shares becoming distributable in fractions (including, notwithstanding any provision to the contrary in these Articles, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down).*
- 129(C) *The Directors may, on any occasion when they resolve as provided in paragraph (A) of this Article, determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register or (as the case maybe) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of this Article shall be read and construed subject to such determination.*
- 129(D) *The Directors may, on any occasion when they resolve as provided in paragraph (A) of this Article, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to members whose registered addresses entered in the Register or (as the case may be) the Depository Register is outside Singapore or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlement of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.*
- 129(E) *Notwithstanding the foregoing provisions of this Article, if at any time after the Directors' resolution to apply the provisions of paragraph (A) of this Article in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and without assigning any reason therefor, cancel the proposed application of paragraph (A) of this Article.*
130. *Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of a member or person entitled thereto (or, if two or more persons are registered in the Register of Members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Notwithstanding the foregoing provisions of this Article and the provisions of Article 132, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of that payment.*

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131. *If two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.*
132. *Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in a General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.*

CAPITALISATION OF PROFITS

- 133(A). *The Directors may, with the sanction of an Ordinary Resolution of the Company (including any Ordinary Resolution passed pursuant to Article 8):*
- (a) *issue bonus shares or which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) the Depository Register at the close of business on:*
- (i) *the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or*
- (ii) *(in the case of an Ordinary Resolution passed pursuant to Article 8) such other date as may be determined by the Directors,*
- (iii) *in proportion to their then holdings of shares; and*
- (b) *capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:*
- (i) *the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or*
- (ii) *(in the case of an Ordinary Resolution passed pursuant to Article 8) such other date as may be determined by the Directors,*

In proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as full paid up to and amongst them as bonus shares in the proportion aforesaid.

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- 133(B). *The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalization with full power to the Directors to make such provision for the satisfaction of the right of the holders of such shares in the Register or in the Depository Register, as the case may be, and as they think fit for any fractional entitlements which would arise including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned. The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.*
- 133(C). *In addition and without prejudice to the powers provided for by Article 133. (A) and 133. (B), the Directors shall have power to issue shares for which no consideration is payable and to capitalise any undivided profits or other moneys of the company not required for the payment of provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting and on such terms as the Directors shall think fit.*

WINDING UP

143. *The Directors shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.*
144. *If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the Liquidator may, with the authority of a Special Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.*
145. *On a voluntary winding up of the Company, no commission or fee shall be paid to a Liquidator without the prior approval of the members in a General Meeting. The amount of such commission or fee shall be notified to all members not less than seven days prior to the Meeting at which it is to be considered.*

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AVA Associates Limited

806 Empress Plaza
17-19 Chatham Road South
Tsim Sha Tsui, Hong Kong

15 December 2016

To
Board of Directors
Advanced Integrated Manufacturing Corporation Limited
23 Ubi Crescent
Singapore 408579

Dear Sirs,

Pursuant to your instructions, AVA Associates Limited (“AVA”) has performed a **valuation of selected properties belonging to Advanced Integrated Manufacturing Corporation Limited (“AIM Corp” or the “Company”)** as at **30 September 2016 (“Valuation Date”)**, in relation to a **proposed voluntary delisting exercise as announced by the Company on 24 November 2016**. The purpose of this engagement is to assist AIM Corp in their assessment of the revalued net asset value (“RNAV”) of the Company, and inclusion in a circular to the shareholders of the Company in relation to the proposed delisting exercise. No other use of our valuation report is intended or should be inferred.

Definition of Value

In estimating the value of the assets, our efforts were based on the following premise of value:

Market Value - *“the estimated amount for which an asset 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”.*

Scope of Work

AVA has been engaged to assist the Company in its preparation of a revalued balance sheet, namely to arrive at the RNAV of the Company, allowing the Board of Directors of AIM Corp (the “Board”) to assess the delisting offer. Our work consisted of a valuation of its real estate properties at the following locations:

- 23 Ubi Crescent, Singapore 408579
- Premise No.519B-37-01, 1 Tanjong, Jalan Tanjong Bungah, 11200 Penang, Malaysia
- Premise No.519B-38-01, 1 Tanjong, Jalan Tanjong Bungah, 11200 Penang, Malaysia
- Premise No.519B-39-01, 1 Tanjong, Jalan Tanjong Bungah, 11200 Penang, Malaysia (together, the “Properties”)

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Our valuation and report is prepared in accordance with the Valuation Standards and Guidelines published by the Singapore Institute of Surveyors and Valuers. The procedures used in our analysis included such substantive steps, as we considered necessary, including, but not necessarily limited to, the following:

- Discussions with appropriate individuals concerning the Properties;
- Review of information, including historical valuation reports on the Properties, provided by the Company;
- Discussions with management to understand in more detail the current status of the Properties, including its tangible and intangible characteristics;
- Development of valuation model to estimate the Market Value, where applicable, including gathering market and industry information in support of various assumptions;
- Analysis of conditions in, and the economic outlook of the property markets in Singapore and Malaysia; and
- Valuation of the identified assets.

Sources of Information

As part of our due diligence, we relied upon documents supplied by the management of the Company, including, but not limited to, the following:

- Annual report of the Company for the fiscal year ending 31 December 2015;
- Valuation report on the properties in Malaysia, dated 28 September 2016;
- Sale and purchase agreement for the properties in Malaysia, dated 28 January 2014; and
- Other relevant documentations on the Properties.

We planned and performed our review and valuation so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to express our opinion on the subject asset. In the course of our work, we held discussions with the management concerning the history and current conditions of the Company, financial and general outlook of the business. We assumed that the data we obtained in the course of the valuation, along with the opinions and representations provided to us by the Company are true and accurate. We also used financial and other information obtained from private and public sources we considered reliable. Our conclusions are dependent on such information being complete and accurate in all material respects. We believe the review and valuation procedures we employed provide a reasonable basis for our opinion.

Valuation Theory

Our approach in valuing the identified assets relies on using the appropriate techniques to arrive at our conclusion of value. We considered the three generally recognized approaches to value: the income, market and cost approaches.

An overview of the three approaches considered is as follows:

- The *Income Approach* focuses on the income-producing capability of a business or asset. The income approach measures the current value of a business or asset by calculating the present value of its future economic benefits such as cash earnings, cost savings, tax deductions, and proceeds from disposition. Value indications are developed by discounting expected cash flows to their present value at a rate of return that incorporates the risk-free

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rate for the use of funds, the expected rate of inflation, and risks associated with the particular investment. The discount rate selected is generally based on rates of return available from alternative investments of similar type and quality as of the valuation date.

- The *Market Approach* measures the value of a business or asset through an analysis of recent sales or offerings of comparable businesses or assets. In estimating the value of a business under the market approach there are two methodologies: the publicly-traded guideline company methodology and the recent transaction methodology. The publicly traded guideline company methodology develops an indication of value for the subject company by calculating market pricing multiples for selected publicly-traded guideline companies and applying these multiples to the appropriate financial measures of the subject company. The recent transaction methodology develops an indication of value for the subject company by calculating market pricing multiples based on actual acquisitions of similar businesses and applying these multiples to the appropriate financial measures of the subject company. After deriving a value, adjustments are then made to account for differences between the subject business or asset being valued and the comparable businesses or assets used in the analysis.
- The *Cost Approach* measures the value of a business or asset by the cost to reconstruct or replace it with another of like utility. To the extent that the assets being valued provide less utility than new assets, the reproduction or replacement cost new would be adjusted to reflect appropriate physical deterioration, functional obsolescence, and economic obsolescence. The cost approach recognizes that a prudent investor would not ordinarily pay more for property or an asset than the cost to replace them new.

Valuation Methodology

Our valuation is our opinion of the current open market value, which we would define as intended to mean "the best price" at which an interest in a property might reasonably be expected to be sold at the date of valuation, assuming: -

- a. a willing seller, willing buyer;
- b. no account is to be taken of an additional bid by a purchaser with a "special interest";
- c. that prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the negotiation and agreement of price and terms for the completion of the sale; and
- d. that the price reflects the state of the market and other circumstances at the date of valuation.

For the purpose of this report, the Direct Comparison Approach to value was adopted.

In Direct Comparison Approach, sales and listings of similar properties in the vicinity and elsewhere are used as guides to value after relevant valuation adjustments are made for differences in location, land area, land shape, land tenure, floor area, condition of building, market conditions, age of the property, waterfront shoreline, improvements done, etc.

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Freehold Property - Malaysia

Address: Unit Nos. 519B-37-01, 519B-38-01 & 519B-39-01, 37th, 38th & 39th Floors, 1 Tanjong, Jalan Tanjong Bungah, 11200 Tanjong Bungah, Pulau Pinang.

Type: Three units of 6-bedrooms upmarket condominiums

Legal Description: Developer's Parcel Nos. 519B-37-01, 519B-38-01 & 519B-39-01, Block No. B, 1 Tanjong, held under Master Title No. Geran 149318 (formerly HSD 17057), Lot No. 6659, Town of Tanjong Bungah, District of Timur Laut, State of Pulau Pinang.

Tenure: Freehold

Registered Proprietor: Province Valley Sdn Bhd

Beneficial Owner: Vincente Property Sdn Bhd (as per Principal Sale & Purchase Agreement dated 28 January 2014)

Floor Area:

Unit Nos.	Floor Area		Accessory Parcel Floor Area	
	sq m	sq ft	sq m	sq ft
519B-37-01	778	8,374.31	107	1,151.73
519B-38-01	778	8,374.31	107	1,151.73
519B-39-01	778	8,374.31	107	1,151.73

Our opinion of the current Market Value of the freehold interest in the subject properties, Developer's Parcel Nos. 519B-37-01, 519B-38-01 & 519B-39-01, Block No. B, 1 Tanjong, held under Master Title No. Geran 149318 (formerly HSD 17057), Lot No. 6659, Town of Tanjong Bungah, District of Timur Laut, State of Pulau Pinang, with vacant possession and free from all encumbrances as at the Valuation Date, are as follows:-

Unit Nos.	Market Value
519B-37-01	RM6,000,000.00 (Ringgit Malaysia : Six Million Only)
519B-38-01	RM6,030,000.00 (Ringgit Malaysia : Six Million And Thirty Thousand Only)
519B-39-01	RM6,500,000.00 (Ringgit Malaysia : Six Million And Five Hundred Only)

Leasehold Property - Singapore

Address: 23 Ubi Crescent, Ubi Techpark, Singapore 408579

Type: A 4-Storey Intermediate Terrace Factory with Roof Terrace

Legal Description: MK23-6079C

Tenure: Leasehold 60 Years (wef 05/07/1997)

Registered Proprietor: Advanced Manufacturing Corporation Pte Ltd

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<i>Land Area:</i>	420.6 sq m (or 4,527 sq ft)
<i>Floor Area:</i>	1,050.9 sq m (or 11,312 sq ft) or thereabout, subject to final survey.
<i>Occupancy Status:</i>	Owner-Occupied
<i>Age:</i>	Circa early 2000's

Having considered the above, the prevailing market conditions and other relevant valuation factors, we are of the considered opinion that the open market value as at the Valuation date of the subject property with vacant possession and free from all encumbrances is S\$4,500,000.00 Singapore Dollars Four Million And Five Hundred Thousand Only.

