

CIRCULAR DATED 14 FEBRUARY 2014

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

If you have sold or transferred all your shares in the capital of GSH Corporation Limited (the “**Company**”), please forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Forms (as defined herein) immediately to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

If you have sold or transferred all your shares represented by physical share certificate(s), you should forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or the transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

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



Global Strategic Holdings

GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200106139K)

CIRCULAR TO SHAREHOLDERS

In relation to

**THE PROPOSED ACQUISITION OF 77.5% INTEREST IN THE SUTERA HARBOUR GROUP
(AS DEFINED HEREIN) AND THE SUTERA HARBOUR RESORTS GROUP (AS DEFINED HEREIN)**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	1 March 2014 at 2.30 p.m.
Date and time of Extraordinary General Meeting	:	3 March 2014 at 2.30 p.m.
Place of Extraordinary General Meeting	:	GSH Centre 11 Changi North Way Singapore 498796

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DEFINITIONS

For the purpose of this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

- “23 September 2013 Circular”** : Has the meaning ascribed to it in Section 2.17 of this Circular
- “Acquisition Agreements”** : Has the meaning ascribed to it in Section 2.17 of this Circular
- “AIL”** : Has the meaning ascribed to it in Section 2.16 of this Circular
- “Back-Stop Date”** : Has the meaning ascribed to it in Section 2.12 of this Circular
- “Board” or “Directors”** : The directors of the Company as at the date of this Circular
- “Borneo Ventures”** : Has the meaning ascribed to it in Section 1.1 of this Circular
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 14 February 2014
- “Companies Act”** : The Companies Act, Chapter 50, of Singapore
- “Company”** : GSH Corporation Limited (formerly known as JEL Corporation (Holdings) Ltd.)
- “Conditions Precedent”** : Has the meaning ascribed to it in Section 2.12 of this Circular
- “Consideration”** : Has the meaning ascribed to it in Section 2.8 of this Circular
- “Corporate Guarantee”** : Has the meaning ascribed to it in Section 2.10 of this Circular
- “CPF”** : The Central Provident Fund
- “Datuk Hing”** : Has the meaning ascribed to it in Section 2.15 of this Circular
- “Datuk Ong”** : Has the meaning ascribed to it in Section 1.1 of this Circular
- “Earmarked Funds”** : Has the meaning ascribed to it in Section 2.27 of this Circular
- “EGM”** : The extraordinary general meeting of Shareholders to be held on 3 March 2014, notice of which is set out on page 30 of this Circular
- “EOL”** : Has the meaning ascribed to it in Section 2.1 of this Circular

“FY”	: Financial year ended, or ending, as the case may be, on 31 December
“Group”	: The Company and its subsidiaries
“GSH Properties”	: Has the meaning ascribed to it in Section 1.1 of this Circular
“HY”	: The financial period commenced or commencing (as the case may be) 1 January and ended or ending (as the case may be) 30 June
“IFRS”	: International Financial Reporting Standards
“Investors”	: Has the meaning ascribed to it in Section 1.1 of this Circular
“ISB”	: Has the meaning ascribed to it in Section 2.15 of this Circular
“Kenneth Goi”	: Has the meaning ascribed to it in Section 1.2 of this Circular
“Latest Announced Financial Statements”	: Has the meaning ascribed to it in Section 2.29 of this Circular
“Latest Practicable Date”	: 4 February 2014, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	: The Listing Manual of the SGX-ST
“LPSB”	: Has the meaning ascribed to it in Section 2.16 of this Circular
“MFRS”	: Malaysia Financial Reporting Standards
“MHL”	: Has the meaning ascribed to it in Section 2.15 of this Circular
“MSB”	: Has the meaning ascribed to it in Section 2.16 of this Circular
“Notice of EGM”	: The notice of the EGM as set out on page 30 of this Circular
“NTA”	: Has the meaning ascribed to it in Section 2.31 of this Circular
“Ocean View Point”	: Has the meaning ascribed to it in Section 2.16 of this Circular
“Ocean View Ventures”	: Has the meaning ascribed to it in Section 2.15 of this Circular
“Original Plot-B SPA”	: Has the meaning ascribed to it in Section 2.16 of this Circular
“Parties”	: Has the meaning ascribed to it in Section 2.12 of this Circular

“Plot-A”	: Has the meaning ascribed to it in Section 2.15 of this Circular
“Plot-A Acquisition”	: Has the meaning ascribed to it in Section 2.15 of this Circular
“Plot-A Group”	: Has the meaning ascribed to it in Section 2.15 of this Circular
“Plot-A Sale Shares”	: Has the meaning ascribed to it in Section 2.20 of this Circular
“Plot-A SPA”	: Has the meaning ascribed to it in Section 2.15 of this Circular
“Plot-B”	: Has the meaning ascribed to it in Section 2.16 of this Circular
“Plot-B Acquisition”	: Has the meaning ascribed to it in Section 2.16 of this Circular
“Plot-B Group”	: Has the meaning ascribed to it in Section 2.16 of this Circular
“Plot-B SPA”	: Has the meaning ascribed to it in Section 2.16 of this Circular
“Proposed Settlement Agreements”	: Has the meaning ascribed to it in Section 2.12 of this Circular
“Proxy Form”	: Has the meaning ascribed to it in Section 7 of this Circular
“Relevant Equity Interests”	: Has the meaning ascribed to it in Section 2.11 of this Circular
“Sam Goi”	: Has the meaning ascribed to it in Section 1.2 of this Circular
“Securities Account”	: Securities account maintained by a depositor with CDP (but does not include a sub-securities account maintained with a depository agent)
“Securities and Futures Act”	: The Securities and Futures Act, Chapter 289, of Singapore
“Security”	: Has the meaning ascribed to it in Section 2.10 of this Circular
“Security Documentation”	: Has the meaning ascribed to it in Section 2.12 of this Circular
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited

“Shares”	: Ordinary shares in the share capital of the Company
“SPV”	: Has the meaning ascribed to it in Section 2.15 of this Circular
“Subscription Agreement”	: Has the meaning ascribed to it in Section 1.1 of this Circular
“Substantial Shareholder”	: A person who holds directly and/or indirectly five per cent. (5.0%) or more of the total issued share capital of the Company
“Supplemental and Novation Agreement”	: Has the meaning ascribed to it in Section 2.16 of this Circular
“Sutera Harbour Holdings”	: Has the meaning ascribed to it in Section 1.1 of this Circular
“Sutera Harbour Resorts”	: Has the meaning ascribed to it in Section 1.1 of this Circular
“Sutera Harbour Resorts Capitalisation”	: Has the meaning ascribed to it in Section 2.6 of this Circular
“Sutera Harbour Resorts Consideration Shares”	: Has the meaning ascribed to it in Section 2.6 of this Circular
“Sutera Harbour Resorts Group”	: Has the meaning ascribed to it in Section 1.1 of this Circular
“Sutera Harbour Resorts Group Acquisition”	: Has the meaning ascribed to it in Section 2.6 of this Circular
“Sutera Harbour Resorts Minority Shareholders”	: Has the meaning ascribed to it in Section 2.6 of this Circular
“Sutera Harbour Resorts Shares”	: Has the meaning ascribed to it in Section 2.6 of this Circular
“Sutera Harbour Resorts Subsidiaries”	: Has the meaning ascribed to it in Section 2.2 of this Circular
“Sutera Secured Creditors”	: Has the meaning ascribed to it in Section 2.12 of this Circular
“The Sutera Harbour Group”	: Has the meaning ascribed to it in Section 1.1 of this Circular
“The Sutera Harbour Group Capitalisation”	: Has the meaning ascribed to it in Section 2.6 of this Circular
“The Sutera Harbour Group CRPS”	: Has the meaning ascribed to it in Section 2.6 of this Circular
“The Sutera Harbour Group CRPS Subscription”	: Has the meaning ascribed to it in Section 2.6 of this Circular
“TYJ Group”	: Has the meaning ascribed to it in Section 1.1 of this Circular

“Xing Asia”	: Has the meaning ascribed to it in Section 2.15 of this Circular
“RM”	: Malaysia Ringgit
“%” or “per cent.”	: Percentage or per centum
“S\$” and “cents”	: Singapore dollars and cents, respectively
“US\$”	: United States of America dollars

The term “**controlling shareholder**” shall have the same meaning ascribed to it in the Listing Manual.

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

The term “**subsidiary**” shall have the meaning ascribed to it in Section 6 of the Companies Act.

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

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

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

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

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

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

GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 200106139K)

LETTER TO SHAREHOLDERS

Directors:

Sam Goi Seng Hui (*Executive Chairman*)
Lee Choon Hui, Francis (*Non-Executive Vice Chairman and Independent Director*)
Gilbert Ee Guan Hui (*Chief Executive Officer*)
Juliette Lee Hwee Khoon (*Non-Executive Director*)
Michael G. Gray (*Independent Director*)
Huang Lui (*Independent Director*)
Ryo Kobayashi (*Chief Operating Officer*)
Goi Kok Ming (*Executive Director, Business Development*)

Registered Office:

GSH Centre
11 Changi North Way
Singapore 498796

14 February 2014

To: The Shareholders of GSH Corporation Limited

Dear Sir/Madam

THE PROPOSED ACQUISITION OF 77.5% INTEREST IN THE SUTERA HARBOUR GROUP (AS DEFINED HEREIN) AND THE SUTERA HARBOUR RESORTS GROUP (AS DEFINED HEREIN)

