

CIRCULAR DATED 6 MARCH 2015

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

This Circular is issued by Hiap Hoe Limited (the “**Company**”). If you are in any doubt as to the course of action you should take, you should consult your bank manager, stockbroker, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward this Circular, the Notice of EGM and the attached Proxy Form 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 the transferee.

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



HIAP HOE LIMITED

Company Registration Number 199400676Z
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to

**THE PROPOSED DISPOSAL OF 100% OF THE ISSUED AND PAID UP SHARE CAPITAL OF
HIAP HOE SUPERBOWL JV PTE LTD TO HIAP HOE HOLDINGS PTE LTD**

Independent Financial Adviser to the Recommending Directors in respect of the Proposed Disposal



TATA CAPITAL MARKETS PTE LTD

Company Registration Number 200820715M
(Incorporated in the Republic of Singapore)

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 21 March 2015 at 11.00 a.m.

Date and time of Extraordinary General Meeting : 23 March 2015 at 11.00 a.m.

Place of Extraordinary General Meeting : Ramada Singapore at Zhongshan Park, 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982

CONTENTS

	PAGE
DEFINITIONS	3
LETTER TO SHAREHOLDERS	7
1. INTRODUCTION	7
2. INFORMATION RELATING TO HIAP HOE HOLDINGS AND HIAP HOE SUPERBOWL	8
3. VALUATION OF THE PROPERTIES.....	8
4. THE PROPOSED DISPOSAL.....	8
5. THE PROPOSED DISPOSAL AS AN INTERESTED PERSON TRANSACTION	11
6. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL IN RELATION TO THE PROPOSED DISPOSAL.....	12
7. USE OF PROCEEDS FROM THE PROPOSED DISPOSAL	13
8. EXPECTED COMPLETION	13
9. RATIONALE FOR THE PROPOSED DISPOSAL	13
10. NET LOSS ATTRIBUTABLE TO THE SALE SHARES	14
11. FINANCIAL EFFECTS	15
12. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	16
13. OPINION OF THE IFA.....	16
14. ABSTENTION FROM VOTING	17
15. STATEMENT OF THE AUDIT COMMITTEE	17
16. EXTRAORDINARY GENERAL MEETING	17
17. ACTION TO BE TAKEN BY SHAREHOLDERS	17
18. CONSENTS	17
19. DIRECTORS' RECOMMENDATIONS	18
20. DIRECTORS' RESPONSIBILITY STATEMENT	18
21. INSPECTION OF DOCUMENTS	18
APPENDIX A – IFA LETTER	19
APPENDIX B – PARTICULARS OF THE PROPERTIES.....	29
APPENDIX C – VALUATION REPORT	31
NOTICE OF EXTRAORDINARY GENERAL MEETING.....	69
PROXY FORM	

DEFINITIONS

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

- “associate” : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any company which is its subsidiary or holding company or is a subsidiary of any such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Board” : The board of Directors of the Company for the time being
- “Business Day” : A day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore
- “CDP” : The Central Depository (Pte) Limited
- “Circular” : This circular to Shareholders dated 6 March 2015
- “Companies Act” : The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
- “Company” : Hiap Hoe Limited
- “Completion” : The completion of the sale and purchase of all the Sale Shares and the assignment of the Existing Shareholders’ Loans on the terms and subject to the conditions of the SPA
- “Control” : The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating practice of the Company
- “Controlling Shareholder” : A person who:
- (a) holds directly or indirectly 15% or more of the issued share capital of the Company; or
 - (b) in fact exercises Control over the Company
- “Directors” : Directors of the Company as at the date of this Circular
- “EGM” : Extraordinary General Meeting

“EPS”	: Earnings per Share
“Existing Shareholders’ Loans”	: Loans (together with interest accrued thereon) in the aggregate amount of S\$68,249,788 (being the net amount owed by Hiap Hoe SuperBowl to SuperBowl Holdings as at 31 October 2014)
“FY2013”	: Financial year ended 31 December 2013
“FY2014”	: Financial year ended 31 December 2014
“Group”	: The Company and its subsidiaries as at the date of this Circular
“Hiap Hoe Holdings”	: Hiap Hoe Holdings Pte Ltd
“Hiap Hoe SuperBowl”	: Hiap Hoe SuperBowl JV Pte Ltd
“IFA” or “Independent Financial Adviser”	: The independent financial adviser in relation to the Proposed Disposal, being Tata Capital Markets Pte Ltd
“IFA Letter”	: The IFA’s letter to the Recommending Directors regarding the Proposed Disposal dated 6 March 2015, annexed to this Circular as Appendix A
“interested person”	: Has the meaning ascribed to it in Section 5.1(c)
“interested person transaction”	: Has the meaning ascribed to it in Section 5.1(d)
“Latest Practicable Date”	: 2 March 2015, being the latest practicable date prior to the printing of this Circular
“LDAU”	: Land Dealings (Approval) Unit of the Singapore Land Authority
“Listing Manual”	: The listing manual of the SGX-ST
“Notice of EGM”	: The notice of the EGM as set out on page 69 of this Circular
“NTA”	: Net tangible assets
“Ordinary Resolution”	: Ordinary resolution to be passed at the EGM in respect of the Proposed Disposal
“Properties”	: The properties owned by Hiap Hoe SuperBowl, particulars of which are set out in Appendix B
“Proposed Disposal”	: The proposed disposal by the Company and SuperBowl Holdings of their entire legal and beneficial ownership of the Sale Shares, free from all encumbrances and with all rights, benefits and entitlements attaching thereto at Completion and the assignment of the Existing Shareholders’ Loans to Hiap Hoe Holdings, on the terms and subject to the conditions of the SPA
“Proxy Form”	: The proxy form in respect of the EGM as set out in this Circular
“Purchase Consideration”	: Has the meaning ascribed to it in Section 4.2.2
“Recommending Directors”	: The Directors who are deemed independent for the purposes of the Proposed Disposal, namely Ms Wun May Ling Tracy, Mr Chan Wah Tiong, Mr Chan Boon Hui and Ms Kwok Chui Lian