This valuation has been conducted by Teo Beng Hock, licensed appraiser AD041-2009516J, and Tan Hoon Tiong, registered valuer no. V626.

Conclusion of Value

Based on the information provided, and subject to the attached Statement of General Assumptions and Limiting Conditions, we are of the opinion that, as at the Valuation Date, the Market Value of the Properties is reasonably represented as follows:

Address of Property	Value
23 Ubi Crescent, Singapore 408579	S\$4,500,000
Premise No.519B-37-01, 1 Tanjong, Jalan Tanjung Bungah, 11200 Penang, Malaysia	RM6,000,000
Premise No.519B-38-01, 1 Tanjong, Jalan Tanjung Bungah, 11200 Penang, Malaysia	RM6,030,000
Premise No.519B-39-01, 1 Tanjong, Jalan Tanjung Bungah, 11200 Penang, Malaysia	RM6,500,000

We do not intend to express any opinion on matters which require legal or other specialized expertise or knowledge, beyond what is customarily employed by valuers. Our conclusions assume continuations of prudent management of over whatever period of time that is reasonable and necessary to maintain the character and integrity of the assets valued.

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Statement of General Assumption and Limiting Conditions

This analysis is subject to the following general assumptions and limiting conditions:

1. This valuation is prepared in accordance with the Valuation Standards and Guidelines published by the Singapore Institute of Surveyors and Valuers.
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.
3. Any action, claim or proceedings arising out of the engagement of services shall be brought against the Firm with whom the Client has engaged and not against any employee, director or sub-contractor of the Firm involved directly or indirectly in the delivery of the Services.
4. Any liability arising from the Valuer's negligence (if any) in connection with this engagement shall be limited to the amount of fees received for this engagement.
5. The report is considered invalid if there is non-payment of the valuation fees. We shall not be responsible and accept no liability of the report if payment is not received within 30 days from the date of report.
6. Each valuation is current as at the Valuation Date only. The value assessed may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. We also do not assume any responsibility or accept liability where this valuation is relied upon after the expiration of three months from the Valuation Date.
7. 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 the valuation stated in the report and may not be used for any other purpose.
8. Where it is stated in the report that information has been supplied to us by another party, this information is believed to be reliable and accurate and we accept no responsibility if this information should later prove not to be so.
9. We may adopt assumptions in the valuation being carried out as some matters cannot be calculated accurately or fall outside the scope of our expertise. The risk that any of the assumptions adopted in our valuation may be incorrect should be taken into account. While all reasonable care is taken, we does not warrant or represent that the assumptions on which this valuation is based are accurate or correct.
10. Neither the whole nor any part of this report nor any reference to it may be included in any document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear.
11. While due care is taken in the course of inspection to note serious building defects, no structural survey has been made and no guarantee is given that the building is free from rot, termite, pest infestation of other hidden defects. We have also not made any tests to 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.

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12. 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). The client is advised to consult his solicitors on any matter concerning the title(s).
13. We have not conducted a land survey to verify the land boundaries and site areas and whether all developments and improvements are within such boundaries. We have assumed, unless otherwise stated, that all developments and improvements are within the boundaries of such land parcel as described in this report and the land parcel is fully owned by the property owner.
14. Any plans or map included in this report are meant for identification purposes and to assist the reader in visualizing the subject property. We have not made any survey of the property and assume no responsibility in connection with such matters.
15. Unless otherwise instructed, we do not carry out requisition with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road improvements, drainage proposal, etc.
16. 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.
17. Our valuation is prepared on the basis that the premises and any works (e.g. alterations and additions) thereto comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a statutory completion by the Building Authority.
18. Our valuation 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.
19. Our valuation further assumes that, as at the date of valuation, there are no outstanding liabilities or charges attached to the property(ies).
20. In the event that we are instructed to provide a valuation based on kerb-side inspection and/or without the extent of information normally available, our valuation will be dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should the information prove to be incorrect or inadequate, the accuracy of the valuation may be affected and we shall not be held responsible for the inaccuracy of the valuation.
21. We shall not be required to give testimony or to appear in court for any other tribunal or to any government agency by reason of this valuation report or with reference to the property in question unless prior arrangements have been made and we be properly reimbursed.

APPENDIX IV

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Penilai & Ejen Hartanah
VE(1)0210/2

One Asia Property Consultants (KL) Sdn Bhd 829146A

(VE(1)0210/2)

Unit No.11-02, Level 11, Menara MSC Cyberport, No. 5, Jalan Bukit Meldrum,
80300 Johor Bahru, Johor Darul Takzim, Malaysia.

Tel: 607-207 3399 Fax: 607-207 3939

Website: www.oneasiaproperty.com Email: oapc.jb@oneasiaproperty.com

Your Ref : Please Advice
Our Ref : OAPC/JB/V-16/921/CKS
Date : 21 November 2016

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PRIVATE & CONFIDENTIAL

Messrs New Century Aerospace (Johor) Sdn. Bhd.

No. 6, Jalan Laman Setia 7/3

Taman Laman Setia

81550 Johor Bahru

Johor Darul Takzim

(Attention: Ms Phyllis Ang)

Dear Sirs,

CERTIFICATE OF VALUATION FOR A SINGLE STOREY DETACHED FACTORY ANNEXED WITH A DOUBLE STOREY OFFICE BUILDING TOGETHER WITH A GUARD HOUSE HELD UNDER LOT NO. PTD 180285, TITLE NO. HSD 496189, MUKIM OF PULAI, DISTRICT OF JOHOR BAHRU, STATE OF JOHOR DARUL TAKZIM.

We refer to your instructions for advice on the Market Value of the abovementioned property (hereinafter referred to as the subject property) for ACCOUNTING purpose only.

Pursuant to the **Terms of Reference**, it is our considered opinion that the **Market Value** of the freehold unencumbered interest in the subject property, as at 18 November 2016, in its existing physical condition and with vacant possession is **RM13,700,000/-** (Ringgit Malaysia: Thirteen Million And Seven Hundred Thousand Only). It may be apportioned as follows:

Land Value	RM 9,600,000/-
Building Value	RM 4,100,000/-
Total	RM13,700,000/-

This Certificate is confidential to and for use only by the client to whom it is addressed to and for the specific purpose to which it refers. We are not responsible to any consequences arising from the valuation being quoted out of context.

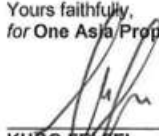
Neither the whole nor any part of the Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our written approval.

We wish to draw your attention to the Limiting Conditions on the back page of this Certificate, governing its use and application.

For all intents and purposes, this Certificate should be read in conjunction with our Valuation Report, which will be submitted to you in due course.

Thank you.

Yours faithfully,
for One Asia Property Consultants (KL) Sdn Bhd


KHOO FEI FEI
Registered Valuer (V-1024)

Kuala Lumpur:

One Asia Property Consultants (KL) Sdn Bhd 829146A

(VE(1)0210/1)

No. 64-3, Jalan 5/101C, Cheras Commercial Centre, 56100 Kuala Lumpur, Malaysia.

Tel: 603-9131 3310 Fax: 603-9131 2310

Penang:

One Asia Property Consultants (PG) Sdn Bhd 832791K

(VE(1)0210/1)

No. 25-F, Gottlieb Road, 10350 Pulau Pinang, Malaysia.

Tel: 604-227 7222 Fax: 604-227 7751

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LIMITING CONDITIONS

1. MALAYSIAN VALUATION STANDARDS

This Report is carried out in accordance with the Manual of Valuation Standards published by the Board of Valuers, Appraisers and Estate Agents.

2. CONFIDENTIALITY

This Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclose to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the Report to any other person. Neither the whole, nor any part of the Report or Certificate or any reference thereto may be included in any way without our prior written approval of the form and context in which it may appear. We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorised publication of the Report, whether in part or in whole.

3. USE OF REPORT

The opinion of value expressed in this Report shall only be used by the addressee for the purpose stated or intended in this Report. We are not responsible for any consequences arising from the Report being relied upon by any other party whatsoever or for any information therein being quoted out of context.

4. SOURCE OF INFORMATION

Where it is stated in the Report that information has been supplied by the sources listed, this information is believed to be reliable and no responsibility is accepted should it prove not to be so nor warranty of any kind, be it express or implied, is intended. All other information stated without being attributed directly to another party is obtained from our searches of record, examination of documents or enquiries with the relevant authorities. This Report has been prepared on the basis of full disclosure of all information and facts, which may affect the Valuation, have been made known to ourselves and we cannot accept any liability or responsibility in any event, unless such full disclosure has been made to us.

5. LEGAL TITLE

Whenever possible, a private title search is conducted at the relevant Land Registry/Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/Office.

6. TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the Structure Plan, Local Plan and Development Plans published by the relevant authority. Whilst we may make verbal enquiries, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers or other professional advisors. Our Report is prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Completion and Compliance by the competent authority.

7. LEASES AND TENANCIES

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

8. DEVELOPMENT AGREEMENTS

Unless otherwise stated, no considerations are made in our valuation for any joint venture agreement, development right agreement or other similar contracts.

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9. MEASUREMENTS

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by the Institution of Surveyors, Malaysia.

10. SITE SURVEYS

We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this Valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

11. STRUCTURAL SURVEYS

Whilst due care has been taken to note building defects in the course of inspection, no structural surveys were made nor any inspection of woodwork or other parts of the structure, which were covered or inaccessible, were made. We are therefore unable to express an opinion or advice on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance in respect of any rot, termite or pest infestation or other hidden defects.

12. CONTAMINATION

We have not carried out investigations into the past and present uses of either the property or any neighbouring land to establish whether there has been any contamination or if there is any potential for contamination to the property and are therefore, unable to account and report for such contamination in our Report.

13. DELETERIOUS OR HAZARDOUS MATERIALS

No investigations have been carried out to determine whether or not any deleterious or hazardous materials had been used in the construction of the property (building) or had since been incorporated and we are therefore unable to account or report on any such material in our Report.

14. DISEASE AND INFESTATION

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any tests to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Report.

15. OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, no allowances were made for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

16. TAXATION, ENCUMBRANCES, STATUTORY NOTICES AND OUTGOINGS

Unless otherwise stated, no allowances are made in our valuation for any expense of realization or for taxation which might arise in the event of realization or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoings.

17. VALIDITY PERIOD OF VALUATION REPORT

This Valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

APPENDIX IV

4th April 2016

REPORT & VALUATION

on behalf of

**BARCLAYS BUSINESS
497 SILBURY BOULEVARD
MILTON KEYNES
BUCKS
MK9 2LD**



**UNITS 10, 11 & 12 BEACON COURT, PITSTONE GREEN
BUSINESS PARK, PITSTONE, BEDFORDSHIRE, LU7 9GY
(XK156152)**

Prepared by:-



HARWOODS
Chartered Surveyors & Estate Agents

**Harwoods
21 Silver Street
Wellingborough
Northants NN8 1AY**

Tel: 01933-441464

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ADDRESSEE	Barclays Business, 497 Silbury Boulevard, Milton Keynes, MK9 2LD
FOR THE ATTENTION OF	Andrew Benson
PROPERTY	Units 10, 11 & 12 Beacon Court, Pitstone Green Business Park, Pitstone, Bedfordshire, LU7 9GY
CUSTOMER	Colbree Advanced Products Limited.
INSTRUCTION	We would refer to your instructions dated the 11 th March 2016 instructing us to prepare and submit a Valuation Report in accordance with the Valuation Professional Standards (January 2014 Edition), issued by the Royal Institution of Chartered Surveyors as well as our standard conditions of engagement in respect of the above property. A copy of your Instruction Letter (reference XK156152), Appendix 1 A.1 (Version 5/November 2015), as attached to our initial letter of instruction, Executive Summary and Siteguard Report are attached as an appendices to this report.
CONFLICT OF INTEREST	We can confirm that neither the valuer nor the firm has any conflict of interest in this matter.
INSPECTION DATE	Wednesday 30 th March 2016.
VALUER	The inspection has been carried out and the report prepared by Stuart Reynolds, FRICS, Chartered Surveyor and Registered Valuer (0070252), acting as an independent valuer who has the experience and knowledge of carrying out this type of work on commercial property in this locality.
PURPOSE OF VALUATION	The valuation has been prepared for use by Barclays Bank Plc in connection with security for bank lending purposes in relation to the above property being requested by Colbree Advanced Products Limited.
BASIS OF VALUATION	Valuations required are:- a) The open market value of the property in its current condition with vacant possession. b) An indication of the current reinstatement value of the property for insurance purposes.
LIMITATIONS	At the time of our inspection the property was occupied, fully fitted out and trading, and within these limits access was available. Due to limitations on site a detailed inspection of the external roof slopes was not possible.
PROFESSIONAL INDEMNITY	£2 million.

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**UNITS 10, 11 & 12 BEACON COURT
PITSTONE GREEN BUSINESS PARK
PITSTONE
BEDFORDSHIRE LU7 9GY**

1. CONFIRMATION OF INSTRUCTIONS:

- 1.1. Instructions were received from Barclays Bank (reference XK156152) to prepare and submit a Valuation Report in respect of the freehold interest in the above property as at the 30th March 2016.
- 1.2. The valuation is made on the basis of market value and is prepared in accordance with the RICS Valuation Professional Standards (January 2014 edition), issued by the Royal Institution of Chartered Surveyors as well as our standard conditions of engagement in respect of this property.
- 1.3. A copy of the instruction letter (reference XK156152) together with Appendix 1 A.1 (Version 5/November 2015), are attached as appendices to this report.
- 1.4. The inspection has been carried out and the report prepared by Stuart Reynolds, FRICS, Chartered Surveyor and a Registered Valuer (0070252) acting as an external valuer who has the experience and knowledge of carrying out this type of work on commercial property in this locality.

2. CONFLICT OF INTEREST:

- 2.1. To our knowledge this company and any of its partners, directors or employees have no recent or foreseeable fee earning relationship concerning the property apart from the service pertaining to this instruction and the associated fee.
- 2.2. We would confirm that we have not identified any previous involvement with the property or the current owner. As far as we are aware no conflict of interest does exist in compliance with PS1 and PS2 of the RICS International Valuation Standards.

3. PURPOSE OF VALUATION:

- 3.1. The valuation has been prepared for use by Barclays Business, 497 Silbury Boulevard, Milton Keynes, MK9 2LD in connection with security for bank lending purposes in relation to the above property being requested by Colbree Advanced Products Limited.

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3.2. Valuations required are:-

- a) The open market value of the property in its current condition with vacant possession.
- b) An indication of the current reinstatement value of the property for insurance purposes.

3.3 “Market Value” is defined as:-

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

3.4 “Market Rent” which is defined as:-

The estimated amount for which a property would be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arms-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

4. INTEREST TO BE VALUED:

- 4.1. The property comprises a purpose built terrace of three industrial units each having an element of two storey office accommodation to the front section, currently occupied as a single detached unit.
- 4.2. The property was originally constructed as part of a modern industrial estate of similar units.
- 4.3. The property was occupied, fully fitted out and trading at the time of our inspection, with floor coverings laid in the office accommodation, and within these limits access was available.

5. INSPECTION:

- 5.1. The property comprises a terrace of three industrial units currently occupied and used as a single unit having two storey office content to parts.
- 5.2. We understand the property to date originally from 2005 or thereabouts.
- 5.3. The property was inspected during the morning of Wednesday 30th March 2016.
- 5.4. The weather at the time of our inspection was dry and bright but with a cold wind.

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6. STANDARD CONDITIONS:

- 6.1. The property is taken as Freehold, being of good marketable title, free from any unusual or onerous restrictions, covenants or easements, with no adverse Planning or Highway proposals other than as stated.
- 6.2. The existing use complies in all respects to the current Planning Acts and relevant Planning Consents, and all other applicable legislation. It also assumes that the property has been built in accordance with the appropriate Bye-laws and Building Regulations. Furthermore it is assumed that the property is not built on made up ground.
- 6.3. Due note has been made of the age and form of construction which is reflected in the valuation/report. No structural survey has been carried out on the property. Parts of the property covered, unexposed or inaccessible have not been inspected. We cannot therefore confirm that the property is free from structural or other defects. An external inspection of the premises will be made from ground floor level only.
- 6.4. No investigations have been carried out to determine whether or not high alumina cement, calcium chloride additives, or any other deleterious materials have been used in the building or any subsequent alterations or additions. We are therefore unable to report that the property is free from risk in this respect and for the purposes of this valuation/report have assumed that such investigations would not disclose the presence of any such materials and any adverse conditions.
- 6.5. No tests have been carried out on the service installations. The valuation assumes that all main services to the property together with drainage facilities, function satisfactorily.
- 6.6. No investigations or tests have been carried out with regard to the property in respect of contamination and pollution. We will value the property on the basis that there is no contamination or pollution. If at a later date it is found that the property is affected by contamination or pollution then we reserve the right to amend our valuation/report accordingly.
- 6.7. Where recommendations that information should be confirmed by solicitors, statutory authorities or any other bodies or further independent reports commissioned from other parties then these must be obtained prior to entering into any legal commitment to purchase.

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- 6.8. If there are any variations to the assumptions stated in the Standard Conditions or following enquiries any information that has a material effect on the property should be referred back to us immediately and we reserve the right to re-appraise and alter our valuation accordingly.
- 6.9. The valuation/report has been carried out by Stuart Reynolds, FRICS, Chartered Surveyor, acting as an external valuer who has experience and knowledge in carrying out this type of work on commercial property in this locality.
- 6.10. Neither Harwoods nor the Chartered Surveyor carrying out this valuation/report has any conflict of interest in this matter.
- 6.11. The valuation/report is for the use of Barclays Bank Plc and no liability is accepted to any other parties who may use or seek to use information contained therein.
- 6.12. Neither the whole nor any part of the valuation/report or any reference thereto may be included in any published document, circular or statement nor published in any way without the valuer's or surveyor's written approval of the form or context in which it may appear.
- 6.13. Harwoods aim to provide a first class service at all times, however if you are not satisfied and wish to make a complaint we operate the following complaints handling procedure.
- 6.13.1. In the first instance please write setting out a summary of your complaint to the Senior Partner, Harwoods, 21 Silver Street, Wellingborough, Northants, NN8 1AY who will deal with this matter. If it is not resolved satisfactorily then
- 6.13.2. The Complainant can be referred to an alternative Dispute Resolution Mechanism that is approved by the RICS Regulatory Board.

For consumers this is dealt with by

- a) Ombudsman Services (Property), PO Box 1021, Warrington, WA4 9FE, telephone 01925 530270, fax 01925 530271, email enquiries@os-property.org or
- b) The Property Ombudsman, Milford House, 43-55 Milford Street, Salisbury, Wiltshire, SP1 2BP, telephone 01722 333306, fax 01722 332296, email admin@tpos.co.uk.

For business disputes the chosen alternative is Dispute Resolution Mechanism RICS Dispute Resolution Service, Surveyor Court, Westwood Way, Coventry, CV4 8JE, telephone 020 7334 3806, fax 020 7334 3802, email drs@rics.org.

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- 6.14. We have assumed that the property has not been registered for VAT purposes and that VAT is not therefore payable on rent or on a sale of the premises.

7. LIMITATIONS:

- 7.1. The property was occupied at the time of our inspection, fully fitted out and trading, with floor coverings laid in the office accommodation, and within these limits access was available.
- 7.2. Our external observations of the roof slopes was limited due to limitations on site.
- 7.3. We would wish to emphasise that we have only been able to concern ourselves with the condition of the property in so far as it is likely to affect our valuation. In no instance have we made a full survey of the structure and we would report to you that we have not inspected any areas which were inaccessible, where access was restricted, or areas which required the removal of furnishings or floor coverings. In the circumstances therefore we cannot comment on those areas and report them free from defects.
- 7.4. We have not arranged for any investigations to be carried out to determine whether any deleterious materials such as high alumina cement, calcium chloride additive, woodwool or any other potentially deleterious materials have been used in the construction of the property, or has since been incorporated, and we are therefore unable to report that the property is free from risk in this respect. For the purposes of the valuation we have assumed that such investigations would not disclose the presence of any such materials in adverse conditions.
- 7.5. All readily apparent defects or items of disrepair noted during the inspection will be reflected in our valuation but no assurance is given that the property is free from defects. We have assumed that those parts which have not been inspected would not reveal any material defects which would cause us to alter our report and valuation.

8. LOCATION:

- 8.1. The property forms part of the Pitstone Green Business Park which is situated on the extreme southern outskirts of the village, the property overlooking a modern residential development to the front.
- 8.2. The property's position is somewhat isolated in respect of local amenities. Limited amenities are available in Pitstone itself with more comprehensive amenities being available in the nearby centres of Tring and Aylesbury.