1. INTRODUCTION

- 1.1. On 1 January 2014, the Company announced that Borneo Ventures Pte. Ltd. ("**Borneo Ventures**"), a wholly-owned subsidiary of GSH Properties Pte. Ltd. ("**GSH Properties**") which is in turn a wholly-owned subsidiary of the Company, had on 30 December 2013 entered into a subscription agreement ("**Subscription Agreement**") with (i) TYJ Group Pte Ltd ("**TYJ Group**"); (ii) The Sutera Harbour Group Sdn Bhd ("**The Sutera Harbour Group**"); (iii) Sutera Harbour Holdings Sdn Bhd ("**Sutera Harbour Holdings**"); (iv) Datuk Edward Ong Han Nam ("**Datuk Ong**"); and (v) Sutera Harbour Resort Sdn Bhd ("**Sutera Harbour Resorts**") relating to investments by Borneo Ventures and TYJ Group (collectively the "**Investors**") into The Sutera Harbour Group by way of equity and loan capital (being The Sutera Harbour Group Capitalisation as defined and detailed in Section 2.6 below) and the subscription by The Sutera Harbour Group of new shares in Sutera Harbour Resorts (being the Sutera Harbour Resorts Capitalisation as defined and detailed in Section 2.6 below) as well as the acquisition (being the Sutera Harbour Resorts Group Acquisition as defined and detailed in Section 2.6 below) by The Sutera Harbour Group of Sutera Harbour Resorts and its subsidiaries ("**Sutera Harbour Resorts Group**").
- 1.2. TYJ Group is wholly-owned and controlled by Sam Goi Seng Hui ("**Sam Goi**"), who is a controlling shareholder of the Company and the Executive Chairman of the Board. Goi Kok Ming, Kenneth ("**Kenneth Goi**"), a director on the Board, is immediate family to Sam Goi under Chapter 9 of the Listing Manual. Accordingly, TYJ Group is deemed to be an "interested person" to the Group for the purposes of Chapter 9 of the Listing Manual.
- 1.3. The Sutera Harbour Resorts Group Acquisition is subject to and conditional upon, *inter alia*, the approval of the Shareholders at a general meeting.
- 1.4. The Board proposes to convene the EGM to seek Shareholders' approval for the Sutera Harbour Resorts Group Acquisition.

- 1.5. The purpose of this Circular is to provide Shareholders with information relating to, and to explain the rationale for, the Sutera Harbour Resorts Group Acquisition, and to seek Shareholders' approval for the resolution to be proposed at the EGM, as set out in the Notice of EGM.

2. THE SUTERA HARBOUR RESORTS GROUP ACQUISITION INFORMATION ON THE SUTERA HARBOUR GROUP

2.1 The Sutera Harbour Group

The Sutera Harbour Group is an investment-holding company incorporated in Malaysia. Eagle Origin Limited (“**EOL**”), a company incorporated in the British Virgin Islands and wholly-owned by Datuk Ong, is presently the sole legal and beneficial owner of all issued shares in the capital of The Sutera Harbour Group.

INFORMATION ON SUTERA HARBOUR RESORTS GROUP⁽¹⁾

2.2 Sutera Harbour Resorts Group

Sutera Harbour Resorts was incorporated in Malaysia on 12 February 1999, and has an issued and paid-up capital of RM300,000 comprising 300,000 ordinary shares.

Sutera Harbour Resorts Group comprises Sutera Harbour Resorts and its five (5) wholly-owned subsidiaries (“**Sutera Harbour Resorts Subsidiaries**”), namely, Advanced Prestige Sdn. Bhd., Eastworth Source Sdn. Bhd., Sutera Harbour Golf and Country Club Berhad, Sutera Harbour Travel Sdn. Bhd. and The Little Shop Sdn. Bhd..

The corporate structure of the Sutera Harbour Resorts Group prior to the completion of the Subscription Agreement is set out in Appendix A to this Circular.

Sutera Harbour Resorts Group operates two five-star hotels – the 500-room Pacific Sutera Hotel and 456-room Magellan Sutera Resort, and the 104-berth Sutera Harbour Marina and Country Club which has a 27-hole championship golf course, each with a host of dining and recreational facilities. The Pacific Sutera Hotel, The Magellan Sutera Resort and Sutera Harbour Marina and Country Club are located in Sabah, Malaysia.

INFORMATION ON THE SUTERA HARBOUR RESORTS SUBSIDIARIES

- 2.3 The details of the Sutera Harbour Resorts Subsidiaries as at the Latest Practicable Date are set out below:

Name of Sutera Harbour Resorts Subsidiary	Country of Incorporation	Issued Share Capital (RM)	Principal Activities	Percentage shareholding held by Sutera Harbour Resorts (%)
Advanced Prestige Sdn. Bhd.	Malaysia	30,000,000	Hotel Operator under the name and style of The Magellan Sutera Hotel	100
Eastworth Source Sdn. Bhd.	Malaysia	30,000,000	Hotelier operating under the name and style of The Pacific Sutera Hotel	100

Notes:

- (1) Information in relation to the Sutera Harbour Resorts Group contained in this Circular is provided to the Company by the Sutera Harbour Resorts Group.

Name of Sutera Harbour Resorts Subsidiary	Country of Incorporation	Issued Share Capital (RM)	Principal Activities	Percentage shareholding held by Sutera Harbour Resorts (%)
Sutera Harbour Golf & Country Club Berhad	Malaysia	52,455,000	Operation of 27-hole golf course and marina with clubhouse and other facilities	100
Sutera Harbour Travel Sdn. Bhd.	Malaysia	100,000	Operation of upmarket train services	100
The Little Shop Sdn. Bhd.	Malaysia	300,000	Trading of golfers' and children's clothing and souvenirs	100

INFORMATION ON THE FOUNDER OF THE SUTERA HARBOUR RESORTS GROUP

- 2.4 Datuk Ong is the founder and Group President of the Sutera Harbour Resorts Group. He is an accomplished builder and property developer. He has, through his OCK Group in Singapore, completed numerous highly acclaimed projects including the Singapore General Hospital, Apollo and Adelphi Hotels, Regency Park Condominium, civil engineering works in three (3) Mass Rapid Transit (M.R.T.) stations as well as projects and assignments in Malaysia, Myanmar, Saipan and Guam.

Datuk Ong is also developing an integrated resort in Dili, Timor-Leste, complete with a 383-room hotel, golf course, hillside villas and a business park.

SUMMARY OF FINANCIAL INFORMATION OF THE SUTERA HARBOUR RESORTS GROUP

- 2.5 The pro forma audited consolidated income statement of the Sutera Harbour Resorts Group for the last three (3) financial years ended 31 December 2010 ("FY2010"), 31 December 2011 ("FY2011"), 31 December 2012 ("FY2012") and the pro forma unaudited consolidated income statement of the Sutera Harbour Resorts Group for nine (9) months ended 30 September 2013 ("9M2013"), and the pro forma audited consolidated balance sheet of the Sutera Harbour Resorts Group as at 31 December 2012 and the pro forma unaudited consolidated balance sheet of the Sutera Harbour Resorts Group as at 30 September 2013 are set out below. The pro forma financial figures presented below are based on the financial statements of the Sutera Harbour Resorts Group and its subsidiaries and have been prepared in accordance with the MFRS/IFRS.

- (a) Summary of the Pro Forma Consolidated Income Statement

(RM'000s)	FY2010 (Audited)	FY2011 (Audited)	FY2012 (Audited)	9M2013 (Unaudited)
Revenue	104,615	128,262	132,128	118,164
Gross Profit	39,577	52,856	55,776	54,011
EBITDA	23,871	32,256	4,829	33,297
(Loss)/Profit before tax	(5,021)	2,639	(28,411)	15,178
(Loss)/Profit after tax	(6,175)	(786)	(31,985)	15,241
(Loss)/Profit after tax attributable to non-controlling interests	(665)	(130)	(3,139)	723
(Loss)/Profit after tax attributable to owners of the Sutera Harbour Resorts Group	(5,511)	(656)	(28,847)	14,518

(b) Summary of the Pro Forma Consolidated Balance Sheet

(RM'000s)	As at 31 December 2013 (Audited)	As at 30 September 2013 (Unaudited)
Non-current Assets	1,151,503	1,166,481
Current Assets	39,358	44,124
Non-current Liabilities	138,566	144,229
Current Liabilities	620,745	772,817
Net Assets	431,551	293,558
Net Assets attributable to non-controlling interests	87,235	–
Net Assets attributable to owners of the Sutera Harbour Resorts Group	344,316	293,558

PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENT

2.6 The principal terms of the Subscription Agreement are as follows:

Investment by Investors:

- (a) Investors shall inject an aggregate of RM700 million (which is approximately S\$267.1 million)⁽¹⁾ into The Sutera Harbour Group as follows:
- (i) Borneo Ventures shall inject RM250 million (which is approximately S\$95.4 million) in equity capital into The Sutera Harbour Group by way of subscription by Borneo Ventures of 1,033,333 new ordinary shares in the capital of The Sutera Harbour Group at an aggregate subscription consideration of RM250 million; and
 - (ii) the Investors shall inject an aggregate of RM450 million (which is approximately S\$171.8 million) in loan capital into The Sutera Harbour Group by way of subscription ("**The Sutera Harbour Group CRPS Subscription**") by Borneo Ventures and TYJ Group of 260,000 and 190,000 new cumulative redeemable preference shares respectively of par value RM1.00 each in the capital of The Sutera Harbour Group ("**The Sutera Harbour Group CRPS**") at a subscription price of RM260 million (which is approximately S\$99.2 million) and RM190 million (which is approximately S\$72.5 million) respectively, with The Sutera Harbour Group CRPS being redeemable on demand by either the Investors thereof or The Sutera Harbour Group, and each bearing a coupon payment rate to the Investors of ten per cent. (10.0%) per annum on the principal subscription price thereof⁽²⁾,
- (collectively, "**The Sutera Harbour Group Capitalisation**");
- (b) subject to completion of The Sutera Harbour Group Capitalisation, The Sutera Harbour Group shall inject RM250 million in equity capital into Sutera Harbour Resorts by way of subscription for 1,033,333 new ordinary shares in the capital of Sutera Harbour Resorts at a subscription price of RM250 million ("**Sutera Harbour Resorts Capitalisation**");
- (c) subject to completion of the Sutera Harbour Resorts Capitalisation, The Sutera Harbour Group shall acquire all issued shares ("**Sutera Harbour Resorts Shares**") in the capital of Sutera Harbour Resorts (which is the holding company of Sutera Harbour Resorts Group) as follows ("**Sutera Harbour Resorts Group Acquisition**");

Notes:

- (1) Unless otherwise stated in this Circular, an exchange rate of S\$1:RM2.62 has been used for the figures in Section 2.6.
- (2) Please refer to Appendix B of this Circular for details of the Sutera Harbour Group CRPS. The Sutera Harbour Group CRPS does not contain a convertible feature and accordingly, is not convertible into ordinary shares in the capital of The Sutera Harbour Group.