“Sale Shares”	:	The 21,000,000 ordinary shares in the capital of Hiap Hoe SuperBowl comprising 100% of the issued shares in the capital of Hiap Hoe SuperBowl
“SFA”	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered holders of the Shares, except where the registered depositor is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors whose securities accounts are credited with the Shares
“Shares”	:	Fully paid ordinary shares in the capital of the Company
“SPA”	:	The conditional sale and purchase agreement entered into between the Company, SuperBowl Holdings and Hiap Hoe Holdings on 8 December 2014 in relation to the sale and purchase of the Sale Shares and the assignment of the Existing Shareholders’ Loans to Hiap Hoe Holdings
“Substantial Shareholder”	:	A person who holds directly or indirectly five per cent. (5%) or more of the issued capital in the Company
“SuperBowl Holdings”	:	SuperBowl Holdings Limited, a subsidiary of the Company
“UOB”	:	United Overseas Bank Limited
“UOB Undertaking and Guarantees”	:	(a) the deed of undertaking dated 20 February 2008 between Hiap Hoe SuperBowl, the Company, SuperBowl Holdings and UOB; (b) the corporate guarantees dated 22 January 2008 and 28 September 2012 respectively granted by the Company to UOB in respect of banking facilities granted by UOB to Hiap Hoe SuperBowl; and (c) the corporate guarantees dated 22 January 2008 and 28 September 2012 respectively granted by SuperBowl Holdings to UOB in respect of banking facilities granted by UOB to Hiap Hoe SuperBowl, on terms and conditions reasonably satisfactory to the Company, SuperBowl Holdings and Hiap Hoe Holdings
“Valuation Report”	:	The independent valuation report, dated 20 November 2014, issued by the Valuer in respect of its independent valuation of the Properties, which discloses that the market value of the Properties as at 13 November 2014 was S\$185,000,000
“Valuer”	:	Colliers International Consultancy & Valuation (Singapore) Pte Ltd
Currencies, Units and Others		
“S\$” and “cents”	:	Singapore dollars and cents, the lawful currency of Singapore
“%” or “per cent.”	:	Per centum or percentage

The terms “Depositor” 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 same 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 and *vice versa*. References to persons shall include corporations.

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

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning ascribed to it under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof, as the case may be.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

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

Unless otherwise stated, references to the shareholdings of the Company are computed based on the total number of Shares of 470,557,541 excluding treasury shares of 3,999,850 as at the Latest Practicable Date.

HIAP HOE LIMITED

Company Registration Number 199400676Z
(Incorporated in the Republic of Singapore)

LETTER TO SHAREHOLDERS

Directors:

Mr Teo Ho Beng (Executive Chairman/Chief Executive Officer)
Mr Teo Ho Kang, Roland (Managing Director)
Ms Wun May Ling Tracy (Executive Director)
Mr Chan Wah Tiong (Lead Independent, Non-Executive Director)
Mr Chan Boon Hui (Independent, Non-Executive Director)
Ms Kwok Chui Lian (Independent, Non-Executive Director)

Registered Office:

18 Ah Hood Road
#13-51 Hiap Hoe Building
At Zhongshan Park
Singapore 329983

6 March 2015

To: The Shareholders of Hiap Hoe Limited

Dear Sir/Madam

THE PROPOSED DISPOSAL OF 100% OF THE ISSUED AND PAID UP SHARE CAPITAL OF HIAP HOE SUPERBOWL JV PTE LTD TO HIAP HOE HOLDINGS PTE LTD

1. INTRODUCTION

1.1 On 8 December 2014, Hiap Hoe Limited (the “**Company**”) announced that the Company and SuperBowl Holdings Limited (“**SuperBowl Holdings**”), a subsidiary of the Company, had on 8 December 2014 entered into a conditional sale and purchase agreement (the “**SPA**”) with Hiap Hoe Holdings Pte Ltd (“**Hiap Hoe Holdings**”), the Controlling Shareholder of the Company, for:

(a) the sale and disposal by the Company and SuperBowl Holdings of their legal and beneficial ownership of 60% and 40% respectively of all the issued and paid up ordinary shares in the capital of Hiap Hoe SuperBowl JV Pte Ltd (“**Hiap Hoe SuperBowl**”) (the “**Sale Shares**”), free from all encumbrances and with all rights, benefits and entitlements attaching thereto at Completion; and

(b) the assignment of the Existing Shareholders’ Loans to Hiap Hoe Holdings,

on the terms and subject to the conditions of the SPA (the “**Proposed Disposal**”).

The Proposed Disposal is an interested person transaction under Chapter 9 of the Listing Manual, which requires approval of the independent Shareholders of the Company under Rule 906 of the Listing Manual. As stated in the announcement of 8 December 2014, the Group intends to treat the Proposed Disposal as a major transaction under Rule 1014 of the Listing Manual and will comply with the relevant requirements of Chapter 10 of the Listing Manual.

1.2 The Directors are convening an EGM to be held on 23 March 2015 at 11.00 a.m. at Ramada Singapore at Zhongshan Park, 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 to seek Shareholders’ approval for the Proposed Disposal.

1.3 The purpose of this Circular is to explain the reasons for, and to provide Shareholders with information pertaining to, the proposal to be tabled at the EGM.

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

2. INFORMATION RELATING TO HIAP HOE HOLDINGS AND HIAP HOE SUPERBOWL

2.1 Information relating to Hiap Hoe Holdings

As at the date hereof, Hiap Hoe Holdings, a company incorporated in Singapore, is a 69.85% Shareholder. The Company's Executive Chairman/Chief Executive Officer, Mr Teo Ho Beng and the Company's Managing Director, Mr Teo Ho Kang, Roland, are the legal and beneficial owners of 39.83% and 34.18% of its issued and paid up share capital respectively. Hiap Hoe Holdings is an investment holding company and is involved in, *inter alia*, investments in commercial and residential properties.