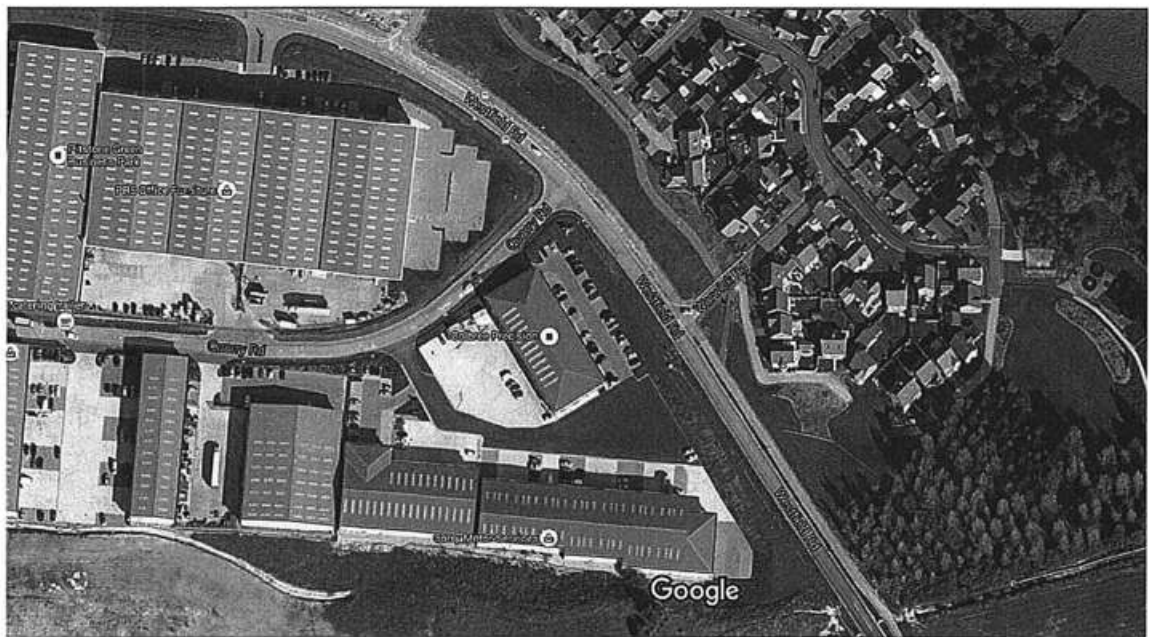
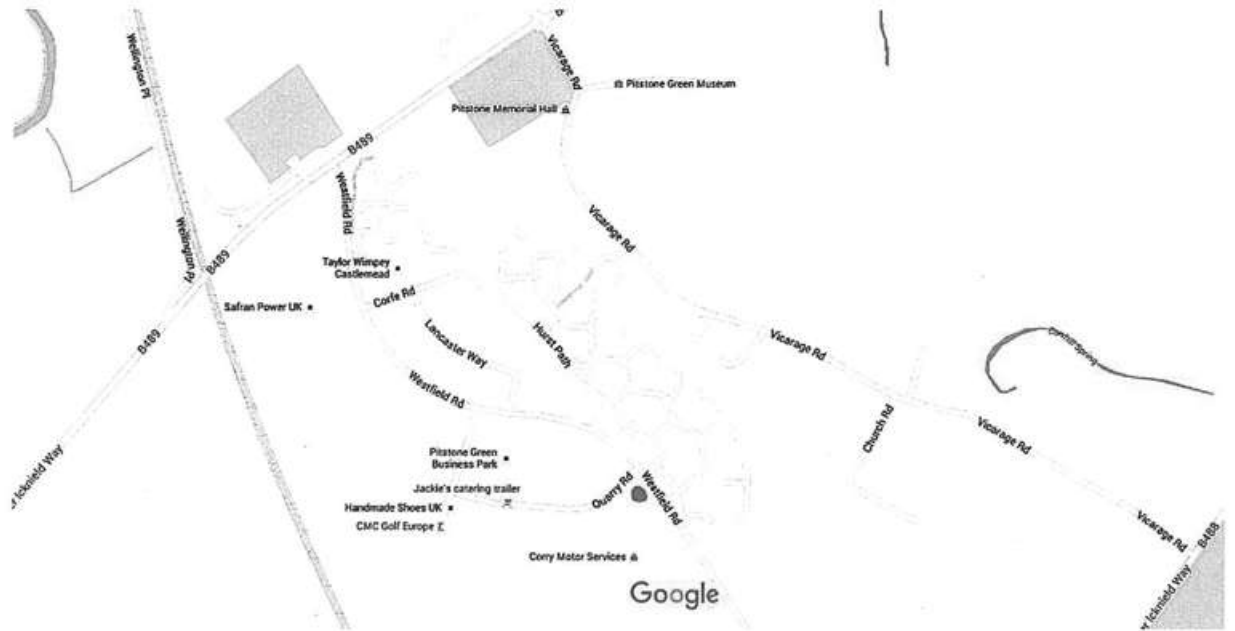
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- 8.3. The property is well sited for road communications being approximately 2 miles from the A41 which in turn provides good access to the M1, M40 and in turn to other major road networks.
- 8.4. Main line railway services are available from Tring Railway Station via the west coast main line.
- 8.5. Pitstone is situated within Aylesbury Vale District some 7 miles east of Aylesbury and approximately 6 miles south of Leighton Buzzard.

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9. DESCRIPTION:

- 9.1. The property comprises a terrace of three purpose built industrial units currently occupied as a single detached unit.
- 9.2. The property would appear to date from the mid 2000's and was originally constructed as three individual units, an opening having been provided in the internal partition walls enabling single occupation.



Front Elevation

Rear Elevation

10. THE SITE:

- 10.1. The property occupies an irregular shaped plot of generally level nature, the boundaries being poorly defined on site.
- 10.2. Vehicular access to the property is via a metal palisade fenced secure yard to the front having vehicular access off Beacon Court, the car parking area to the front having direct access off Quarry Road.
- 10.3. To the front of the property is a brick paver car parking area providing on site parking for approximately 41 vehicles.
- 10.4. Pedestrian access to the property is via the car parking area to the front.
- 10.5. The property occupies a plot which extends to approximately 0.363 hectares.

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11. CONSTRUCTION:

Element	Construction
Roof	The roof is of hipped steel frame construction clad externally in profile metal sheeting, incorporating sky lights.
External Walls	Steel frame construction with external walls to all elevations at ground floor level being principally brick clad with blockwork inner skin having coated metal sheet cladding to upper levels, the front and side elevations incorporating sections of glass curtain walling.
Floors	Ground floors throughout are of solid construction. First floors are of suspended reinforced construction.
Windows	Windows are coated sealed glazed units.
Rainwater Goods	The rainwater goods are formed in profile metal with plastic downpipes discharging to ground level.
Internal Specification	
Ceilings	Ceilings in the main are suspended ceiling tiles.
Walls	Internal walls are a mixture of block construction with painted/plastered finish, and demountable partitions.
Fittings/Decorations	A satisfactory level of fittings are provided to the kitchen areas. A satisfactory level of modern fittings are provided to the cloakroom/w.c.'s at both ground and first floor level. Internally the property has been maintained in good decorative order consistent with its current use.

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12. ACCOMMODATION:

12.1. We do not propose to describe the accommodation in detail suffice it to say it briefly comprises:

Floor	Description	Gross Internal Floor Area	
		M ²	Ft ²
	Unit 10		
Ground	Reception, Disabled w.c. with wash hand basin and low level w.c. (mechanically ventilated), Inner Hall, Gents Toilet with wash hand basin, two urinals and w.c. compartment off having low level suite, Warehouse/Production Area.	410.17 approx.	4415.17 approx.
First	Landing, Office, Kitchen, Inner Hall, Gents Cloakroom with wash hand basin and low level w.c. (mechanically ventilated), Ladies Cloakroom with wash hand basin and low level w.c. (mechanically ventilated), Work Room/Inspection Room.	139.35 approx.	1500 approx.
	Unit 11		
Ground	Main Reception Area, Disabled w.c. having wash hand basin and low level w.c. (mechanically ventilated), Inner Hall, Gents Cloakroom with wash hand basin and low level w.c. (mechanically ventilated), Workshop/Production Area with Welding Bay.	399.62 approx.	4301.61 approx.
First	Landing, Three Offices, Kitchen, Inner Hall, Ladies Cloakroom with wash hand basin and low level w.c. (mechanically ventilated), Gents Cloakroom with wash hand basin and low level w.c. (mechanically ventilated), General Office.	128.72 approx.	1385.57 approx.
	Unit 12		
Ground	Staff Canteen, Inner Hall, Ladies/Disabled Cloakroom with wash hand basin and low level w.c., Gents Cloakroom with wash hand basin and low level w.c., Office, Warehouse/Production Area.	410.05 approx.	4413.88 approx.

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First	Landing, Open Plan Office, Board Room, Kitchen, Gents Cloakroom with wash hand basin and low level w.c. (mechanically ventilated), Ladies Cloakroom with wash hand basin and low level w.c. (mechanically ventilated).	134.88 approx.	1451.88 approx.
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- 12.2 Access to the production areas is via three high bay sectional doors to the rear elevation accessed off Beacon Court and the secure yard, each unit being approximately 4.99 metres wide by approximately 4.99 metres high.
- 12.3 Eaves height approximately 6.7 metres. Height to pitch approximately 9.2 metres.
- 12.4 All measurements were taken on the 30th March 2016 with measurements being taken internally with the use of electronic measures and additional tape measures measured wall to wall. All measurements were taken using the metric system and conversion rates to imperial applied: conversion rate of 10.369.
- 12.5 All measurements have been taken to the nearest two decimal places.



Cloakroom/w.c. Accommodation



Gents Cloakroom

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Ladies Cloakroom/w.c.



Kitchen Area



Kitchen Area



Kitchen Area



Staff Canteen

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13. SERVICES:

- 13.1. All main services appear connected to the property.
- 13.2. We have not made any formal enquiries with the service companies concerned nor have we carried out any tests on the various service installations themselves. For the benefit of this report it is assumed that all connected services, together with the drainage facilities, are functioning correctly and satisfactorily.
- 13.3. Heating to the office accommodation and ancillary areas is provided via air conditioning/heat exchange units and supplemented by wall mounted electric convector heaters.
- 13.4. Heating to the production areas is via gas fired Benson warm air blowers.
- 13.5. Domestic hot water is supplied via independent electric water heaters located in the kitchens.