- (i) by acquiring 299,900 Sutera Harbour Resorts Shares representing 99.97% of all Sutera Harbour Resorts Shares from Sutera Harbour Holdings to be paid by The Sutera Harbour Group to Sutera Harbour Holdings by way of allotment and issuance of 299,900 new shares in the capital of The Sutera Harbour Group (the “**Sutera Harbour Resorts Consideration Shares**”); and
- (ii) by acquiring the remaining 100 Sutera Harbour Resorts Shares representing 0.03% of all Sutera Harbour Resorts Shares from the remaining shareholders of Sutera Harbour Resorts (“**Sutera Harbour Resorts Minority Shareholders**”) for a cash consideration of RM100; and
- (d) Sutera Harbour Holdings shall renounce all rights to all of its Sutera Harbour Resorts Consideration Shares as to be allotted and issued to Sutera Harbour Holdings pursuant to the Sutera Harbour Resorts Group Acquisition, in favour of EOL to whom The Sutera Harbour Group shall issue all Sutera Harbour Resorts Consideration Shares.

2.7 Subsequent to the completion of the Sutera Harbour Resorts Capitalisation and the Sutera Harbour Resorts Group Acquisition, Borneo Ventures and EOL shall hold 77.5% and 22.5% respectively of all issued ordinary shares in the capital of The Sutera Harbour Group, and The Sutera Harbour Group in turn shall hold 100% of all issued and paid up shares in the capital of Sutera Harbour Resorts.

Consideration

- 2.8 The consideration payable by Borneo Ventures for the Sutera Harbour Resorts Group Acquisition (“**Consideration**”) is RM250 million comprising Borneo Ventures’ RM250 million equity capital investment in The Sutera Harbour Group for a 77.5% equity stake in The Sutera Harbour Group, and indirectly in, Sutera Harbour Resorts Group.
- 2.9 The Consideration was arrived at on a willing seller willing buyer basis subsequent to commercial discussions, and after Borneo Ventures had taken into account various factors such as the existing assets, financial position, and business prospects of The Sutera Harbour Group and Sutera Harbour Resorts Group.

Corporate Guarantee and Provision of Security

- 2.10 In connection with The Sutera Harbour Group CRPS Subscription by the Investors, the Company shall, subject to completion of the Sutera Harbour Resorts Group Acquisition (i) procure the furnishing of security by the Sutera Harbour Resorts Group in favour of the Investors over such fixed assets of the Sutera Harbour Resorts Group to be identified by the Investors to secure redemption by The Sutera Harbour Group of The Sutera Harbour Group CRPS (“**Security**”); and (ii) provide a corporate guarantee guaranteeing the redemption by The Sutera Harbour Group of The Sutera Harbour Group CRPS (“**Corporate Guarantee**”).

Net Asset Value Attributable to Interests in the Sutera Harbour Resorts Group to be Acquired by the Group

- 2.11 The aggregate net asset value attributable to the equity stake of 77.5% (“**Relevant Equity Interests**”) proposed to be acquired by Borneo Ventures - via The Sutera Harbour Group - in the Sutera Harbour Resorts Group, as recorded in the unaudited consolidated financial statements of the Sutera Harbour Resorts Group as at 30 September 2013 is approximately RM300 million.

Conditions Precedent

- 2.12 The Sutera Harbour Resorts Group Acquisition is conditional on the fulfillment of the following conditions precedent (“**Conditions Precedent**”) on or before 20 April 2014 (“**Back-Stop Date**”) (unless varied by Borneo Ventures and TYJ Group):
 - (a) the results of the legal, tax, human resource, business and financial due diligence to be conducted by the Investors and/or professional advisers to the Investors on The Sutera Harbour Group and the Sutera Harbour Resorts Group being satisfactory to the Investors in the Investors’ absolute discretion;

- (b) fulfilment of all (and not part of) the conditions precedent as contained in the Acquisition Agreements (as defined and detailed in Section 2.17 below), to the extent that such conditions precedent are not waived in accordance with the terms thereto, and completion of the transactions contemplated in the Acquisition Agreements;
- (c) all approvals, consents, statement of no objection, waivers, licences, authorizations, orders, grants, confirmations, permissions and/or registrations as required for or as the Investors deem necessary:
 - (i) under all applicable laws, contracts or practices to which any of the parties of the Subscription Agreement (the “**Parties**”), The Sutera Harbour Group and/or the Sutera Harbour Resorts Group are subject; and/or
 - (ii) of any government and/or regulatory bodies or competent authorities having jurisdiction over any of the Parties, The Sutera Harbour Group and/or the Sutera Harbour Resorts Group including, but not limited to, that of the SGX-ST and shareholders of the Company (to the extent required under the Listing Manual),
- (d) entering into of new settlement agreements by Sutera Harbour Holdings with certain creditors of Sutera Harbour Holdings (“**Sutera Secured Creditors**”) for the settlement of all debts owing by Sutera Harbour Holdings and the Sutera Harbour Resorts Group to, and discharge of all securities held by, Sutera Secured Creditors (“**Proposed Settlement Agreements**”) on terms satisfactory to the Investors in the Investors’ absolute discretion;
- (e) compliance with all applicable requirements as prescribed under the Listing Manual;
- (f) execution of legal documentation in relation to the Security, in a form satisfactory to the Investors (“**Security Documentation**”);
- (g) execution of legal documentation in relation to the Corporate Guarantee in a form satisfactory to the Company and the Investors;
- (h) delivery of a legal opinion to be issued by the Malaysian legal advisers to Borneo Ventures and addressed to the Investors, confirming that (i) an order or award by the Singapore International Arbitration Centre under the Subscription Agreement in favour of the Investors is legally valid and enforceable by the courts of Malaysia against the Parties (other than the Investors), and (ii) the Security Documentation is legally valid, binding and enforceable against The Sutera Harbour Group;
- (i) the business of The Sutera Harbour Group and the Sutera Harbour Resorts Group having at all times been carried on in the ordinary course of business, consistent with past practices, and there having been no material adverse change in the business, assets and liabilities of The Sutera Harbour Group and each of the companies in the Sutera Harbour Resorts Group since the date of the Subscription Agreement up to and including completion of the Sutera Harbour Resorts Group Acquisition;
- (j) there being no investigations by any governmental body and competent authorities or adverse proceedings pending or threatened against The Sutera Harbour Group and any of the companies in the Sutera Harbour Resorts Group or the Investors, that might reasonably be expected to impair or prevent the completion of the Sutera Harbour Resorts Group Acquisition and the matters contemplated in the Subscription Agreement from the date of the Subscription Agreement up to and including completion of the Sutera Harbour Resorts Group Acquisition;

- (k) there being no notice of acquisition or exercise of any right by any governmental body which will or may prejudice or adversely affect the continued ownership, use and enjoyment of any asset or property of The Sutera Harbour Group and the Sutera Harbour Resorts Group or which will or may subject The Sutera Harbour Group and the Sutera Harbour Resorts Group to any onerous charge or liabilities in relation to any such asset or property or any part of it, or of any intended acquisition or exercise of any right in relation to any such asset or property, or any part of it by the relevant governmental body;
- (l) the delivery of all relevant share transfer forms (as signed by the Sutera Harbour Resorts Minority Shareholders) for the transfer of all (and not part of) the Sutera Harbour Resorts Shares comprised in the Sutera Harbour Resorts Group Acquisition, and the share certificates in respect of such Sutera Harbour Resorts Shares which are held by Sutera Harbour Resorts Minority Shareholders, to The Sutera Harbour Group;
- (m) such amendment of the memorandum and articles of association of The Sutera Harbour Group and an increase in the authorized share capital of The Sutera Harbour Group, as necessary for The Sutera Harbour Group Capitalisation, including but not limited to amendments required for the allotment and issue of The Sutera Harbour Group CRPS in compliance with the requirements of the applicable laws and regulations;
- (n) such amendment of the memorandum and articles of association of Sutera Harbour Resorts and an increase in the authorized share capital of Sutera Harbour Resorts, as necessary for the Sutera Harbour Resorts Capitalisation; and
- (o) the form and contents of a disclosure letter to be delivered by The Sutera Harbour Group, Sutera Harbour Holdings, Sutera Harbour Resorts and Datuk Ong to the Investors in respect of the warranties of the foregoing parties under the Subscription Agreement being acceptable to each of the Investors.

Contemporaneous Completion

- 2.13 The completion of the Sutera Harbour Resorts Group Acquisition is subject to the contemporaneous completion of Plot-A Acquisition (as defined and detailed in Section 2.15 below) and Plot-B Acquisition (as defined and detailed in Section 2.16 below) contemplated in the Acquisition Agreements (as defined and detailed in Section 2.17 below).

Use of Proceeds

- 2.14 All proceeds from The Sutera Harbour Group Capitalisation shall be used only for the repayment of debts owing by the Sutera Harbour Resorts Group to Sutera Harbour Holdings and in turn by Sutera Harbour Holdings, for the discharge of debts owing to the Sutera Secured Creditors pursuant to the Proposed Settlement Agreements.