Accordingly, Hiap Hoe Holdings would, for the purposes of Chapter 9 of the Listing Manual and the Proposed Disposal, be regarded as an "interested person" of the Company.

2.2 Information relating to Hiap Hoe SuperBowl

As at the date hereof, Hiap Hoe SuperBowl, a company incorporated in Singapore, has an issued and paid up share capital of S\$21,000,000 comprising 21,000,000 ordinary shares. The Company and SuperBowl Holdings are the legal and beneficial owners of 60% and 40% of the total number of issued shares in Hiap Hoe SuperBowl respectively. As at the Latest Practicable Date, SuperBowl Holdings is a 98.99% indirectly held subsidiary of the Company.

Hiap Hoe SuperBowl carries on the business of, *inter alia*, owning and developing property in Singapore, and is the owner of the Properties. The Properties comprise the main assets held by Hiap Hoe SuperBowl.

3. VALUATION OF THE PROPERTIES

In connection with the Proposed Disposal, the Group engaged the Valuer to assess and determine the market value of the Properties.

Based on the Valuation Report issued by the Valuer, the market value of the Properties as at 13 November 2014 was S\$185,000,000.

The Valuer adopted the direct comparison method in arriving at the market value of the Properties.

4. THE PROPOSED DISPOSAL

4.1 Background

On 8 December 2014, the Company and SuperBowl Holdings entered into the SPA with Hiap Hoe Holdings for the disposal of the Sale Shares and the assignment of the Existing Shareholders' Loans to Hiap Hoe Holdings.

4.2 Salient terms of the SPA

4.2.1 Conditions Precedent

The Proposed Disposal is conditional on *inter alia* the following:

- (a) completion on or before 31 January 2015 of a legal, financial and business due diligence exercise by Hiap Hoe Holdings on Hiap Hoe SuperBowl and its business, and the results of such due diligence exercise being satisfactory to Hiap Hoe Holdings in its reasonable discretion;
- (b) the Company having received the requisite approval from its Board and its Shareholders for the sale of the Sale Shares and the transactions contemplated under the SPA, including the approval from its independent Shareholders under Chapter 9 of the Listing Manual and under Chapter 10 of the Listing Manual (if applicable) at an EGM to be convened by the Company for the sale of the Sale Shares;
- (c) SuperBowl Holdings having received the requisite approval from its board of directors for the sale of its respective portion of the Sale Shares and the transactions contemplated under the SPA;

- (d) approval from the LDAU for the intended change in shareholders of Hiap Hoe SuperBowl from the Company and SuperBowl Holdings to Hiap Hoe Holdings having been obtained and if the approval is granted or obtained subject to any conditions, such conditions being reasonably acceptable to the Company, SuperBowl Holdings and Hiap Hoe Holdings, and such approval not having been revoked on or before Completion;
- (e) approval of the existing financier(s) of Hiap Hoe SuperBowl for the proposed change in shareholding of Hiap Hoe SuperBowl and for the release of the Company and SuperBowl Holdings from their respective obligations under the UOB Undertaking and Guarantees;
- (f) all other requisite regulatory approvals and corporate approvals, if necessary, for the transactions contemplated under the SPA being obtained, and not withdrawn, suspended, amended or revoked, on or before Completion, and if such consents or approvals are granted or obtained subject to any conditions, such conditions being reasonably acceptable to Hiap Hoe Holdings;
- (g) all payments in respect of all maintenance funds, sinking funds and property tax relating to the Properties payable up to the month in which the actual date of Completion falls on having been duly paid (with substantiating evidence of such payments having been provided to Hiap Hoe Holdings);
- (h) there having been no material adverse change in or to the business, operations, financial condition, properties and/or assets of Hiap Hoe SuperBowl from the date of the SPA up to Completion;
- (i) all other requisite laws, rules and guidelines necessary for or in connection with the transactions contemplated under the SPA having been complied with by the Company and SuperBowl Holdings on or before Completion;
- (j) the Company and SuperBowl Holdings having delivered to Hiap Hoe Holdings deeds executed by each of the Company and SuperBowl Holdings confirming that, subject to Completion being effected, they each have no claims against Hiap Hoe SuperBowl whatsoever in respect of Hiap Hoe SuperBowl's liabilities or obligations under a joint venture agreement dated 5 February 2008 entered into between the Company, SuperBowl Holdings and Hiap Hoe SuperBowl ("JVA") and if there are any such claims that they shall release and disclaim all their rights to such claims arising from or in connection with the JVA, in such form reasonably satisfactory to Hiap Hoe Holdings;
- (k) any and all interest accrued on the Existing Shareholders' Loans from the period commencing on 1 November 2014 up to and including the date of Completion having been fully repaid by Hiap Hoe SuperBowl to SuperBowl Holdings; and
- (l) save for the Existing Shareholders' Loans which shall be assigned to Hiap Hoe Holdings, any and all other existing intercompany loans and/or any financing or security obligations provided by the Company and SuperBowl Holdings in respect of Hiap Hoe SuperBowl (including the UOB Undertaking and Guarantees) having been fully discharged and there being no obligations or liabilities which remain outstanding, due and/or payable to the Company and SuperBowl Holdings.

If any of the conditions above are not fulfilled or not waived by Hiap Hoe Holdings by 31 March 2015 (or such other date as the parties may mutually agree in writing), the SPA shall *ipso facto* cease and determine and none of the parties shall have any claim against the other for costs, damages, compensation or otherwise.