14. STATE OF REPAIR:

- 14.1. We have carried out a brief inspection of the property for the purposes of carrying out a valuation and a detailed inspection of this building has not been carried out. A more detailed inspection both internally and externally may reveal further defects.
- 14.2. The property has been generally well maintained consistent with its age and use, minor impact damage being noted to metal work adjacent to the high bay sectional doors to the rear.
- 14.3. Internally the property has been maintained in good decorative order, a satisfactory range of modern fittings being provided to the kitchen and cloakroom/w.c.'s throughout.

15. TENURE/TENANCIES:

- 15.1. We understand that the property is freehold and we presume free from any unusual outgoing or restrictions but your legal advisers need to check this point.
- 15.2. We have not examined or been provided with the Report on Title and in arriving at our valuation of the property we have assumed that the freeholders possess a good marketable title which is transferable and is not subject to any unusual or onerous restrictions, covenants, easements, encumbrances or outgoing and that the property is not adversely affected by any schemes whether local or other authority.

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- 15.3. We have assumed that the property and its value are unaffected by any matters which would be revealed by a local search and the replies to the usual enquiries, or by any statutory notice, and neither the property, nor its condition or its intended use, is or will be unlawful.
- 15.4. We have been provided with a copy of a lease, dated the 9th January 2015 in respect of the current occupation. The property is currently let to Colbree Precision Limited and Advanced Integrated Manufacturing Corporation Ltd for a term of 2 years commencing on the 1st February 2014 and expiring on the 30th June 2016 on full repairing and insuring terms. The current rent is £159,600 per annum.

The current landlords are Gary Robert Sutton and Steven Leslie Bree.

16. STATUTORY REQUIREMENTS:

Town Planning

- 16.1. We have not made any formal enquiries with the Planning Authority concerned.
- 16.2. We are of the opinion that the property has an established industrial use which would fall within Class B1/B2 and/or B8 of the Use Classes Order 1987.
- 16.3. We have checked with the website of Aylesbury Vale District Council and there are at present no Planning Applications listed in respect of the above property.

Highways

- 16.4. We understand that Quarry Road is a made and adopted highway.
- 16.5. Vehicular access to the property to the rear is via Beacon Court which is a private estate road serving this and the adjoining properties and which leads off Quarry Road.

Fire Regulations

- 16.6. The Regulatory Reform (Fire Safety Order 2005) came into effect on 1st October 2006. This requires the responsible persons for all non domestic properties to prepare a Fire Risk Assessment (FRA).
- 16.7. During our inspection we were not provided with an FRA and we are unable to comment whether the use of the property complies with the requirements.

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Energy Act 2011

- 16.8 The Energy Act 2011 applies to both residential and commercial property and it stipulates that properties with an energy efficiency in Bands F and G of the Energy Performance Certificate (EPC) will no longer be permitted to be let from April 2018, although this date may be brought forward, without improvement works being undertaken. As this date approaches, there may be an adverse effect on the value of these properties, together with their marketability.
- 16.9 Lending institutions, freeholders and leaseholders should be aware of the risks and timeline and start to review property portfolios and prepare. Where a property has an EPC, the provision only applies where an EPC exists, the energy performance rating should be examined. There is a requirement for new lettings and sales to be accompanied by an EPC and therefore this could result in buildings which require improvements having reduced marketability if landlords are passing on these costs through energy bills. There is, to date, little market evidence indicating whether there are differences in how tenants consider properties with reduced energy efficiency.
- 16.10 An Energy Performance Certificate (EPC) is required by law when a property is constructed, marketed for sale or let.
- 16.11 We have checked with the Landmark Information Group Database and there are at present no EPC's registered to the property either as individual units, or as a single unit.

Formal EPC's should be provided in order to comply with the current regulations.

17 TAXATION/RATING:

- 17.1. We understand from the Valuation Office website that the property is currently assessed on a combined basis for rating purposes at £83,500.

18 MATTERS FOR LEGAL ADVISERS:

- 18.1. The precise boundaries of the land belonging to the property should be established together with details of any maintaining/repairing liabilities.
- 18.2. The precise location of all allocated car parking spaces to the property should be established.
- 18.3 Full details of all rights of way both vehicular and pedestrian relating to the property should be established together with details of any maintaining/repairing liabilities.

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- 18.4 Full details of any service charge payable in respect of maintenance and upkeep of the estate road and common parts should be established.

19 ENVIRONMENTAL CONSIDERATIONS:

Pollution:

- 19.1 We are not aware of any pollution or contamination affecting the land or neighbouring property which will affect our valuation or survey. However, we have not undertaken an environmental audit or environmental survey and no investigations or tests have been carried out with regard to the land in respect of contamination or pollution.
- 19.2 Such audit, survey, investigations or tests fall outside our professional undertaking and expertise. Should such audit, survey, investigations or tests be required by you we firmly recommend that you engage specialist environmental consultants in that regard.
- 19.3 Should it be established subsequently that contamination exists in the property or on any neighbouring land or that the premises have been or are being put to any contaminative use this might reduce the valuation stated. We therefore reserve the right to amend our valuation accordingly based on this additional information if it is felt appropriate.

Flooding:

- 19.4 We have not made enquiries with the Local Planning Authority or Local Water Authority.
- 19.5 We understand from the Environment Agency website that the property is located in an area of Pitstone that is not considered at risk from flooding from rivers.

Radon:

- 19.6 The Health Protection Agency has identified some areas of Bedfordshire as being potential high risk areas for the incidents of radon gas. It has been established that in some buildings the levels of radon gas entering the property are such that remedial action is recommended to overcome the problem.
- 19.7 It is not possible in the course of our inspection/survey to determine whether radon gas is present in any given building as the gas is colourless and odourless. Tests can be carried out to assess the level of radon gas in a building. For a small charge test equipment can be obtained from the Health Protection Agency and other approved authorities who will also analyse the findings and give a result. The minimum testing period is 3 months and the Health Protection Agency strongly advises against using other shorter term testing equipment as they may give misleading results.

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- 19.8 If a test has not been carried out on the property then one is recommended to be undertaken. It has been the experience of the Health Protection Agency that it is not expensive to carry out any necessary recommended remedial measures in proportion to the overall value of the property.

Asbestos:

- 19.9 The property may contain asbestos based products in its construction although none were positively identified. Whilst such materials remain in good condition and are free from signs of any deterioration, the current informed view is that if left undisturbed they will pose nominal threat to health.
- 19.10 However if you are considering repair or alteration works which may involve the disturbance of such materials it is advisable to have them tested first as the removal of asbestos related materials can prove costly. You should obtain advice from the local Environmental Health Officer or a recognised specialist contractor on the maintenance, disturbance, handling, removal and disposal of asbestos based materials.
- 19.11 Please note that under the New Control of Asbestos at Work Regulations 2012, from the 6th April 2012, the party that is responsible for maintaining the building and employing people must prepare an audit of the building, identifying contamination, including asbestos, the severity of the contamination, and how it is to be managed.
- 19.12 We have not had sight of any written record and for the purposes of the report we have assumed that the owner occupiers of the accommodation are aware of their responsibilities under the Act and that a management plan is in place.

Invasive Species:

- 19.13 The RICS have issued an information paper (27/2012) on Japanese Knotweed. This states that the presence and effects of Japanese Knotweed is one of the many considerations that may affect value, and one of the variety of factors that valuers and surveyors need to take into account when assessing market value. Whilst this invasive, non native plant can be difficult to control, it should be recognised that timely and persistent treatment programmes can minimise its impact. As the treatment industry develops and matures it is hoped that surveyors will be able to provide more informed advice to their clients. As lenders adopt more consistent balanced policies, Japanese Knotweed should soon become just one more consideration in the complex valuation process.

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- 19.14 Japanese Knotweed is a rampant non native invasive species which can cause physical damage to buildings and hard surfaces. By quantifying the likely cost of treatment, any necessary repairs from the impact of Japanese Knotweed can be taken into account in the valuation process and reflected in the same way as any other defect or item of disrepair. As valuers we are not in a position to comment on the costs of any potential treatment as this is a specialist area but can advise as to whether there was the existence of the plant. However invasive this has become may not be readily identified by a visual inspection.
- 19.15 There is no evidence of any of the above on the site occupied by the property.

Made Up Ground

- 19.16 We have made enquires of the Environment Agency Landfill Website map which suggests that the property is not in an area contaminated by landfill. To our knowledge the property is not situated on made up ground.

The land on which the development is situated is located immediately to the north of former chalk pits.

Coal Mining

- 19.17 To our knowledge the property is not located in an area with a mining history and we have therefore made no allowance in our valuation for any problems that may arise.

20. DDA COMPLIANCE:

- 20.1. Pedestrian access to the front elevation is via coated sealed glazed entrance doors having level access from the car parking area to the front.
- 20.2. The ground floor accommodation is of level nature throughout and within these limits access was available.

There is no lift access provided to the first floor accommodation, access being via three separate flights of stairs.

- 20.3. Disabled w.c. facilities are provided at both ground and first floor level.
- 20.4. The Disability Discrimination Act 1995, as amended by the Disability Discrimination Act 2005 proposes a duty on employers and businesses offering a service to the public to make reasonable changes to practices and procedures to enable disabled people to do their jobs, or remove or alter any feature that makes it impossible, or reasonably difficult for a disabled person to make use of the service provided. The duty for compliance rests with the occupier.

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- 20.5. During our inspection we were not provided with a Disability Discrimination Audit and we are unable to confirm whether the use of the property complies with the requirements of the Act.

21. ECONOMIC/MARKET CONDITIONS/GENERAL:

- 21.1. 2015 was in general terms a good year for investors resulting in the second strongest year on record and above the 10 year average.

Research however revealed a marked loss of momentum in the second half of the year with investments slowing down on the previous year.

- 21.2. Both global, economic and political uncertainty is considered to probably have been impacting investment and uncertainty about the UK's place in the EU may cause investment levels in 2016 to ebb.

- 21.3. A great uncertainty for 2016 is the evolution of interest rates. Rates will increase at some stage although expectations on the first increase are being continually pushed further into the future. When the increase in base rates does come it will be the first since July 2007 and this could herald a longer term change in monetary conditions to come.

- 21.4. The property forms part of an existing purpose built modern estate of similar properties located to the south of Pitstone.

At the time of our inspection, the estate of which this property forms part appeared well occupied and presented.

- 21.5. The estate of which the property forms part occupies a semi rural location and its position is somewhat limited in respect of local amenities.

Despite the above, the property is well sited for good road communications and this aspect is likely to appeal to a number of users.

- 21.6. Generally the property has been well maintained since its original construction and offers a good level of adaptable accommodation.

The property is presented in good decorative order internally, a satisfactory range of modern fittings being provided to the kitchen and cloakroom/w.c. facilities.