ACQUISITION AGREEMENTS TO ACQUIRE ADDITIONAL DEVELOPMENT LAND

- 2.15 Ocean View Ventures Pte. Ltd. ("**Ocean View Ventures**"), which is a wholly-owned subsidiary of GSH Properties, has on 30 December 2013 entered into a subscription and acquisition agreement ("**Plot-A SPA**") with Datuk Ong and Datuk Henry Hing Chi Chiang ("**Datuk Hing**") for the acquisition by Ocean View Ventures of interests in the parcel of land under lease of state land situated at Sembulan, District of Kota Kinabalu, Sabah held under Title No. Town Lease 017544900 (expiring on 31 December 2091) with a total area measuring approximately 4.897 hectares (12.11 acres) ("**Plot-A**") by way of the acquisition ("**Plot-A Acquisition**") of an aggregate 85.0% of the issued shares of Mainfield Holdings Ltd ("**MHL**") from Datuk Ong and Datuk Hing by a special purpose vehicle to be incorporated ("**SPV**") that is 79.4%-owned by Ocean View Ventures and 20.6%-owned by Datuk Ong. MHL holds Plot-A through its wholly-owned subsidiary Xing Asia Impel Sdn Bhd ("**Xing Asia**"), which in turn holds the entire issued and paid up share capital of Investasia Sdn Bhd ("**ISB**"), which in turn directly owns Plot-A (MHL, Xing Asia, and ISB collectively, the "**Plot-A Group**").

- 2.16 GSH Properties and Datuk Ong had entered into a sale and purchase agreement dated 2 December 2013 ("**Original Plot-B SPA**") for the acquisition by GSH Properties of interest in the parcel of land under lease of state land situated at Sembulan, District of Kota Kinabalu, Sabah held under Title No. Town Lease 017544919 (expiring on 31 December 2091) with a total area measuring approximately 5.3 hectares (13.11 acres) ("**Plot-B**") by way of an acquisition ("**Plot-B Acquisition**") by GSH Properties of 75.0% of all issued shares of Altheim International Limited ("**AIL**") from Datuk Ong. AIL holds Plot-B through its wholly-owned subsidiary Mewabumi Sdn. Bhd ("**MSB**"), which in turn holds the entire issued and paid up share capital of Linyi Properties Sdn. Bhd ("**LPSB**"), which in turn directly owns Plot-B (AIL, MSB and LPSB collectively, the "**Plot-B Group**").

Subsequent thereto, the parties to the Original Plot-B SPA and Ocean View Point Pte. Ltd. ("**Ocean View Point**"), which is a wholly-owned subsidiary of GSH Properties, have on 30 December 2013 entered into a Supplemental and Novation Agreement dated 30 December 2013 ("**Supplemental and Novation Agreement**"), and collectively with the Original Plot-B SPA, the "**Plot-B SPA**") for all rights and obligations of GSH Properties under the Original Plot-B SPA to be assigned to Ocean View Point.

- 2.17 The proposed acquisition of interests by the Group in Plot-A and Plot-B pursuant to the Plot-A SPA and Plot-B SPA (collectively "**Acquisition Agreements**") are acquisitions in the ordinary course of business of the Group, subsequent to the new diversified business of the Group for the Property Business (as defined in the Company's shareholders' circular dated 23 September 2013 ("**23 September 2013 Circular**")) and Construction Business (as defined in the 23 September 2013 Circular) in ASEAN as approved by Shareholders at the extraordinary general meeting of the Company held on 9 October 2013.

CONDITIONS PRECEDENT TO AND TRANSACTIONS CONTEMPLATED IN THE ACQUISITION AGREEMENTS

Plot-A SPA

Plot-A Acquisition

- 2.18 Ocean View Ventures and Datuk Ong shall jointly incorporate SPV, which shall be 79.4%-held by Ocean View Ventures and 20.6%-held by Datuk Ong.
- 2.19 The capital contribution of Datuk Ong shall be satisfied by the transfer of 17.5% of all issued shares in MHL held by Datuk Ong to SPV.
- 2.20 Subsequent to the incorporation of SPV, SPV shall, and Ocean View Ventures and Datuk Ong shall procure that SPV shall, acquire 52.5% and 15.0% of all issued MHL Shares (collectively, the "**Plot-A Sale Shares**") from Datuk Ong and Datuk Hing respectively.
- 2.21 Subsequent to the Plot-A Acquisition, SPV shall hold 85.0% of all issued shares of MHL, with Datuk Hing holding the remainder issued shares of MHL.

Plot-A Acquisition Conditions Precedent

- 2.22 The Plot-A Acquisition, is conditional upon the following conditions being fulfilled by the parties to the Plot-A SPA on or prior to 20 April 2014 (unless waived by Ocean View Ventures, Datuk Ong and Datuk Hing):
- (a) all approvals, consents, registration, or statements of no objection that are required by SPV, Ocean View Ventures or the Company by law, contract or practice, or by any governmental body or competent authorities, as are necessary or required (including, but not limited to, the SGX-ST, shareholders of SPV, Ocean View Ventures, the Company or any other third party), and where such grant be subject to terms and/or conditions, such terms and/or conditions capable of being complied with by each of SPV, Ocean View Ventures or the Company (as the case may be) to the extent that such terms and/or conditions apply to such party;

- (b) all approvals, consents, registrations, or statements of no objection that are required by Datuk Ong and Datuk Hing and any of the companies in Plot-A Group by law, contract or practice, or by any governmental body or competent authorities, as are necessary or required, being granted and where such grant be subject to terms and/or conditions, such terms and/or conditions being capable of being complied with by Datuk Hing or Datuk Ong to the extent that such terms and/or conditions apply to such party;
- (c) completion by Ocean View Ventures and/or its advisers of legal, tax, engineering, human resources, environmental, business and financial due diligence investigations on Plot-A Group and Plot-A (including due diligence review of the disclosures in the disclosure letter to be delivered by Datuk Ong and Datuk Hing to Ocean View Ventures in respect of Datuk Ong's and Datuk Hing's representations and warranties in favour of Ocean View Ventures under the Plot-A SPA), and results of such due diligence being to the sole and absolute satisfaction of Ocean View Ventures;
- (d) the business of the Plot-A Group having at all times been carried on in the ordinary course of business, consistent with past practice, and there having been no material adverse change in the business, assets and liabilities of each of the companies in the Plot-A Group since the date of the Plot-A SPA up to and including completion of the Plot-A Acquisition;
- (e) there being no investigations by any governmental body and competent authorities or adverse proceedings pending or threatened against any of the companies in the Plot-A Group or any of the parties to the Plot-A SPA, that might reasonably be expected to impair or prevent completion or cause a material adverse change in the business operations, affairs, conditions (financial or otherwise) or prospects of the Plot-A Group from the date of the Plot-A SPA up to and including completion of the Plot-A Acquisition;
- (f) the obtaining and procurement of all relevant licences and permits under all applicable laws for the purposes of the capital contribution by Ocean View Ventures and Datuk Ong to SPV and Plot-B Acquisition, or as required on terms and conditions acceptable to Ocean View Ventures in its sole and absolute discretion;
- (g) there being no notice of acquisition or exercise of any right by any governmental body which will or may prejudice or adversely affect the continued ownership, use and enjoyment of Plot-A by ISB and ultimately by MHL or which will or may subject Plot-A Group to any onerous charge or liabilities in relation to Plot-A or any part of it, or of any intended acquisition or exercise of any right in relation to Plot-A or any part of it by the relevant governmental body;
- (h) the form and contents of the disclosure letter to be delivered by Datuk Ong and Datuk Hing to Ocean View Ventures in respect of Datuk Ong's and Datuk Hing's representations and warranties in favour of Ocean View Ventures under the Plot-A SPA, being acceptable to Ocean View Ventures;
- (i) the shareholders' agreement to be entered into between SPV and Datuk Hing as shareholders of MHL duly executed by Datuk Hing and SPV in form and contents satisfactory to Ocean View Ventures; and
- (j) the shareholders' agreement to be entered into between Ocean View Ventures and Datuk Ong as shareholders of SPV in form and contents satisfactory to Ocean View Ventures.

Plot-B SPA

Plot-B Acquisition

2.23 Ocean View Point shall acquire 75.0% of all issued shares of AIL from Datuk Ong.

Plot-B Acquisition Conditions Precedent

- 2.24 Plot-B Acquisition is conditional upon the following conditions being fulfilled by the parties to the Plot-B SPA on or prior to 20 April 2014 (unless waived by Ocean View Point and Datuk Ong):
- (a) all approvals, consents, registration, or statements of no objection that are required by Ocean View Point or the Company by law, contract or practice, or by any governmental body or competent authorities having jurisdiction over the Plot-B Acquisition and the matters contemplated herein, as are necessary or required (including, but not limited to, the SGX-ST, shareholders of Ocean View Point or any other third party) to permit the Plot-B Acquisition and the matters contemplated herein to occur, being granted and where such grant be subject to terms and/or conditions, such terms and/or conditions being capable of being complied with by Ocean View Point and Datuk Ong to the extent that such terms and/or conditions apply to such party;
 - (b) all approvals, consents, registrations, or statements of no objection that are required by Datuk Ong and any of the companies in Plot-B Group by law, contract or practice, or by any governmental body or competent authorities having jurisdiction over the Plot-B Acquisition, as are necessary or required for the Plot-B Acquisition and the matters contemplated herein to occur, being granted and where such grant be subject to terms and/or conditions, such terms and/or conditions being capable of being complied with by Ocean View Point and Datuk Ong to the extent that such terms and/or conditions apply to such party;
 - (c) completion by Ocean View Point and/or its advisers of legal, tax, engineering, human resources, environmental, business and financial due diligence investigations on Plot-B Group and Plot-B (including due diligence review of the disclosures by Datuk Ong in the disclosure letter to be delivered by Datuk Ong to Ocean View Point in respect of Datuk Ong's representations and warranties in favour of Ocean View Point under the Plot-B SPA), and results of such due diligence being to, the sole and absolute satisfaction of Ocean View Point;
 - (d) the business of the Plot-B Group having at all times been carried on in the ordinary course of business, consistent with past practice, and there having been no material adverse change in the business, assets and liabilities of each of the companies in the Plot-B Group since the date of Plot-B SPA up to and including the date of completion of Plot-B Acquisition;
 - (e) there being no investigations by any governmental body and competent authorities or adverse proceedings pending or threatened against any of the companies in the Plot-B Group or Ocean View Point and Datuk Ong, that might reasonably be expected to impair or prevent the completion of the Plot-B Acquisition and the matters contemplated herein or cause a material adverse change in the business operations, affairs, conditions (financial or otherwise) or prospects of the Plot-B Group from the date of Plot-B SPA up to and including the date of completion of Plot-B Acquisition;
 - (f) the obtaining and procurement of all relevant licences and permits under all applicable laws or as required for the purposes of the Plot-B Acquisition on terms and conditions acceptable to Ocean View Point in its sole and absolute discretion;
 - (g) there being no notice of acquisition or exercise of any right by any governmental body which will or may prejudice or adversely affect the continued ownership, use and enjoyment of Plot-B by LPSB and ultimately by AIL or which will or may subject Plot-B Group to any onerous charge or liabilities in relation to Plot-B or any part of it, or of any intended acquisition or exercise of any right in relation to Plot-B or any part of it by the relevant governmental body;
 - (h) the form and contents of the disclosure letter to be delivered by Datuk Ong to Ocean View Point in respect of Datuk Ong's representations and warranties in favour of Ocean View Point under the Plot-B SPA being acceptable to Ocean View Point; and

- (i) the execution of a shareholders' agreement between Ocean View Point and Datuk Ong which governs their relationship as shareholders of ALL, in form and contents satisfactory to Ocean View Point.