As at the Latest Practicable Date:

- (i) the conditions referred to in Sections 4.2.1(a), (c), (d) and (e) above have been fulfilled; and
- (ii) with reference to sub-section (j) above, subject to Completion being effected, there are no outstanding claims by the Company and SuperBowl Holdings against Hiap Hoe SuperBowl.

4.2.2 Purchase Consideration

The aggregate consideration payable by Hiap Hoe Holdings for the Sale Shares and the assignment of the Existing Shareholders' Loans to Hiap Hoe Holdings is S\$72,833,151 (the "**Purchase Consideration**").

The Purchase Consideration is an amount equivalent to the revalued net asset value of Hiap Hoe SuperBowl as at 31 October 2014 of S\$72,833,151, which is determined based on the unaudited net asset value of Hiap Hoe SuperBowl as at 31 October 2014 of a deficit of S\$6,569,322 as set out in the unaudited financial statements of Hiap Hoe SuperBowl as at 31 October 2014, adjusted to take into account the following:

- (a) an impairment loss of S\$3,327,315 arising from the valuation of the Properties (being (i) the carrying value of the Properties as at 31 October 2014 of S\$188,327,315 as set out in the unaudited financial statements of Hiap Hoe SuperBowl as at 31 October 2014 less (ii) the open market value of the Properties of S\$185,000,000 as reflected in the Valuation Report);
- (b) payment by Hiap Hoe SuperBowl of extension charges of S\$5.52 million for the extension of a further six (6) months from 2 November 2014 to sell the unsold Properties under the qualifying certificate issued to Hiap Hoe SuperBowl;
- (c) the increase in the paid-up capital of Hiap Hoe SuperBowl by S\$20 million on 27 November 2014 by way of a S\$20 million cash subscription of new ordinary shares by the Company and SuperBowl Holdings in a 60:40 proportion respectively, such increase being for additional working capital purposes of Hiap Hoe SuperBowl; and
- (d) the assumption that the Existing Shareholders' Loans extended to Hiap Hoe SuperBowl are assumed by Hiap Hoe Holdings.

In order to determine the net asset value of Hiap Hoe SuperBowl, the Company and SuperBowl Holdings (as the vendors) and Hiap Hoe Holdings (as the purchaser) had agreed to use the unaudited financial statements of Hiap Hoe SuperBowl as at 31 October 2014, being the latest available management accounts of Hiap Hoe SuperBowl prior to signing of the SPA.

Other than the impairment loss of S\$3,327,315 and qualifying certificate extension charges of S\$5,520,000 (as elaborated under Sections 4.2.2(a) and (b) above respectively and which had been included in the computation of the revalued net asset value of Hiap Hoe SuperBowl as at 31 October 2014), between 31 October 2014 and 8 December 2014 (being the date of signing of the SPA), Hiap Hoe SuperBowl incurred a loss of S\$233,652 mainly for the payment of bank loan interest, property tax and maintenance fees relating to the Properties, which constitutes approximately 3.6% of the unaudited net asset value of Hiap Hoe SuperBowl as at 31 October 2014.

An illustration of the computation of the Purchase Consideration is set out below for reference:

Unaudited net asset value of Hiap Hoe SuperBowl as at 31 October 2014	:	S\$(6,569,322)
Less: Impairment loss arising from the revaluation of the Properties	:	S\$(3,327,315)
Less: Payment of the extension charges for the extension of the qualifying certificate issued to Hiap Hoe SuperBowl	:	S\$(5,520,000)
Add: Increase in the paid-up capital of Hiap Hoe SuperBowl by the Company and SuperBowl Holdings	:	S\$20,000,000
Adjusted revalued net asset value of Hiap Hoe SuperBowl	:	S\$4,583,363
Add: Assignment of the Existing Shareholders' Loans to Hiap Hoe Holdings	:	S\$68,249,788
Purchase Consideration	:	S\$72,833,151

The Purchase Consideration shall be satisfied in full by Hiap Hoe Holdings by the payment to each of the Company and SuperBowl Holdings of its respective portion of the Purchase Consideration in cash.

5. THE PROPOSED DISPOSAL AS AN INTERESTED PERSON TRANSACTION

5.1 Chapter 9 of the Listing Manual

Under Chapter 9 of the Listing Manual, an immediate announcement and shareholders' approval is required in respect of an interested person transaction, namely, a transaction between an entity at risk and its interested persons, if the value of that transaction exceeds five per cent. (5%) of the latest audited NTA value.

The following terms are defined under Chapter 9 of the Listing Manual:

- (a) an **"approved exchange"** means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual;
- (b) an **"entity at risk"** means:
 - (i) the listed company;
 - (ii) a subsidiary company of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company;
- (c) an **"interested person"** means:
 - (i) a director, chief executive officer or controlling shareholder of the listed company; or
 - (ii) an associate of such director, chief executive officer or controlling shareholder; and
- (d) an **"interested person transaction"** means a transaction between an entity at risk and an interested person.

5.2 Details of Interested Persons

As stated in Section 2.1 of this Circular, Hiap Hoe Holdings is regarded as an interested person of the Company for purposes of Chapter 9 of the Listing Manual and the Proposed Disposal. Therefore, the Proposed Disposal, being between the Company, SuperBowl Holdings, a subsidiary of the Company and Hiap Hoe Holdings constitutes an interested person transaction under Chapter 9 of the Listing Manual.

5.3 Shareholders' approval of the Proposed Disposal pursuant to Chapter 9 of the Listing Manual

Based on the latest audited consolidated financial statements of the Group as at 31 December 2013, the NTA of the Group is S\$374,536,721. Pursuant to Rule 906 of the Listing Manual, Shareholders' approval for a transaction is required in the event that the aggregate transaction value exceeds S\$18,726,836, which is five per cent. (5%) of the NTA of the Group as at 31 December 2013. As the aggregate transaction value of the Proposed Disposal is S\$72,833,151, which represents 19.45% of the NTA of the Group as at 31 December 2013, the Company is seeking approval from Shareholders for the Proposed Disposal as an interested person transaction at the EGM.