Should the existing use cease then potential does exist to reinstate the property back into three individual units at very nominal cost, internal access between the three units currently being formed by openings formed in the original internal partition walls. Each of the three units still retain kitchen and cloakroom facilities.

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- 21.7. From research (Co Star – March 2016), availability rates for similar units in the area during 2015 fell from a peak at the beginning of the second quarter of 22.5% and currently stand at around 15% with vacancy rates during the last quarter of 2015 having fallen to 0 and during the first quarter of 2016 having risen slightly to 3%.
- 21.8. Despite the recent construction of the property, regular maintenance and repair will be required and should always be carried out in order to ensure the structural integrity and weather tightness of the property.

22. METHODOLOGY & COMPARABLE EVIDENCE:

- 22.1. Having made enquiries we are not aware of any information relating to any recent transactions involving this property.
- 22.2. The standard definition of market value requires the valuer to assume that full and proper marketing has been undertaken for an appropriate period to achieve the best price. In preparing our valuation we have considered that an appropriate marketing period to achieve the stated opinion of value would have been 6 months.
- 22.3. Very limited transactions of similar properties have taken place in the area and in this instance we have had consideration of sales of similar properties that have been sold in the surrounding areas of Bedfordshire.

Comparables:

- 22.4. **Cosgrove Way, Luton**
A purpose built industrial unit extending to 15,300 sq. ft. The freehold was sold in September 2014 for £1,450,000. Equates to £94.77 per sq. ft. overall.

Smaller than the subject property and older style building. Position considered inferior.

- 22.5. **Gate House Way, Aylesbury**
An industrial building constructed in 1987 of steel portal frame construction. Extending to 8305 sq. ft., the freehold was sold in July 2014 for £875,000. Equates to £105.36 per sq. ft. overall.

Smaller than the subject property and older. Concrete parking area to the front and position considered slightly inferior.

- 22.6. **Raans Road, Amersham**
An industrial unit constructed in 1977 extending to 21,587 sq. ft. The freehold was sold in August 2013 for £2,054,945. Equates to £95.19 per sq. ft. overall.

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Larger than the subject property but older style building. Shared concrete yard and unloading areas to the front. Plot considered inferior and dated transaction.

22.7. Station Road, Kings Langley

An industrial building constructed in 2007 of steel frame construction. Extending to 11,123 sq. ft. The freehold was sold in February 2015 for £1,325,000. Equates to £119.12 per sq. ft. overall.

Smaller than the subject property but situated on a purpose built estate. Similar style and construction.

22.8. Park Street, St Albans

A purpose built warehouse unit constructed in 2000. Extending to 15,599 sq. ft. The freehold was sold in September 2015 for £1,500,000. Equates to £96.16 per sq. ft. overall.

Similar style building to the subject property but smaller floor area. Limited plot and on site car parking. position considered slightly inferior.

22.9. Radcliffe Road, Buckingham

A modern purpose built industrial unit constructed in 2008 of steel frame construction. Extending to 29,365 sq. ft., the freehold was sold in October 2015 for £4,875,000. Equates to £166.01 per sq. ft. overall.

Similar modern construction to the subject property but offering larger floor area. Situated on similar style estate.

23. RENTAL VALUE:

23.1. Due to the property's location on a modern purpose built estate and its close proximity to good road communications, it is considered that the property is likely to attract a good level of interest if offered to let.

23.2. As previously reported the property was originally designed and constructed as three individual units and it would be possible at nominal expense to reinstate the property back into three units from its current single use.

23.3. From analysis of research (Co Star – March 2016), achieved rents for units in the area are ranging from £5 per sq. ft. to £11 per sq. ft. overall with an average achieved rent of £7.66 per sq. ft. overall.

23.4. Due to the level of demand currently prevailing in the area, the majority of lettings are being achieved without recourse for the granting of a rent free period.

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- 23.5. As previously reported the property is currently let until the 30th June 2016 at a rent of £159,600 per annum which based on the current measured net internal floor area equates to £9.13 per sq. ft. overall.

The current rent being achieved is considered above the market prevailing in the area for similar units and we are aware of units on this estate having been offered to let quoting figures of £6.68 and £6.70 per sq. ft. overall in August 2014.

- 23.6. Based on analysis of lettings we are of the opinion that a rent in the region of £7.50 per sq. ft. overall is applicable for the unit reflecting its good condition and useful office content and also to take into account the potential for reinstating as three smaller individual units.
- 23.7. Due to the market currently prevailing in the area, there is very little evidence of sales of similar investments.
- 23.8. Based on analysis of research (Co Star – March 2016) yields for similar investments in the area during 2015 and the first quarter of 2016 were ranging from 6.5% to 7.75% depending on the age, style and construction of the property and also its location.

We are aware of sales of a slightly smaller sized unit in Luton in 2014 which returned a yield of 6.39% and a much larger unit in Leighton Buzzard in October 2015 which returned a yield of 9.5%.

In this instance we would adopt a yield of 7.25% to reflect the location of the property, its modern construction, but also to take into account the accommodation offered, its adaptability and car parking provision, and also the good secure yard.

- 23.9. We are of the opinion that should the property be placed on the open market to let, a tenant would be found who would be prepared to take the unit as existing on a modern commercial lease. The lease would be on full repairing and insuring terms subject to maintaining the property to its present standard without the requirement for improvement. The lease would probably be for a 3, 5 or 10 year term and there may well be a break clause in favour of the tenant after 3 or 5 years.
- 23.10. The market rent for the property is considered to be in the region of £130,000 per annum.

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Comparables:

23.11. **Boundary Way, Hemel Hempstead**

An industrial building constructed in 1987 of steel frame construction. Offering 65,344 sq. ft. of industrial/warehouse space with office accommodation. The property was let in February 2016 on a 15 year lease at an annual rent of £497,790. Equates to £7.61 per sq. ft. overall.

Larger than the subject property with accommodation over two floors. Situated on an established industrial estate benefiting from adjacent surface car park offering 99 spaces.

23.12. **Boundary Way, Hemel Hempstead**

A purpose built industrial unit constructed in 1999 of steel frame construction. Extending to 27,764 sq. ft., the property was let in November 2015 on a 10 year lease at an annual rent of £235,994. Equates to £8.50 per sq. ft. overall. Lease subject to a rent review and option to break in year 5.

Similar style property to the subject property but offering larger accommodation. Situated on purpose built estate with good access to road communications.

23.13. **Cosgrove Way, Luton**

A 1980's built industrial unit extending to 5529 sq. ft. The property was let in November 2015 on a 10 year lease at an annual rent of £47,090. Equates to £8.52 per sq. ft. overall.

Smaller than the subject property but with element of two storey office accommodation. Well sited for road communications being within close proximity of junction 11 of the M1.

23.14. **Maxted Road, Hemel Hempstead**

An industrial unit constructed of steel frame construction in 2000 offering accommodation over the ground and first floor. Extending to 11,146 sq. ft. The property was let in March 2015 on a 10 year term at an annual rent of £92,000. Equates to £8.25 per sq. ft. overall.

Similar style property to the subject property but offering slightly smaller accommodation. Situated on an established estate and benefiting from 28 surface car parking spaces.

23.15. **Cleveland Way, Hemel Hempstead**

A 1990's built industrial unit offering 10,724 sq. ft. of accommodation over the ground and first floor. The property was let in March 2015 on a 10 year lease at a rent of £83,111 per annum. Equates to £7.75 per sq. ft. overall.

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Slightly older building than the subject property and offering smaller floor area. Established position benefiting from good road access.

23.16. Thame Road, Aylesbury

A 1987 built industrial unit offering 6788 sq. ft. of accommodation over the ground floor. The property was let in September 2015 on a 5 year lease at an annual rent of £40,730. Equates to £6 per sq. ft. overall. No rent reviews or option to break.

Smaller than the subject property and older construction. Situated on an established estate on the edge of Aylesbury.

23.17. Portland Close, Dunstable

An industrial unit constructed in 1978 offering 21,733 sq. ft. of accommodation over the ground and first floor. The property was let in April 2015 on a 5 year lease at an annual rent of £108,665. Equates to £5 per sq. ft. overall.

Larger than the subject property and older style building. Situated on an established trading estate with good road communications. Surface car park adjoining with 64 spaces.

24. VALUATION:

- 24.1. On the basis that the property is freehold, free from any unusual outgoing and restrictions, and taking into consideration all points raised in this report, then we are of the opinion that the market value of the property in its present condition is

£1,775,000 (ONE MILLION SEVEN HUNDRED AND SEVENTY FIVE THOUSAND POUNDS).

- 24.2. We would assess the value of the property for buildings insurance for current reinstatement purposes in the sum of:

£1,492,700 (ONE MILLION FOUR HUNDRED AND NINETY TWO THOUSAND SEVEN HUNDRED POUNDS).

25. BANK SECURITY:

- 25.1. The property comprises a terrace of three industrial units currently used as a single property situated on a modern development to the south of Pitstone. Benefiting from good road communications, the property has been well maintained and offers a good level of accommodation and fittings.

- 25.2. Considerable scope exists to reinstate the property into three individual units at very nominal cost.

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- 25.3 We are of the opinion that the property should prove security for your purposes and have an economic life in excess of 25 years. The property is considered suitable as banking security.
- 25.4 Despite the property's modern construction it is of a type where regular maintenance and repair will always be required and should always be carried out in order to maintain its structural integrity and weather tightness. If the property is not maintained on a regular basis it may deteriorate and security could be affected.

26. PHOTOGRAPHS:

- 26.1. See attached schedule.



Right Side Elevation



Left Side Elevation



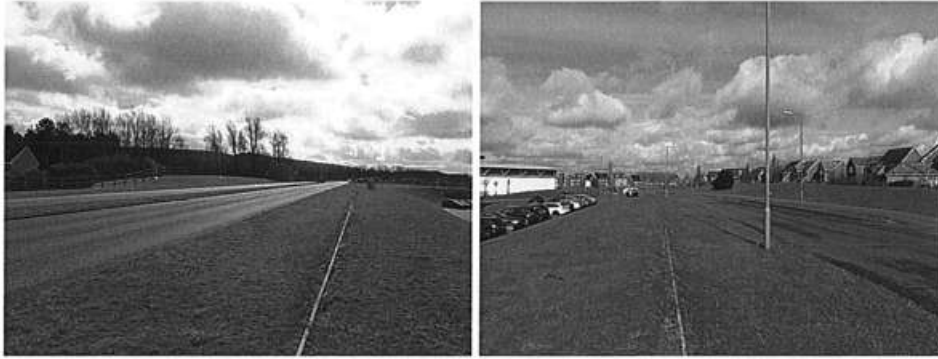
Rear Elevation



Secure Rear Yard

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Westfield Road – Street Scenes

27. PLANS:

27.1. The following plans are attached as appendices to this report:

- 27.1.1. Location Plan showing the approximate position of the property marked in red.
- 27.1.2. Copy of an Environment Flood Map showing the approximate position of the property marked in red.
- 27.1.3. Site Plan showing the boundaries edged in red.