RATIONALE FOR THE SUTERA HARBOUR RESORTS GROUP ACQUISITION

2.25 The Board is of the view that this property is strategically positioned to benefit from the fast growing economy of Sabah, Malaysia, driven by the key sectors of tourism, oil and gas, and agriculture. The properties held and operated by the Sutera Harbour Resorts Group – namely The Pacific Sutera Hotel, The Magellan Sutera Resort and Sutera Harbour Marina and Country Club are also highly recognized, winning several awards and will be a key addition to the Company's portfolio of property investments.

RISK FACTORS

2.26 The Sutera Harbour Resorts Group Acquisition involves some risks, some of which are inherent in the business of the Sutera Harbour Resorts Group. Shareholders should evaluate carefully the following risk factors and the other information in this Circular before deciding on how to cast their votes at the EGM. Some of the risks are not yet known to the Company and there may be others in which the Company currently believes are material but may subsequently not turn out to be so. As such, the following should not be considered as a comprehensive list of all risk factors relating to the Sutera Harbour Resorts Group Acquisition. If any of the following considerations, risks and uncertainties develops into actual events, the business, financial acquisition, results of operations, cash flows and prospects of the Group following the Sutera Harbour Resorts Group Acquisition could be affected.

(a) *The Group will be subject to foreign exchange controls in Malaysia*

Malaysia has liberalised much of its foreign exchange rules with the notable exception being the continuing prohibition on the use of the RM in international trade. The RM is still not freely convertible into foreign currencies outside Malaysia.

Companies in Malaysia, including non-resident controlled companies, are freely permitted to repatriate capital, profits, dividends, rental, fees and interest arising from investments in Malaysia. The repatriation must however be made in a foreign currency other than that of the currency of Israel.

If the Malaysian government were to change or otherwise tighten exchange control regulations in Malaysia, these new rules may materially and adversely affect the operations of the business of the Sutera Harbour Resorts Group in Malaysia including the Group's ability to repatriate profits from Malaysia.

(b) *The Group will be subject to foreign workers' policies in Malaysia*

The Group would have to comply with the conditions imposed by the Department of Immigration, Malaysia with regard to the employment of foreign workers for its business in the Sutera Harbour Resorts Group. Any future changes to the foreign worker employment policies of the Department of Immigration, Malaysia, may adversely affect the Group's ability to employ foreign workers. In such event, if the Group is unable to find suitable replacements, the operations of the Sutera Harbour Resorts Group and hence its revenue and profits would be adversely affected.

(c) *The Group will be subject to laws and regulations specific to the business of the Sutera Harbour Resorts Group in Malaysia*

The operations of the Sutera Harbour Resorts Group is subject to the laws and regulations in Malaysia, and permits and licences are granted by regulatory authorities in Malaysia to carry on its business. Any non-renewal or revocation of such permits and licences for whatever reasons by the relevant Malaysian authorities will have an adverse effect on the

Group's ability to operate the business of the Sutera Harbour Resorts Group in Malaysia. It is also possible that the government authorities in Malaysia may adopt additional regulations and/or become more stringent in the future, and that may restrict the Group's ability to operate the business of the Sutera Harbour Resorts Group or require the Group to incur unanticipated liabilities or costs for compliance, which may adversely affect the Group's financial performance.

- (d) *The Group will be subject to the changes in the political, economic, regulatory or social conditions in Malaysia*

The Group is subject to adverse changes in the political, economic, regulatory or social conditions in the countries which it operates in or which it intends to expand its business.

After the Sutera Harbour Resorts Group Acquisition, the business operations of the enlarged Group will be subject to the laws, regulations and government policies in Malaysia in which the Group intends to expand its business and operations. Any economic downturn, changes in policies implemented by the Malaysia government, currency and interest rate fluctuations, capital controls or capital restrictions, changes in labour laws, changes in environmental protection laws and regulations, or the imposition of duties, taxations and limitations on imports and exports, could materially and adversely affect the Group's operations, financial performance and future growth. For instance, the Group's business operations may suffer a material adverse impact if there is a non-renewal of its licences and certificates.

Some of the Group's licences are subject to periodic review and renewal by government authorities and the standards of compliance required in relation thereto may from time to time be subject to changes. Non-renewal of or the rejection of new applications for the Group's licences and certificates will have a material adverse effect on the Group's business operations and profitability.

- (e) *The Group will be susceptible to fluctuations in foreign exchange rates that could result in the Group incurring foreign exchange losses*

As the Group's functional and presentation currency is denominated in US\$, any depreciation in foreign exchange rates against the US\$ may affect the Group's profitability and financial position. For example, revenue derived from the sale of property units overseas which is denominated in foreign currencies may have an adverse impact on the Group's operating results if there is an unfavourable fluctuation of the foreign currencies against the US\$.

- (f) *Successful integration of the Sutera Harbour Resorts Group with the Group may take time*

As the Group does not engage in the same business of operating hotels, golf course and upmarket train services in Malaysia as the Sutera Harbour Resorts Group, the Group may not have readily available resources, management expertise and technical skills required for the operations of the Sutera Harbour Resorts Group.

As such, the process of integrating the Sutera Harbour Resorts Group with the Group may require a substantial amount of time and resources before the expected synergies may be achieved. Accordingly, the positive impact of the Sutera Harbour Resorts Group Acquisition may not be experienced by the Group immediately. The process of integration may also produce unforeseen delays or operating difficulties and substantial expenditures and may absorb significant attention of the Group's management that would otherwise be available for the ongoing development of the Group's business. In the event of any of the above, the Group's future financial position and performance may be adversely affected.

SOURCE OF FUNDS FOR THE SUTERA HARBOUR RESORTS GROUP ACQUISITION

- 2.27 As disclosed in the 23 September 2013 Circular, the unutilised proceeds from the 2012 Placement (as defined in the 23 September 2013 Circular), and the 2013 Placement (as defined in the 23 September 2013 Circular), together with the unutilised proceeds from the 2013 Rights Issue (as defined in the 23 September 2013 Circular), amounting to S\$292.3 million would be earmarked and used for the diversification of the business activities of the Group into the Property Business and Construction Business (as defined in the 23 September 2013 Circular) (including mergers and acquisitions opportunities in furtherance of the same) in the People's Republic of China and ASEAN (as defined in the 23 September 2013 Circular) ("**Earmarked Funds**").
- 2.28 In view of the property development potential of the land plots under the Sutera Harbour Resorts Group and that the properties held and operated by the Sutera Harbour Resorts Group as described in Section 2.25 are property investments, accordingly, the Consideration shall be funded from the Earmarked Funds.

THE SUTERA HARBOUR RESORTS GROUP ACQUISITION UNDER CHAPTER 10 OF THE LISTING MANUAL

- 2.29 The relative figures computed on the bases set out in Rule 1006 of the Listing Manual in respect of the Sutera Harbour Resorts Group Acquisition and based on the latest announced financial statements of the Group for the six (6) months period ended 30 June 2013 ("**Latest Announced Financial Statements**") are as follows:

Bases in Rule 1006

- | | | |
|-----|---|------------------------|
| (a) | Net asset value of the assets to be disposed of, compared with the Group's net asset value. | Not applicable |
| (b) | Net profits attributable to the Relevant Equity Interests in the Sutera Harbour Resorts Group to be acquired, compared with the Group's net profits. | -294.8% ⁽¹⁾ |
| (c) | Aggregate value of the Consideration to be paid, compared to the Company's market capitalization. | 12.1% ⁽²⁾ |
| (d) | Number of equity securities to be issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue. | Not applicable |
| (e) | Aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves. | Not applicable |
- 2.30 The relative figure in Rule 1006(b) computed on the basis set out in Rule 1006 of the Listing Manual above is -294.8%, which is a significant negative figure. Under Rule 1007(1), the Company is required to consult the SGX-ST on the application of Chapter 10 of the Listing Manual to the Sutera Harbour Resorts Group Acquisition if any of the relative figures computed pursuant to Rule 1006 is a negative figure. Notwithstanding the foregoing and in view of the diversified business scope of the Sutera Harbour Resorts Group, the Company decided to proceed with seeking Shareholder's approval in respect of the same. Accordingly, the Company will be convening an Extraordinary General Meeting and a separate announcement will concurrently be made.

Notes:

- (1) The unaudited consolidated net profits attributable to the Sutera Harbour Resorts Group, for the nine (9) months ended 30 September 2013, was approximately RM15.2 million. Based on the Latest Announced Financial Statements of the Group, for the six (6) months ended June 2013, the net loss of the Group was approximately S\$1.0 million. By pro-rating the Sutera Harbour Resorts Group's said profits for nine (9) months to six (6) months, and when compared with the Group's net loss, the ratio computed for (b) will hence be a negative ratio of -294.8%.
- (2) Based on the Consideration of RM250 million as well as the issued share capital of the Company of 9,885,180,250 ordinary shares in the capital of the Company and the volume weighted average price of S\$0.081 transacted on the Mainboard of the SGX-ST on 27 December 2013 (being the last market day preceding the date of the Subscription Agreement on which the shares of the Company were traded).