5.4 Other Interested Person Transactions for the Current Financial Year

For the current financial year beginning 1 January 2015 up to the Latest Practicable Date, other than the Proposed Disposal, there is no interested person transactions (excluding transactions less than S\$100,000) entered into by the Group, or between the Group and Hiap Hoe Holdings, its subsidiaries and associated companies.

6. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL IN RELATION TO THE PROPOSED DISPOSAL

6.1 General

Under Chapter 10 of the Listing Manual, a transaction will be classified as a “major transaction” if any of the relative figures calculated on the bases set out in Rule 1006 of the Listing Manual exceeds 20% and if so, shareholders’ approval must be obtained for the “major transaction”.

6.2 Relative Figures under Rule 1006 of the Listing Manual

The relative figures computed on the applicable bases set out in Rule 1006 of the Listing Manual in respect of the Proposed Disposal and based on the audited consolidated financial statements of the Group for FY2013 and on the unaudited consolidated financial statements of the Group for the twelve (12) months ended 31 December 2014 (“FY2014”) announced by the Company on 26 February 2015 are set out below.

Rule 1006(a) – the net asset value of the assets to be disposed of, compared with the Group’s net asset value	:	17.40% (based on FY2013 figures) ¹ 10.78% (based on FY2014 figures) ²
Rule 1006(b) – the net profits attributable to the assets to be disposed of, compared with the Group’s net profits	:	-3.88% (based on FY2013 figures) ³ -3.53% (based on FY2014 figures) ⁴
Rule 1006(c) – the aggregate value of the consideration received, compared with the Company’s market capitalisation based on the total number of issued Shares excluding treasury shares	:	19.91% ⁵
Rule 1006(d) – the number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	:	Not applicable as the transaction is a disposal.
Rule 1006(e) – the aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group’s proved and probable reserves	:	Not applicable as the Company is not a mineral, oil and gas company.

Notes:

1. Net asset value of the assets to be disposed of as at 31 December 2013 = S\$65,169,590, which is based on the net asset value of Sale Shares of a deficit of S\$3,080,198 plus the Existing Shareholders’ Loan of S\$68,249,788

Net asset value of the Group as at 31 December 2013 = S\$374,536,721

Relative figure = 17.40%

2. Net asset value of the assets to be disposed of as at 31 December 2014 = S\$73,831,473, which is based on the net asset value of Sale Shares of S\$5,581,685 plus the Existing Shareholders’ Loan of S\$68,249,788

Net asset value of the Group as at 31 December 2014 = S\$685,075,655

Relative figure = 10.78%

3. Net loss attributable to the assets disposed for FY2013 = S\$3,045,852

Net profit of the Group for FY2013 = S\$78,561,010

Relative figure = -3.88%

4. Net loss attributable to the assets disposed for FY2014 = S\$11,338,117

Net profit of the Group for FY2014 = S\$321,282,730

Relative figure = -3.53%

5. The aggregate value of the Purchase Consideration to be received by the Group = S\$72,833,151

The Company's market capitalisation based on the total number of issued Shares excluding treasury shares multiplied by the weighted average price of such shares transacted on 5 December 2014, being the market day preceding the date of the SPA = S\$365,764,377

Relative figure = 19.91%

6.3 Major Transaction

As announced by the Group on 8 December 2014, while the relative figures computed on the bases set out in Rule 1006(c) is close to, but does not exceed 20% as at the date of entry into the SPA, the Group intends to treat the Proposed Disposal as a major transaction as defined in Chapter 10 of the Listing Manual and intends to comply with the relevant requirements of Chapter 10 of the Listing Manual accordingly, and the Proposed Disposal will be subject to the approval by Shareholders in a general meeting.

7. USE OF PROCEEDS FROM THE PROPOSED DISPOSAL

The Purchase Consideration payable to the Group in connection with the Proposed Disposal is an amount equivalent to the revalued net asset value of Hiap Hoe SuperBowl as at 31 October 2014, which is determined based on the unaudited net asset value of Hiap Hoe SuperBowl as at 31 October 2014, further details of which are set out in Section 4.2.2 of this Circular.

The Group expects to receive net proceeds of approximately S\$72,583,151 (after deducting estimated expenses of approximately S\$250,000) from the Proposed Disposal. The net proceeds from the Proposed Disposal represents an excess of S\$7,413,561 over the aggregate value of the net book value of the Sale Shares as at 31 December 2013, being a deficit of S\$3,080,198, and the Existing Shareholders' Loans of S\$68,249,788. The Group intends to utilise approximately 50% of the net proceeds for reducing the bank borrowings of the Group and the balance for standby working capital.

Pending the deployment of the unutilised proceeds for the purposes mentioned above, such proceeds may be deposited with banks and/or financial institutions, invested in short term money markets and/or marketable securities, or used for any other purpose on a short term basis, as the Directors may deem appropriate in the interests in the Group.

8. EXPECTED COMPLETION

Completion is expected to take place within five (5) Business Days from the fulfilment of all the conditions set out in Section 4.2.1 of this Circular (other than sub-sections 4.2.1(h) and (k)), or such other date as may be agreed between the Company, SuperBowl Holdings and Hiap Hoe Holdings in writing.

9. RATIONALE FOR THE PROPOSED DISPOSAL

The Properties comprise the main assets held by Hiap Hoe SuperBowl. Since the sales launch of the Properties in September 2012 (at an initial launch price of between S\$2,044 per square foot ("psf") to S\$2,375 psf), the Group has not been successful in selling any of the Properties despite various marketing activities by the appointed marketing agents. The Group's attempts to sell the Properties have been made even more challenging by the several rounds of cooling measures introduced by the Singapore government which have dampened the local property market and

further reduced the pool of potential purchasers in view of the implementation of the total debt servicing ratio which has made it challenging for sellers of residential units with a higher price point. The Directors believe that foreign purchasers in particular, who traditionally make up a majority of the purchasers of high end residential developments in prime districts in Singapore, have been deterred by the Additional Buyer's Stamp Duties and other property cooling measures, and have refocused their investments to other markets outside of Singapore.