28. INSTRUCTION LETTER:

28.1. This is attached as an appendices to this report.

29. OTHER MATTERS:

29.1. Data Security

During the valuation process the valuer will have access to, or may be provided with personal, confidential and/or commercially sensitive information. Harwoods will maintain this information in accordance with the Data Protection Act 1988 and the Company's Data Security Policy. Any such information will be held securely with authorised access only. It will be verified where appropriate, and only used for the purposes of providing our valuation service.

29.2. RICS Audit

The report and valuation may be subject to an RICS Audit for compliance purposes.

29.3. Confidentiality and Disclosure

This report is for the sole use of the addressee for the purposes set out at the beginning of this report and no responsibility is accepted to any third party, for the whole or any parts of this report. Neither the whole, nor any part of the report may be included in any statement, circular or published document without the prior written consent of Harwoods.

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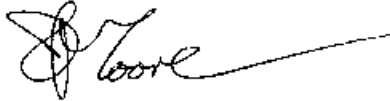
CONFLICT OF INTEREST:

The inspection has been carried out and the report prepared by Stuart Reynolds, FRICS, Chartered Surveyor, acting as an independent valuer who has the experience and knowledge of carrying out this type of work on commercial property in this locality. It is confirmed that neither the valuer nor the firm has any conflict of interest in this matter.

Signed:
Stuart Reynolds FRICS
Partner
HARWOODS

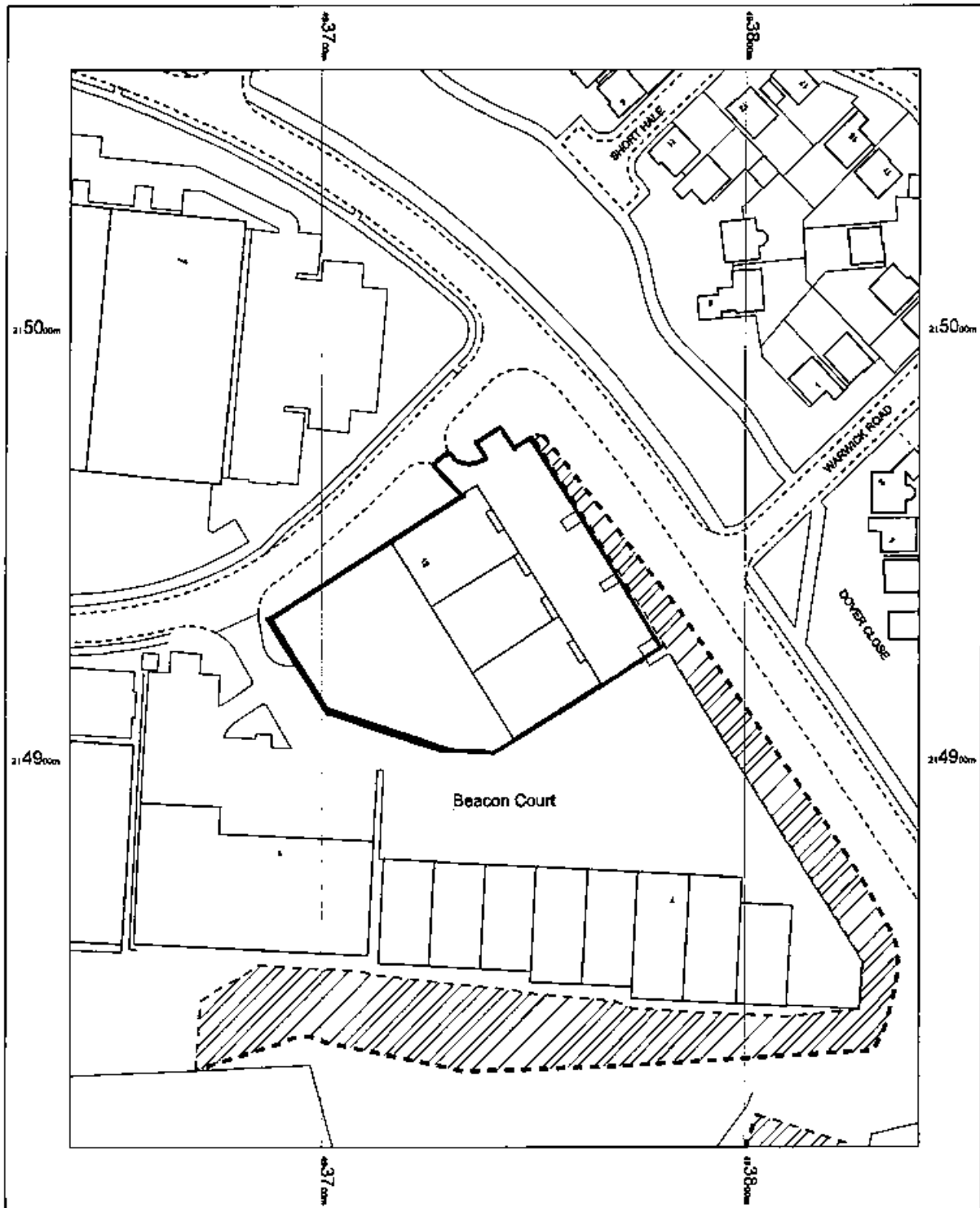


Countersigned:
David J Moore BSc MRICS
HARWOODS



Dated: 4th April 2016

XK156152



10-12 Beacon Court
Pitstone Green Business Park
Leighton Buzzard
Buckinghamshire LU7 9GY

OS MasterMap 1250/2500/10000 scale
30 March 2016, ID: JEW-00514986
maps.johnwright.com

1:1250 scale print at A4, Centre: 483741 E, 214938 N

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tel: 0116 255 6030

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XK156152

Environment Agency

Enter a postcode or place name: Other topics for this area...

Map legend

- Click on an area for details.
- Flood Warning Areas
- Areas where we issue flood warnings
- Flood Alert Areas
- Areas where we issue flood alerts

LU7 9GY at scale 1:10,000

Other maps Data search Text only version

Customers in Wales - From 1 April 2013 Natural Resources Wales (NRW) has taken over the responsibilities of the Environment Agency in Wales. © Environment Agency copyright and database rights 2016. © Ordnance Survey Crown copyright. All rights reserved. Environment Agency, 150029380. Contains Royal Mail data © Royal Mail copyright and database right 2016. This service is designed to inform members of the public, in line with our terms and conditions. For business or commercial use, please contact us.

More about Flood Warnings:

Flood Warning Areas

If your home or business is within a purple shaded area on the map then you can receive free flood warnings. We issue flood warnings to specific areas when flooding is expected. If you receive a flood warning you should take immediate action.

For further information visit our Flood warning pages.

Flood Alert Areas

If your home or business is within a pink shaded area on the map then you can receive free flood alerts. We issue flood alerts when flooding is possible. In many areas we issue flood alerts for flooding from rivers, the sea and groundwater. If you receive a flood alert you should be prepared for flooding and to take action.

It is very difficult to predict the exact location of flooding from groundwater as it is often related to local geology. We can't say for definite which properties are at risk from groundwater flooding. To help people we provide flood alerts for large areas that could be affected if groundwater levels were high.

For further information visit our Flood warning pages.

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Author: Environment Agency | wiybysupport@environment-agency.gov.uk
Last updated: 18th March 2016

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Appendix A.1 – Standard Built Commercial Property

- 1 These notes provide details of the appropriate basis of valuation, contents of the report, and other requirements of Barclays.
- 2 The inspection, report and valuation should be in accordance with the current practice statements, guidance notes and appendices of the latest edition of the RICS Valuation Standards (the "Red Book").
- 3 Please provide your opinion of:
 - 3.1 the current market value*;
 - 3.2 market rent of the property together with an opinion on the length of lease which could be granted on the open market and referring to any market related incentives necessary to achieve the market rent stated (e.g. rent-free periods);
 - 3.3 the suitability of the property as banking security and any difficulties likely to arise if realisation by Barclays is necessary;
 - 3.4 whether the value of the property is likely to increase/remain static/decrease;
 - 3.5 An indication for insurance purposes of the current reinstatement cost* of the buildings. (This is for guidance only to ensure that the property is adequately insured. A formal estimate which would normally be provided by a quantity surveyor or equivalent expert is not required.)

*[NB:*Where multiple properties are to be valued please ensure your report clearly reflects the market value for each separate property / title. Where you are asked to provide an insurance re-instatement cost please also ensure this is provided for each separate property / title]*

- 4 Your Report should include details of and comment on:
 - 4.1 Location, description, use, accommodation, services, floor areas and specification. Please ensure the report contain the following:
 - A street map clearly identifying the location of the property
 - A copy of the Land Registry title plan or, where a LR title is not practical/available, an Ordinance Survey extract (scale 1:1250) or promap with the exact boundaries of the premises/ land valued clearly marked in RED.
 - Colour photographs showing as a minimum the front and rear elevations
 - 4.2 Age and condition of structural, electrical and mechanical components, type of construction and an indication that, assuming reasonable maintenance, the building retains a useful economic life of at least 25 years;
 - 4.3 Environmental issues including contaminated land either on the subject site or on an adjoining site, in line with Guidance contained in current RICS Valuation Standards. **An unconsidered assumption that the property is free from contamination would not be acceptable.** To ensure environmental factors are fully reflected, you may be asked within the Xit2 instruction to submit a Barclays SiteGuard: Land Use Questionnaire form. The Land Use Questionnaire form can be found in Xit2 under "Valuer Resources". The form can be saved and completed electronically. Please follow the instructions

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provided in the form (i.e. you should order a Barclays SiteGuard Report from GroundSure and then answer the follow up questions). If you have not been asked to submit a Barclays SiteGuard: Land Use Questionnaire form, kindly advise in your report whether there is any evidence of environmental issues that could potentially have clean up/liability implications for the current and future owners, including any mortgagees in possession or receivers and whether you consider it is necessary to obtain an up to date environmental risk assessment and, if so, why?;

- 4.4 Where the client holds a current Energy Performance Certificate, please report and comment on:
- The current EPC expiry date
 - The rating A-G
 - The proposals seen in the EPC 'Recommendations report' and any actions taken by the client to address
 - If you consider there maybe merit in the client obtaining a new EPC and briefly explain why

Please attach a copy of the EPC in the appendix section of the valuation. Alternatively, if you are valuing a portfolio please summarise your findings in a schedule/ table format. Where the subject property does NOT currently have an EPC, please confirm using the web based register of EPC's provided by Landmark, that there are no records of an EPC being issued.