FINANCIAL EFFECTS OF THE SUTERA HARBOUR RESORTS GROUP ACQUISITION

Bases and Assumptions

- 2.31 The pro forma financial effects of the Sutera Harbour Resorts Group Acquisition on the earnings and net tangible assets (“**NTA**”) of the Group have been prepared based on the unaudited consolidated financial results of the Group for the six (6) months ended 30 June 2013 and the unaudited financial information of the Sutera Harbour Resorts Group for the nine (9) months ended 30 September 2013.

The pro forma financial effects of the Sutera Harbour Resorts Group Acquisition are for illustrative purposes only and do not necessarily reflect the actual future results and financial position of the Group following the completion of the Sutera Harbour Resorts Group Acquisition.

For the purpose of illustrating the financial effects of the Sutera Harbour Resorts Group Acquisition, the financial effects of the Sutera Harbour Resorts Group Acquisition are computed based on, *inter alia*, the following assumptions:

- (a) the financial effects on the Group’s NTA attributable to the equity holders of the Company and the NTA per Share are computed assuming that the Sutera Harbour Resorts Group Acquisition was completed on 30 June 2013; and
- (b) the financial effects on the Group’s earnings attributable to the equity holders of the Company and earnings per Share are computed assuming that the Sutera Harbour Resorts Group Acquisition was completed on 1 January 2013.

2.32 Share Capital

The Sutera Harbour Resorts Group Acquisition has no impact on the Company’s share capital.

2.33 NTA

(S\$’000)	Before the Sutera Harbour Resorts Group Acquisition	After the Sutera Harbour Resorts Group Acquisition
NTA attributable to the equity holders of the Company	316,540,000	316,540,000
Add: Net gain on the Sutera Harbour Resorts Group Acquisition	–	68,086,997 ⁽¹⁾
Resultant NTA attributable to the equity holder of the Company	316,540,000	384,626,997
NTA per Share (S\$ cents)	3.20	3.89

Notes:

- (1) For purposes of complying with Rule 1010(8) of the Listing Manual, the gain on the Sutera Harbour Resorts Group Acquisition is estimated to be S\$68.1 million based on the Consideration of RM250 million, the net asset value of the Sutera Harbour Resorts Group is taken to be approximately RM300 million as at 30 September 2013.

2.34 Earnings

(\$'000)	Before the Sutera Harbour Resorts Group Acquisition	After the Sutera Harbour Resorts Group Acquisition
Loss attributable to Shareholders	(1,032,000)	(1,032,000)
Add: Net gain on the Sutera Harbour Resorts Group Acquisition	–	68,086,997 ⁽¹⁾
Add: Net profit attributable to the Sutera Harbour Resorts Group pro-rated over six (6) months	–	3,041,950
Resultant (loss)/profit attributable to Shareholders	(1,032,000)	70,096,947
(Loss) / Earnings per Share (S\$ cents)	(0.01)	0.71

INTERESTED PERSON TRANSACTION

- 2.35 TYJ Group is wholly-owned and controlled by Mr Sam Goi, who is a controlling shareholder of the Company and the Executive Chairman of the Board. Mr Kenneth Goi, a director on the Board, is immediate family to Mr Sam Goi under Chapter 9 of the Listing Manual. Accordingly, TYJ Group is deemed to be an “interested person” under Chapter 9 of the Listing Manual. The Sutera Harbour Group CRPS Subscription by TYJ Group together with Borneo Ventures (the “entity-at-risk” under Chapter 9 of the Listing Manual), which includes the provision of the Corporate Guarantee and the Security in favour of TYJ Group and Borneo Ventures, would be a joint venture between TYJ Group and Borneo Ventures. In turn, such joint venture would constitute a transaction between an interested person and an entity-at-risk, and accordingly be deemed an “interested person transaction” under Chapter 9 of the Listing Manual.
- 2.36 Rule 906(1) of the Listing Manual states that the Company must obtain Shareholder approval for any interested person transaction of a value equal to, or more than:
- (a) 5.0% of the Group’s latest audited net tangible assets; or
 - (b) 5.0% of the Group’s latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by Shareholders, or is the subject of aggregation with another transaction that has been approved by Shareholders, need not be included in any subsequent aggregation.
- 2.37 Rule 906(2) of the Listing Manual states that Rule 906(1) does not apply to any transaction below \$100,000.
- 2.38 Rule 916(2) of the Listing Manual states that investment in a joint venture with an interested person is not required to comply with Rule 906 if:
- (a) the risks and rewards are in proportion to the equity of each joint venture partner;
 - (b) the Company confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and

Notes:

- (1) For purposes of complying with Rule 1010(9) of the Listing Manual, the gain on the Sutera Harbour Resorts Group Acquisition is estimated to be S\$68.1 million based on the Consideration of RM250 million, the net asset value of the Sutera Harbour Resorts Group is taken to be approximately RM300 million as at 30 September 2013.

- (c) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity-at-risk in the joint venture.

- 2.39 The Sutera Harbour Group CRPS Subscription by both TYJ Group and Borneo Ventures is on the same terms for both Investors (the details of which are found in Appendix B herein), with the Corporate Guarantee and the Security both provided equally to TYJ Group and Borneo Ventures. The Sutera Harbour Group CRPS Subscription by TYJ Group is on the same terms thereof by/in favour of Borneo Ventures and with proportionate risks and rewards accordingly, which fulfils the requirements of Rule 916(2)(a) of the Listing Manual.
- 2.40 Based on the foregoing, the Audit Committee of the Company is of the view that the risks and rewards of The Sutera Harbour Group CRPS Subscription by TYJ Group is on the same terms thereof as the terms of The Sutera Harbour Group CRPS Subscription in favour of Borneo Ventures and with proportionate risks and rewards accordingly. The Audit Committee of the Company is also of the view that the terms of joint venture (being, in this instance, The Sutera Harbour Group CRPS Subscription by TYJ Group and Borneo Ventures) are beneficial and not prejudicial to the interests of the Company and the minority Shareholders of the Company. The foregoing views of the Audit Committee of the Company fulfils the requirements of Rule 916(2)(b) of the Listing Manual.
- 2.41 In addition, prior to The Sutera Harbour Group CRPS Subscription, TYJ Group does not have any interests in The Sutera Harbour Group or the Sutera Harbour Resorts Group (whether equity interests or otherwise), thereby fulfilling the requirements of Rule 916(2)(c) of the Listing Manual.
- 2.42 Accordingly, The Sutera Harbour Group CRPS Subscription by, and the provision of the Corporate Guarantee and the Security in favour of, TYJ Group and Borneo Ventures, fall within the exception under Rule 916(2) of the Listing Manual and are accordingly, not subject to Shareholders' approval.
- 2.43 Prior to The Sutera Harbour Group CRPS Subscription, neither Mr Sam Goi nor Mr Kenneth Goi, or their associates, has any interest in The Sutera Harbour Group or the Sutera Harbour Resorts Group (whether equity interests or otherwise).

3. INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Interests of the Directors and Substantial Shareholders in the Shares

- 3.1 The interests of the Directors and Substantial Shareholders, based on information recorded in the Register of Directors' and Substantial Shareholders' Shareholdings, respectively, maintained by the Company pursuant to Section 164 and Section 88 of the Companies Act, respectively, as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Directors				
Sam Goi Seng Hui	4,592,769,976	46.5	–	–
Gilbert Ee Guan Hui	488,147,392	5.0	300,000,000	3.0
Substantial Shareholders (other than Directors)				
Goodview Properties Pte Ltd ⁽¹⁾	500,000,000	5.0	–	–
Far East Organisation Centre Pte. Ltd.	–	–	500,000,000	5.0

Notes:

- (1) Far East Organisation Centre Pte. Ltd. has a controlling interest in Goodview Properties Pte Ltd and is therefore deemed to be interested in the 500,000,000 shares.

Interests of the Directors and Substantial Shareholders in the transactions contemplated in the Subscription Agreement

- 3.2 The following Directors are interested in The Sutera Harbour Group CRPS Subscription and shall abstain from making recommendations on the transactions contemplated in the Subscription Agreement:
- (a) Mr Sam Goi, the Executive Chairman of the Board is interested in The Sutera Harbour Group CRPS Subscription as described in Section 2.35 of this Circular; and
 - (b) Mr Kenneth Goi, a director on the Board, is interested in The Sutera Harbour Group CRPS Subscription as described in Section 2.35 of this Circular.
- 3.3 Save as disclosed in Sections 2.35 to 2.43 and Section 3.2 of this Circular, none of the Directors or controlling shareholders of the Company or their associates have any interest, direct or indirect, in The Sutera Harbour Group CRPS Subscription, the Sutera Harbour Resorts Group Acquisition or any of the transactions contemplated in the Subscription Agreement other than through their respective shareholdings in the Company.

4 SERVICE AGREEMENTS

No person is proposed to be appointed as a director of the Company in connection with the Sutera Harbour Resorts Group Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

5 DIRECTORS' RECOMMENDATION

- 5.1 Mr Sam Goi and Mr Kenneth Goi, being Directors interested in The Sutera Harbour Group CRPS Subscription, have abstained from making any recommendation as to how Shareholders should vote in respect of the ordinary resolution relating to the Sutera Harbour Resorts Group Acquisition, which is one of the transactions contemplated in the Subscription Agreement.
- 5.2 The Directors, save for Mr Sam Goi and Mr Kenneth Goi, have considered carefully, *inter alia*:
- (a) the existing assets, financial position, and business prospects of The Sutera Harbour Group and the Sutera Harbour Resorts Group;
 - (b) the terms, rationale, benefits and financial factors of the Sutera Harbour Resorts Group Acquisition; and
 - (c) the various risks involved in the Sutera Harbour Resorts Group Acquisition, as well as the business of The Sutera Harbour Group and the Sutera Harbour Resorts Group, and all other relevant facts set out in this Circular.