In October 2013, the Group appointed Savills (Singapore) Pte Ltd as its exclusive marketing agent for the divestment of all the Properties by way of private treaty with a guide price of S\$2,100 psf. The Group received a number of enquiries but no formal offer was received.

Subsequently, an Expressions of Interests ("EOI") exercise for the enbloc sale of the Properties was launched in early July 2014 with a guide price of S\$1,850 psf or S\$191.4 million for all the Properties. The EOI exercise attracted 45 enquiries and 19 inspections of the Properties by property developers, funds, institutional and high networth investors. Following the close of the EOI exercise in August 2014, the Group had not received any satisfactory offers and the offers received contained terms and conditions which were not favourable to Hiap Hoe SuperBowl. The highest offer received by the Group for all the Properties was S\$1,750 psf or an aggregate price of approximately S\$181 million for all the Properties, which represents a price that was 5.4% to 19.81%⁽¹⁾ less than the EOI guide price.

The Proposed Disposal will enable the Group to dispose of the Properties, through the sale of the Sale Shares, at the market value of the Properties as set out in the Valuation Report. Based on the Valuation Report, the current market value of the Properties as at 13 November 2014 is S\$185,000,000 (or approximately S\$1,789 psf). As at the date of entry into the SPA, such market value represents a price for the Properties that is higher than any of the other offers received by the Group for the Properties. Accordingly, the proposed purchase by Hiap Hoe Holdings represents the best offer received by the Group to date for all the Properties.

In light of the foregoing and given the current market conditions in the residential property sector in Singapore, the Directors believe that the Proposed Disposal represents a good opportunity for the Group to dispose of this investment in the Properties at current market value and will enable the Group to deploy the proceeds from the sale for other purposes. As such, the Directors believe the Proposed Disposal to be in the interest of the Company.

10. NET LOSS ATTRIBUTABLE TO THE SALE SHARES

Based on the audited financial statements of the Group for FY2013, the net loss attributable to the Sale Shares for FY2013 is S\$3,045,852.

The net book value of the Sale Shares as stated in the audited consolidated financial statements of the Group as at 31 December 2013 is a deficit of S\$3,080,198, and the disposal of the Sale Shares and assignment of the Existing Shareholders' Loans of S\$68,249,788 to Hiap Hoe Holdings will result in a gain on disposal of S\$7,663,561, as reported in the announcement dated 8 December 2014. This is arrived at based on the difference between the purchase consideration of S\$72,833,151 and S\$65,169,590, which represents the adjusted net book value of the Sale Shares of a deficit of S\$3,080,198 as at 31 December 2013 and the Existing Shareholders' Loan of S\$68,249,788. As mentioned in Section 9 of this Circular, the Group has been unsuccessful in selling any of the Properties since its sale launch in September 2012, and the deficit in the net book value of the Sale Shares is mainly due to the accumulated losses arising from continued expenses incurred by Hiap Hoe SuperBowl in connection with the Properties, such as bank loan interest payments, property taxes and upkeep and maintenance costs of the Properties.

The adjusted net book value of the Sale Shares as at 31 December 2013 does not include the impairment loss of S\$3,327,315, extension charges of S\$5.52 million and increase in paid-up capital of S\$20 million referred to in Sections 4.2.2(a), (b) and (c) of this Circular respectively, which were adjusted in arriving at the revalued net asset value of Hiap Hoe SuperBowl as at 31 October 2014.

1 Assumes the price is inclusive of full Additional Buyer Stamp Duties and stamp duties of 18%.

As stated in Section 4.2.2 of this Circular, the unaudited net asset value and the revalued net asset value of Hiap Hoe SuperBowl as at 31 October 2014 is: (a) a deficit of S\$6,569,322; and (b) S\$72,833,151, respectively. As the Purchase Consideration is determined at an amount equivalent to the revalued net asset value of Hiap Hoe SuperBowl as at 31 October 2014 (as set out in Section 4.2.2 of this Circular), there will not be any actual gain or loss on disposal to be recognised on the Proposed Disposal. Accordingly, for illustrative purposes only, the pro forma financial effects based on the unaudited consolidated financial statements of the Group for FY2014 as set out in Section 11 of this Circular have been prepared assuming that there is no gain on disposal to be recognised.

11. FINANCIAL EFFECTS

The financial effects of the Proposed Disposal on the Group set out below are purely for illustrative purposes only and do not reflect the future financial position of the Company or the Group after Completion. The pro forma financial effects have been prepared based on the unaudited consolidated financial statements of the Group for FY2014¹.

The computation of the financial effects had taken into account the estimated expenses of S\$250,000 (disclosed in Section 7 of this Circular) to have been in existence as at 31 December 2014.

In computing the financial effects of the Proposed Disposal on EPS, the net loss of S\$11,338,117 attributable to the Sale Shares for FY2014 (as disclosed in Section 6.2 of this Circular) has been excluded as the Group would not have to account for this loss if the Proposed Disposal had been effected on 1 January 2014.