- 4.5 Where there are locational factors that may impact value these should be recorded and reported if they have a detrimental impact upon your valuation. Including, whether the property is in an area prone to flooding, mining settlement, subsidence, invasive vegetation [e.g. Japanese Knotweed], radon gas, or other issues that are particularly prevalent in certain districts
- 4.6 Planning, highway and other statutory considerations; is the property listed?
- 4.7 Title/tenure - as appropriate to the subject property, together with comments on any other matters which you consider to be relevant or which you believe should be drawn to Barclays' attention such as a variance between information provided and actuality. Is there any "hope", "marriage" or special purchaser value attaching to the property now or likely to arise in the future? If so, please quantify;
- 4.8 If leasehold or an investment property subject to a lease, please detail in a schedule format (if appropriate) and comment upon the terms of the lease, passing rent, privity of contract (if any), review dates, whether inclusive of repairs, insurance, rates, non-recoverable service charges: any restrictions on usage, alienation rights, alteration rights or any other lease clauses having a depreciating effect on marketability or value. Comment on whether the present rent is in line with current market rent (i.e. is the property over-rented/under-rented?). Where the current leases are less than 12 months to expiry, please comment on the likely level of rent, how long a void period to expect given supply and demand and any tenant inducements i.e. a rent free period that may need to be considered. In the case of investment properties, please provide your view on the market's opinion of the tenant(s) covenant's strength;
- 4.9 Please state clearly the methodology, (e.g. comparable, investment, etc) adopted and list any assumptions you have made and the effect of these

APPENDIX IV

assumptions on your valuation. Please provide evidence of other transactions upon which the valuation is based;

- 4.10 Please include any observations on current market conditions for this type of property and your opinion as to any possible future changes in market conditions which Barclays should take into account when making its lending decision;
- 4.11 It would be most helpful if you were able to provide comment on any significant development or change of use potential of the property or properties in the locality which would materially affect your valuation;
- 4.12 Where you identify that our client is a sole trader, partnership (England & Wales), charity, association, clubs or trustees and that greater than 40% by size of the entire property/ site being valued including any land, is intended to be 'owner occupied' by the borrower or the immediate family (or if a trust, by the beneficiary), could you please clearly highlight within your report: a) If a formal lease agreement exists and b) The percentage of the floor space of the property used as a personal residence (land and buildings) versus the overall Sq/ metre of the specific title deed area.
- 4.13 Please specify the date of inspection and the name and qualifications of the person who visited the property and confirm that the person has relevant experience and knowledge of valuing the type of property concerned in the particular locality. Moreover, please confirm that the valuer is an external valuer as defined in the "Red Book". Your final report should be signed by both the individual RICS qualified surveyor who carried out the inspection and the RICS qualified senior Director / Partner of the firm responsible for supervising the standard of work undertaken for the Bank;
- 4.14 The Surveyor shall forward one copy of all reports to Barclays, one additional electronic Adobe PDF copy via the Valuation exchange/ Xit2, and one copy to any solicitor identified as acting for Barclays in the Instructions issued to the Surveyor. You may be required to discuss the content of your report with the solicitor acting in this matter. The Surveyor shall provide additional copies of Reports to Barclays as may be requested by Barclays from time to time. Barclays Bank Plc may provide a copy of your valuation Report to the customer but it does not wish you to send a copy of the report direct.
- 4.15 In addition to your standard report, it is essential that the Executive Summary in Xit2 is completed and you incorporated a copy of the Executive Summary, the appropriate Appendix/ instruction letter and where applicable the Barclays SiteGuard/ LUQ into all copies of the final valuation report.

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Report Required	Executive Summary	Instruction From	Barclays CVT
Report Expected	16/03/2016 12:07:53	Lender Ref	XK156152
Property	Beacon Court Unit 10/12 Pitstone Green Business Park Pitstone Bedfordshire LU79GY	Loc Ref	2-10303139165
Tenure	Freehold	Source	Barclays CVT
Remaining Lease	.	Source Contact Tel	0845 300 9943
Num of copies of report to RM	2	Advance	£0
Num of copies of report to LOC Team	0	Purchase Price	£1900000
Appt Date & Time:	.	Fee	£1866
Other Information	Please provide Market value with vacant possession, Market value with benefit of the lease plus market rent figures.	Applicant	COLBREE ADVANCED PRODUCTS LIMITED Phone 1: 01296664200 Phone 2:
User information	<i>Team Name</i> : Credit Operations <i>Contact Name</i> : Andrew Benson <i>Postal Address</i> : 497 Silbury Boulevard Milton Keynes Milton Keynes MK9 2LD <i>Full Tel num</i> : 07766361997 <i>External Email</i> : commercialvaluations@barclays.com <i>Alternative telephone</i> : 01908454001 <i>RMs Fax Number</i> : <i>LOC team address</i> : Not required, as documents will be uploaded to the case by the valuer <i>Copies to solicitor</i> : 0	Approved Valuer Selected?	Yes
Instructor ID	0000	Panel Firm Chosen	Harwoods
Who Discussed Fee	Stuart Reynolds	Who Discussed Fee	Stuart Reynolds
Panel Firm's Reference		Access To Be Arranged With Lease	Owner N/A
Job Type	CMV	Phone:N/A Alternative Phone: N/A	
Customer System ID Number	3806853705	Solicitors	N/A N/A Phone:N/A
Relationship Team Name	Credit Operations	Access Details	Access Name: Jane Williams Access Tel1: 07738341776 Access Tel2: 01296664203
Property Description	Industrial - General (Industrial Distribution Warehousing Self-Storage Cold Stores	Valuer Notes Assigned To	
Property Type	C1.1Industrial General (Industrial Distribution Warehousing Self-Storage Cold Stores)	Proposed Occupancy	Let or sub-let

<https://www.valuationexchange.com/f014InstructionDetailOutPrint.asp?guid=NCNkl...> 11/03/2016

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Ownership Property Owned
**LUQ
Required** Yes
**Date LUQ
Submitted**
**Date LUQ
Response
needed**
**Reason for
Valuation** Prospective Lending
Late Reason

NOTICE OF EXTRAORDINARY GENERAL MEETING



ADVANCED INTEGRATED MANUFACTURING CORP. LTD.

(Incorporated in Republic of Singapore)
(Company Registration Number: 200405216C)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held on 2 May 2017 at 10 a.m. at Sentosa Golf Club, Serapong Room 1 and 2, Level 1, 27 Bukit Manis Road, Singapore 099892, for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution:

RESOLUTION – THE PROPOSED VOLUNTARY DELISTING OF THE COMPANY

Resolved that:

- (a) the voluntary delisting of the Company from the Official List of the SGX-ST under Rules 1307 and 1309 of the Listing Manual (the “**Delisting Proposal**”), pursuant to which the Exit Offer (as defined in this circular to shareholders dated 7 April 2017 (the “**Circular**”)) would be made to the shareholders of the Company on the terms and conditions set out in this Circular, be and is hereby approved; and
- (b) the directors of the Company and each of them be and is hereby authorised and empowered to complete and to do all such acts and things as they may consider necessary or expedient to give effect to the Delisting Proposal and/or this Rule 1307 Resolution, with such modification thereto (if any) as they or he shall think fit in the interests of the Company.

By Order of the Board

Ong Beng Hong/Tan Swee Gek
Joint Company Secretaries
7 April 2017

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) (a) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf at the Extraordinary General Meeting. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.
- (b) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint more than two proxies to attend, speak and vote at the Extraordinary General 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'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.
- (2) A proxy need not be a member of the Company.
- (3) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
- (4) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at **23 Ubi Crescent, Singapore 408579** at least 48 hours before the time fixed for the Extraordinary General Meeting.

Personal Data Protection:

By attending the Extraordinary General Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

ADVANCED INTEGRATED MANUFACTURING CORP. LTD.

(Incorporated in the Republic of Singapore)

PROXY FORM EXTRAORDINARY GENERAL MEETING

IMPORTANT

1. Relevant intermediaries (as defined in Section 181 of the Companies Act, Cap. 50) may appoint more than two proxies to attend, speak and vote at the EGM.
2. For investors who have used their CPF moneys to buy shares in the capital of Advanced Integrated Manufacturing Corp. Ltd., this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
3. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF Investors who wish to attend the Extraordinary General Meeting as OBSERVERS have to submit their requests through their respective Agent Banks so that their Agent Banks may register, in the required format, with the company Advanced Integrated Manufacturing Corp. Ltd. (Agent Banks: please see note No. 10 on required format)

I/We _____ (Name), NRIC/Passport Number* _____

of _____ (Address)

being a member/members of **ADVANCED INTEGRATED MANUFACTURING CORP. LTD.** (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			

whom failing, the Chairman of the Extraordinary General Meeting, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf, at the Extraordinary General Meeting of the Company to be held at Sentosa Golf Club, Serapong Room 1 and 2, Level 1, 27 Bukit Manis Road, Singapore 099892 on 2 May 2017 at 10 a.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Extraordinary General Meeting.

RESOLUTION	For*	Against*
To approve the proposed voluntary delisting of the Company		

* If you wish to exercise all your votes "For" or "Against", please indicate your vote "For" or "Against" with "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2017.

Total Number of Shares Held

Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES ON THE REVERSE.

Notes:

1. (a) 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 to attend, speak and vote on his/her behalf at the Extraordinary General Meeting. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.

(b) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act, Cap. 50) is entitled to appoint more than two proxies to attend, speak and vote at the Extraordinary General 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'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.
2. A proxy need not be a member of the Company.
3. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register maintained by The Central Depository (Pte) Limited ("CDP"), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the said Depository Register and registered in his name in the Register of Members of the Company, he 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 the member.
4. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 23 Ubi Crescent, Singapore 408579, not less than 48 hours before the time set for the Extraordinary General Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of 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 common seal or under the hand of its attorney or a duly authorised officer.
6. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the 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.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore.
8. The submission of an instrument or form appointing a proxy by a member of the Company does not preclude him from attending and voting in person at the Extraordinary General Meeting if he is able to do so.
9. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form 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 Extraordinary General Meeting, as certified by CDP to the Company.
10. Agent Banks acting on the request of CPF Investors who wish to attend the Extraordinary General Meeting as Observers are required to submit in writing, a list with details of the investors' name, NRIC/Passport numbers, addresses and numbers of Shares held. The list, signed by an authorised signatory of the agent bank, should reach the Company Secretary, at the registered office of the Company not later than 48 hours before the time appointed for holding the Extraordinary General Meeting.

Personal Data Protection:

By attending the Extraordinary General Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting.

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