Accordingly, the Directors, save for Mr Sam Goi and Mr Kenneth Goi, have no dissenting views in relation to the Sutera Harbour Resorts Group Acquisition and are collectively of the opinion that the Sutera Harbour Resorts Group Acquisition is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the Ordinary Resolution relating thereto to be proposed at the EGM as set out in the Notice of EGM on page 30 of this Circular.

- 5.3 Whilst Mr Sam Goi and Mr Kenneth Goi are interested in The Sutera Harbour Group CRPS Subscription, they are not interested in the other transactions contemplated in the Subscription Agreement (including the Sutera Harbour Resorts Group Acquisition). Accordingly, they will be entitled to exercise their right as Shareholders, to the extent that they are Shareholders, to vote on the Ordinary Resolution relating to the Sutera Harbour Resorts Group Acquisition, as with any other Shareholder, and not abstain from such voting at the EGM.
- 5.4 Shareholders are advised to read this Circular in its entirety, in particular the rationale for and the financial effects of the Sutera Harbour Resorts Group Acquisition and for those who may require advice in the context of his specific investment, to consult his stockbroker, bank manager, accountant or other professional adviser.

6 EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 30 of this Circular, will be held at GSH Centre, 11 Changi North Way, Singapore 498796 on 3 March 2014, at 2.30 p.m., for the purposes of considering and, if thought fit, passing with or without any modifications, the ordinary resolution as set out in the Notice of EGM.

7 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy or proxies to attend and vote on their behalf, will find enclosed with this Circular, a proxy form (the “**Proxy Form**”) which they are requested to complete, sign and return, in accordance with the instructions printed thereon, as soon as possible and, in any event, so as to arrive at the registered office of the Company at 11 Changi North Way, GSH Centre, Singapore 498796, not less than 48 hours before the time appointed for the holding of the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy or proxies if he finds that he is able to do so.

8 DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Sutera Harbour Resorts Group Acquisition, and the Company, its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 11 Changi North Way, GSH Centre, Singapore 498796 during normal business hours from the date hereof up to and including the date of the EGM:

- (a) the Subscription Agreement;
- (b) the memorandum and articles of association of the Company;
- (c) the annual report of the Company for FY2012; and
- (d) the unaudited consolidated financial statements for HY2013.

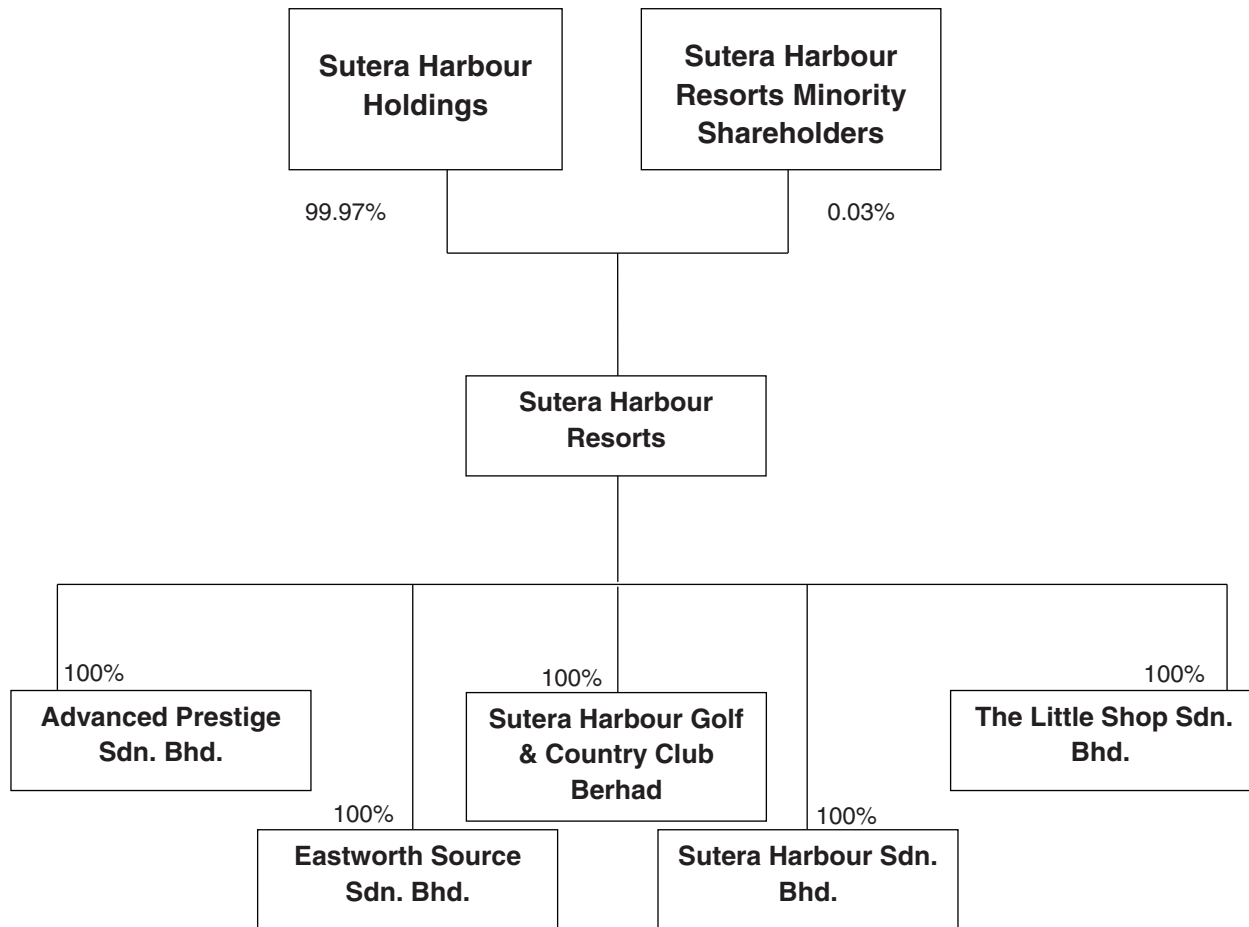
Yours faithfully

For and on behalf of the Board of Directors of
GSH Corporation Limited

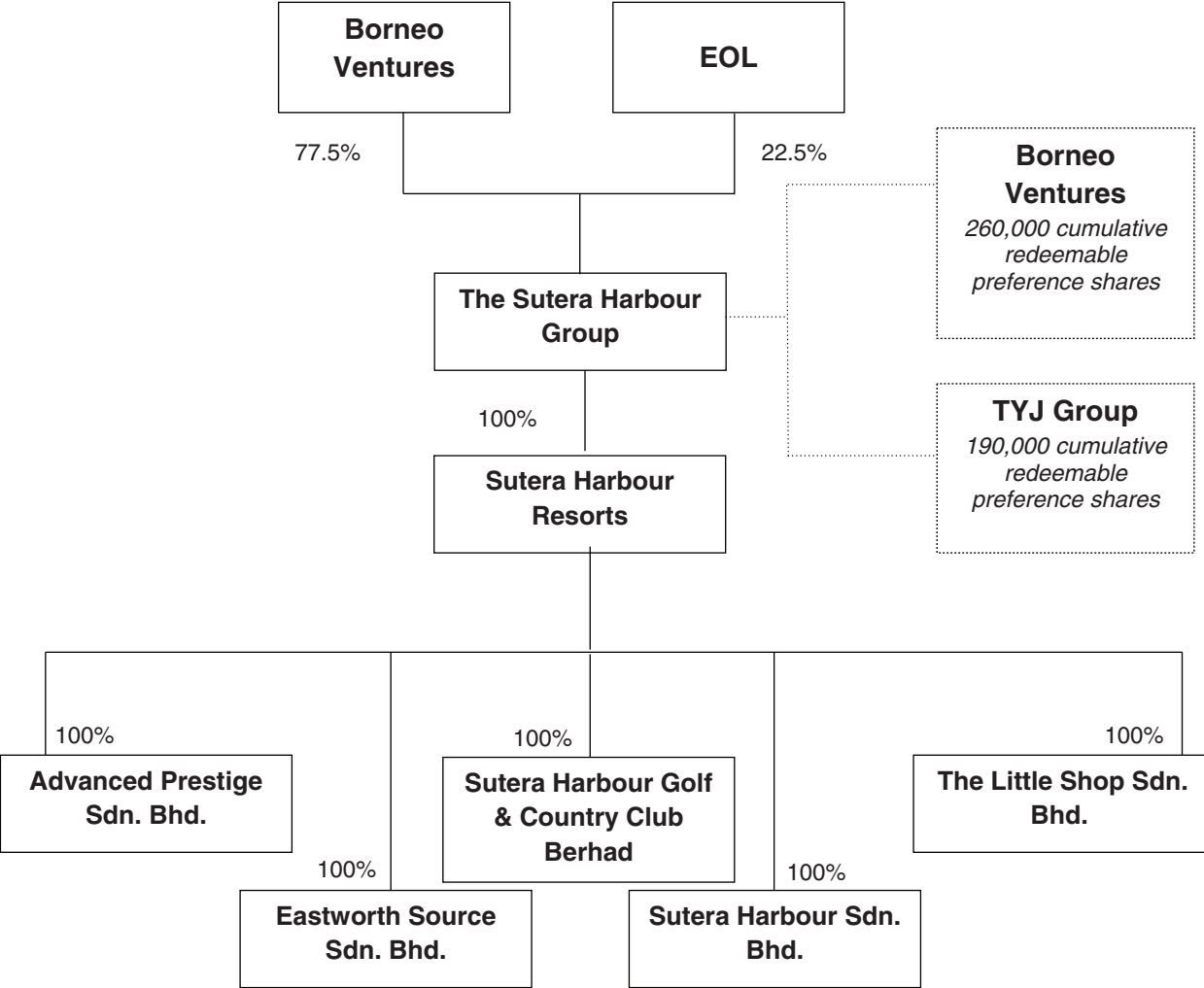
Gilbert Ee Guan Hui
CEO/Executive Director

APPENDIX A

Before completion of the Sutera Harbour Resorts Group Acquisition



After completion of the Sutera Harbour Resorts Group Acquisition



APPENDIX B

Terms of The Sutera Harbour Group CRPS (“Terms”)

The Sutera Harbour Group CRPS shall have the following rights, privileges and obligations⁽¹⁾:

1. *Dividends*

Fixed coupon cumulative dividend at the rate of ten per cent. (10.0%) per annum⁽²⁾.