(a) NTA per share

Had the Proposed Disposal been effected on 31 December 2014, the Proposed Disposal would have had the following financial effects on the Group's NTA per Share as at 31 December 2014:

For FY2014	Before Proposed Disposal	After Proposed Disposal
NTA (S\$'000)	685,076	685,006
Number of Shares ('000)	470,558	470,558
NTA per Share (S\$ cents)	145.59	145.57

(b) EPS

Had the Proposed Disposal been effected on 1 January 2014, the Proposed Disposal would have had the following financial effects on the Group's EPS for FY2014:

For FY2014	Before Proposed Disposal	After Proposed Disposal
Group profit/loss after tax (S\$'000)	321,283	332,551
Weighted average number of Shares ('000)	470,558	470,558
EPS (S\$ cents)	68.28	70.67

Note:

- As at 1 January 2014, SuperBowl Holdings was not a subsidiary of the Company and was separately listed on the SGX-ST. Pursuant to a pre-conditional offer made by a wholly-owned subsidiary of the Company to acquire all the issued ordinary shares in SuperBowl Holdings that was first announced on 7 October 2013, the completion of such offer and the subsequent compulsory acquisition process under Section 215(3) of the Companies Act in June 2014, SuperBowl Holdings was delisted and became a 98.91% indirectly held subsidiary of the Company.

Accordingly, as at the date of entry into the SPA, SuperBowl Holdings was a 98.91% indirectly held subsidiary of the Company and all the shares in Hiap Hoe SuperBowl were as such held by the Group.

In light of the foregoing, for purposes of the above financial effects computation, it is assumed that since 1 January 2014, all the shares in Hiap Hoe SuperBowl were held by the Group and that SuperBowl Holdings was a 98.99% subsidiary of the Company.

As at the Latest Practicable Date, SuperBowl Holdings is a 98.99% indirectly held subsidiary of the Company.

12. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

12.1 Interests in the Company

The interests of the Directors and Substantial Shareholders in the capital of the Company as at the Latest Practicable Date are as follows:

	Direct Interest ²		Deemed Interest ²	
	Number of Shares	%	Number of Shares	%
Directors				
Mr Teo Ho Beng ¹	2,130,750	0.453	328,693,876	69.852
Mr Teo Ho Kang, Roland ¹	1,875,000	0.398	328,693,876	69.852
Mr Chan Boon Hui	93,750	0.020	—	—

	Direct Interest ²		Deemed Interest ²	
	Number of Shares	%	Number of Shares	%
Substantial Shareholder				
Hiap Hoe Holdings	328,693,876	69.852	—	—

Notes:

1. Mr Teo Ho Beng and Mr Teo Ho Kang, Roland are Directors of the Company. They are deemed to have shareholding interests in the Company by virtue of their 39.83% and 34.18% shareholding interests respectively in Hiap Hoe Holdings, which has a 69.85% direct shareholding interest in the Company as at the Latest Practicable Date.
2. The shareholdings are computed based on total number of Shares of 470,557,541 excluding treasury shares of 3,999,850 as at the Latest Practicable Date.

12.2 Service Agreements

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

13. OPINION OF THE IFA

Tata Capital Markets Pte Ltd, in accordance with Chapter 9 of the Listing Manual, has been appointed as the Independent Financial Adviser to advise the Directors who are deemed independent for the purposes of the Proposed Disposal, namely Ms Wun May Ling Tracy, Mr Chan Wah Tiong, Mr Chan Boon Hui and Ms Kwok Chui Lian (collectively, the “**Recommending Directors**”) on whether the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its independent Shareholders.

Based on their considerations and subject to the qualifications and assumptions set out in the IFA Letter, the IFA is of the opinion that the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its independent Shareholders.

The IFA Letter dated 6 March 2015 is reproduced and appended as Appendix A of this Circular. Shareholders are advised to read the IFA Letter carefully.

14. ABSTENTION FROM VOTING

Rule 919 of the Listing Manual requires that interested persons and their associates must not vote on any Shareholders' resolution approving any mandate in respect of any interested person transactions.

The Company's Executive Chairman/Chief Executive Officer, Mr Teo Ho Beng and the Company's Managing Director, Mr Teo Ho Kang, Roland, who collectively hold 69.85% of the shareholdings in the Company through Hiap Hoe Holdings will abstain and will procure that Hiap Hoe Holdings and all its other associates will abstain, from voting at the EGM in relation to the Proposed Disposal and will not accept nominations as proxy or otherwise for voting at the EGM in respect of the said Ordinary Resolution unless the independent Shareholders appointing them as proxies give specific instructions in the relevant Proxy Form in the manner in which they wish their votes to be cast for the Ordinary Resolution.

15. STATEMENT OF THE AUDIT COMMITTEE

The Audit Committee has considered, *inter alia*, the terms, rationale and benefits of the Proposed Disposal and the IFA Letter in relation to the Proposed Disposal and is of the view that the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

16. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out in this Circular, will be held on 23 March 2015 at 11.00 a.m. at Ramada Singapore at Zhongshan Park, 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 for the purpose of considering and, if thought fit, passing the Ordinary Resolution set out in the Notice of EGM.

17. ACTION TO BE TAKEN BY SHAREHOLDERS

17.1 Appointment of proxies

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 will find attached to this Circular, a 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 not less than 48 hours before the time fixed for the EGM. The completion and lodgement of the Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so.

17.2 When Depositor regarded as Shareholder

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

18. CONSENTS

The IFA

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the IFA Letter reproduced in Appendix A and all references thereto in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

The Valuer

The Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the Valuation Report reproduced in Appendix C and all references thereto in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

19. DIRECTORS' RECOMMENDATIONS

After having considered, *inter alia*, the terms, rationale for and benefits of the Proposed Disposal, the IFA Letter and the statement of the Audit Committee, the Directors (except for the Company's Executive Chairman/Chief Executive Officer, Mr Teo Ho Beng and the Company's Managing Director, Mr Teo Ho Kang, Roland, who will abstain from making any recommendation in respect of the Proposed Disposal) are of the opinion that the Proposed Disposal is in the interests of the Company and is not prejudicial to the interests of its minority Shareholders. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution relating to the Proposed Disposal as set out in the Notice of EGM.

20. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in 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 this Circular in its proper form and context.