2. *Notices of meetings and voting rights*

The holder of The Sutera Harbour Group CRPS shall have the right to receive notices and attend general meetings of The Sutera Harbour Group but without any voting rights except for matters affecting the rights attached to The Sutera Harbour Group CRPS, resolutions for winding-up The Sutera Harbour Group and any such circumstances as provided by Malaysian law.

3. *Redemption by The Sutera Harbour Group*

(a) The Sutera Harbour Group may at any time from the date of issue of The Sutera Harbour Group CRPS (the “**Issue Date**”) give not less than 30 day’s written notice (“**Redemption Notice**”) to the holder of The Sutera Harbour Group CRPS of its intention to redeem part or all of The Sutera Harbour Group CRPS which have been issued. Redemption of The Sutera Harbour Group CRPS held by each holder of The Sutera Harbour Group CRPS shall at all times be in proportion to The Sutera Harbour Group CRPS held by the holder of The Sutera Harbour Group CRPS against the total number of The Sutera Harbour Group CRPS then outstanding. The Redemption Notice shall state that The Sutera Harbour Group CRPS shall be redeemed in multiples of RM1,000 and shall specify the date on which redemption shall take place (the “**Redemption Date**”). Prior to the Redemption Date, the holder of The Sutera Harbour Group CRPS shall deliver to The Sutera Harbour Group the original share certificate to The Sutera Harbour Group CRPS being redeemed.

(b) On the Redemption Date or upon receipt of the original share certificate(s) to The Sutera Harbour Group CRPS being redeemed, whichever shall be the later, The Sutera Harbour Group shall be entitled and bound to redeem the number of The Sutera Harbour Group CRPS specified in the Redemption Notice for an amount in cash (“**Redemption Sum**”) being the aggregate of the par value of The Sutera Harbour Group CRPS plus a premium of RM999.00 per Sutera Harbour Group CRPS. Upon such redemption, the redeemed Sutera Harbour Group CRPS shall be cancelled. Where redemption is effected in respect of part of The Sutera Harbour Group CRPS represented by a particular share certificate, The Sutera Harbour Group shall (where necessary), cancel the said share certificate and issue a new share certificate in the name of the holder of The Sutera Harbour Group CRPS in respect of the balance Sutera Harbour Group CRPS unredeemed at the same time as it effects payment of the Redemption Sum.

4. *Redemption Provisions*

(a) No Sutera Harbour Group CRPS shall be redeemed pursuant to Paragraph 3 of this Appendix B otherwise than out of the distributable profits or the proceeds of a fresh issue of shares made for the purposes of the redemption but the premium payable on redemption shall be paid, to the extent permitted by law, firstly out of the share premium account of The Sutera Harbour Group, and then out of the distributable profits.

Notes:

- (1) The Sutera Harbour Group CRPS does not contain a convertible feature and accordingly, is not convertible into ordinary shares in the capital of The Sutera Harbour Group.
- (2) The Sutera Harbour Group CRPS is cumulative which means that skipped dividend payments are accumulated until they are finally paid. The rate of “ten per cent. (10.0%) per annum” will not be compounded if a dividend payment for a particular year is skipped. The dividend is to be paid on an annual basis or upon redemption if such redemption takes place before an anniversary to which The Sutera Harbour Group CRPS was issued.

- (b) All the provisions of the Companies Act of Malaysia 1965 (“**Act**”) relating to the redemption of shares and the creation or increase where requisite of the capital redemption reserve shall be duly observed.

5. *Default in payment or partial payment*

If by reason of any provision of the Act, The Sutera Harbour Group is unable to make payment of any amount due in respect of The Sutera Harbour Group CRPS, then The Sutera Harbour Group shall from time to time (subject to the maximum amount and extent permitted by law, and on the earliest date on which such payments may lawfully be made) make payments on account of the amount so owing on a pro-rata basis until such amount has been paid in full, and such payments shall be made in the following order:

- (a) Payment of all outstanding dividends which have accrued or which may accrue up to the Redemption Date.
- (b) Payment of the Redemption Sum as of the date of any such payment (provided that payments in respect of any outstanding premium payable on the redemption of The Sutera Harbour Group CRPS shall, to the extent permitted by law, first be provided for out of the share premium account).

6. *Surplus profits and assets*

The Sutera Harbour Group CRPS shall have no right to participate in the profits or assets of The Sutera Harbour Group beyond the rights conferred under the Terms herein provided.

7. *Transfers, registration, register and replacement*

The Sutera Harbour Group CRPS will be in registered form and The Sutera Harbour Group shall maintain a Register of holders of The Sutera Harbour Group CRPS. The provisions of the Memorandum and Articles relating to the registration, transfer, transmission, certificates and replacement thereof applicable to ordinary shares of The Sutera Harbour Group shall apply *mutatis mutandis* to The Sutera Harbour Group CRPS.

8. *Ranking on winding up*

The holder of The Sutera Harbour Group CRPS shall have the right on a winding up of The Sutera Harbour Group to return the subscription price (par value plus premium paid-up) paid by the holder of The Sutera Harbour Group CRPS for The Sutera Harbour Group CRPS, as well as all amounts due on The Sutera Harbour Group CRPS, being payment of all accumulated and outstanding dividends and other arrears accruing thereon out of the surplus assets available for distribution to the shareholders, such right to rank in priority to the holders of all other classes of shares in the capital of The Sutera Harbour Group calculated down to the date of distribution.

9. *Further issue of preference shares*

No further preference shares shall be issued unless the terms thereof have been approved in writing by the holder of The Sutera Harbour Group CRPS.

10. *Variation of rights*

The rights attaching to The Sutera Harbour Group CRPS may not be varied, modified, added to or abrogated in any way whether directly or indirectly without the prior written consent of all of the holders of The Sutera Harbour Group CRPS.

GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200106139K)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of **GSH CORPORATION LIMITED** (the “**Company**”) will be held at GSH Centre, 11 Changi North Way, Singapore 498796 on 3 March 2014 at 2.30 p.m. for the purposes of considering, and if thought fit, passing, with or without modifications:

AS AN ORDINARY RESOLUTION

THE PROPOSED ACQUISITION OF 77.5% INTEREST IN THE SUTERA HARBOUR GROUP AND THE SUTERA HARBOUR RESORTS GROUP

THAT:

- (a) for the purposes of Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**Listing Manual**”), approval be and is hereby given for the Sutera Harbour Resorts Group Acquisition as defined in the circular to the Shareholders of the Company dated 14 February 2014 (“**Circular**”)⁽¹⁾, particulars of which are set out in the Circular; and
- (b) the Directors be and are hereby authorized to do any and all such acts (including executing all such documents as may be required) as they may, in their absolute discretion deem fit, advisable or necessary to give effect to the matters referred to in paragraph (a) of this resolution.

BY ORDER OF THE BOARD

Lee Tiong Hock
Company Secretary
14 February 2014

Notes:

- (1) For further details, please refer to the circular to the shareholders of the Company dated 14 February 2014.

GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200106139K)

IMPORTANT

1. For investors who have used their CPF moneys to buy shares in the capital of GSH Corporation Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent for their information only.
2. This Proxy Form is not valid for use by such CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

PROXY FORM Extraordinary General Meeting

I/We* _____ (Name) of
_____ (Address) being a
member/members* of GSH Corporation Limited (the "Company") appoint

Name	Address	NRIC/Passport Number	Proportion of Shareholdings to be represented by proxy

And/or* failing him/her*

Name	Address	NRIC/Passport Number	Proportion of Shareholdings to be represented by proxy

or, failing him/her/them*, the Chairman of the Extraordinary General Meeting of the Company ("EGM") as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf and, if necessary, to demand a poll, at the EGM of the Company to be held on 3 March 2014 at 2.30 p.m. at GSH Centre, 11 Changi North Way, Singapore 498796 and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for/against* the Resolution to be passed at the EGM as indicated below by way of a poll. If no specific direction as to voting is given, my/our* proxy/proxies* will vote or abstain from voting at his/her/their* discretion, as he/she/they will on any other matter arising at the EGM. If no person is named in the above boxes, the Chairman of the EGM shall be my/our* proxy/proxies* to vote, for or against the Resolution to be passed at the EGM as indicated below, for me/us and on my/our behalf at the EGM and at any adjournment of the EGM.

Ordinary Resolution		To be used on a show of hands		To be used in the event of a poll	
		For*	Against*	No. of votes for**	No. of votes against**
1.	To approve the Sutera Harbour Resorts Group Acquisition				

* Please indicate your vote "For" or "Against" with a tick within the box provided.

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

Dated this _____ day of _____ 2014

Total number of Shares held in:	No. of Shares
CDP Register	
Register of Members	

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

*Delete accordingly

IMPORTANT: PLEASE READ NOTES OVERLEAF



NOTES:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one (1) or two (2) proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. Where a member appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100.0% of the shareholding and any second named proxy as an alternate to the first named.
4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 11 Changi North Way, GSH Centre, Singapore 498796, not less than 48 hours before the time appointed for the Extraordinary General Meeting, failing which the instrument may be treated as invalid.
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 seal or under the hand of an officer or attorney duly authorised.
6. 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 Extraordinary General Meeting, in accordance with section 179 of the Companies Act, Chapter 50 of Singapore.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.
8. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by CDP to the Company.
9. Terms not defined herein have the meanings ascribed to them in the circular to the shareholders of the Company dated 14 February 2014.
10. The submission of an instrument or form appointing a proxy or proxies by a member of the Company does not preclude him/her from attending and voting in person at the Extraordinary General Meeting if he wishes to do so.
11. A Depositor's name must appear on the Depository Register maintained by CDP not less than 48 hours before the time appointed for holding the Extraordinary General Meeting in order for him to be entitled to attend and vote at the Extraordinary General Meeting.