21. INSPECTION OF DOCUMENTS

The following documents may be inspected at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983 during business hours from the date of this Circular up to the date of the EGM:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the Annual Report of the Company for FY2013;
- (c) the SPA; and
- (d) the Valuation Report.

Yours faithfully
For and on behalf of
the Board of Directors of
HIAP HOE LIMITED

Teo Ho Beng
Executive Chairman/Chief Executive Officer
6 March 2015

APPENDIX A

IFA LETTER



TATA CAPITAL MARKETS PTE LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200820715M)

8 Shenton Way #19-01 AXA Tower
Singapore 068811

6 March 2015

The Recommending Directors
Hiap Hoe Limited
18 Ah Hood Road
#13-51 Hiap Hoe Building At Zhongshan Park
Singapore 329983

Dear Sirs,

THE PROPOSED DISPOSAL OF 100% OF THE ISSUED AND PAID UP SHARE CAPITAL OF HIAP HOE SUPERBOWL JV PTE LTD AND ASSIGNMENT OF THE EXISTING SHAREHOLDERS' LOANS TO HIAP HOE HOLDINGS PTE LTD

*Unless otherwise defined or the context otherwise requires, all terms used herein have the same meanings as defined in the circular to shareholders of the Company dated 6 March 2015 (the "**Circular**").*

1. INTRODUCTION

On 8 December 2014, Hiap Hoe Limited (the "**Company**", together with its subsidiaries, referred to as the "**Group**") announced that the Company and SuperBowl Holdings Limited ("**SuperBowl Holdings**"), a subsidiary of the Company, had entered into a conditional sale and purchase agreement (the "**SPA**") with Hiap Hoe Holdings Pte Ltd ("**Hiap Hoe Holdings**" or the "**Purchaser**"), the controlling shareholder of the Company, for:

- (a) the sale and disposal by the Company and SuperBowl Holdings (collectively, the "**Vendors**") of their legal and beneficial ownership of 60% and 40% respectively of all the issued and paid up ordinary shares in the capital of Hiap Hoe SuperBowl JV Pte Ltd ("**Hiap Hoe SuperBowl**") (the "**Sale Shares**"), free from all encumbrances and with all rights, benefits and entitlements attaching thereto at Completion; and
- (b) the assignment of loans (together with the interest accrued thereon) in the aggregate amount of S\$68,249,788 (being the net amount owed by Hiap Hoe SuperBowl to SuperBowl Holdings as at 31 October 2014) (the "**Existing Shareholders' Loans**") to Hiap Hoe Holdings,

on the terms and subject to the conditions of the SPA (the "**Proposed Disposal**").

The Proposed Disposal is an interested person transaction under Chapter 9 of the listing manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), which requires approval of the independent shareholders of the Company (the "**Independent Shareholders**")

under Rule 906 of the Listing Manual. In addition, the Group intends to treat the Proposed Disposal as a major transaction under Rule 1014 of the Listing Manual, and will comply with the relevant requirements of Chapter 10 of the Listing Manual, including seeking the approval of the shareholders of the Company ("**Shareholders**") for the Proposed Disposal.

In this regard, the Company has appointed Tata Capital Markets Pte. Ltd. ("**Tata Capital**") as the independent financial adviser ("**IFA**") to the directors of the Company who are considered independent for the purpose of the Proposed Disposal (the "**Recommending Directors**") to express an opinion on whether the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its Independent Shareholders pursuant to Chapter 9 of the Listing Manual. This letter ("**Letter**") forms part of the Circular which provides, *inter alia*, the details of the Proposed Disposal and the recommendation of the Recommending Directors thereon.

2. TERMS OF REFERENCE

We have been appointed as the IFA to advise the Recommending Directors in respect of the Proposed Disposal. Our views as set out in this Letter are based upon the prevailing market, economic, industry and other conditions (if applicable) and our analysis of the information provided in the Circular as well as information and representations provided to us by the Company and its representatives, as of the Latest Practicable Date. As such, we assume no responsibility to update, revise or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. Shareholders should take note of any announcements relevant to the Proposed Disposal which may be released by the Company after the Latest Practicable Date.

We are not and were not involved or responsible, in any aspect, of the negotiations in relation to the Proposed Disposal, nor were we involved in the deliberations leading up to the decision on the part of the directors of the Company (the "**Directors**") to seek Shareholders' approval for the Proposed Disposal. We do not, by this Letter, warrant the merits of the Proposed Disposal, other than to express an opinion on whether the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its Independent Shareholders.

It is not within our terms of reference to evaluate or comment on the legal, strategic, or commercial merits and/or risks of the Proposed Disposal or to compare their relative merits vis-à-vis alternative transactions previously considered by the Company (if any) or that may otherwise be available to the Company currently or in the future, and as such, we do not express an opinion thereon. Such evaluations or comments, if any, remain the sole responsibility of the Directors although we may draw upon their views in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion as set out in this Letter.

In the course of our evaluation, we have held discussions with the Directors, management of the Company (the "**Management**") and/or their professional advisers and have examined and relied to a considerable extent on publicly available information collated by us as well as information provided and representations made to us, both written and verbal, by the Directors, the Management and/or the professional advisers of the Company, including information contained in the Circular. We have not independently verified such information or representations, whether written or verbal, and accordingly cannot and do not make any representation or warranty, express or implied, in respect of, and do not accept any responsibility for the accuracy, completeness or adequacy of such information or representations. The Directors and the Management of the Company have confirmed that, having made all reasonable enquiries and to the best of their knowledge and belief, all material information available to them in connection with the Proposed Disposal have been disclosed to us, that such information is true and accurate in all material respects and that there is no other information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to the Proposed Disposal, the Company or the Group stated in the Circular to be inaccurate, incomplete or misleading in any material respect. Whilst care has been exercised in reviewing the information on which we have relied on, we have not independently verified the information but nevertheless have made such reasonable enquiries and exercised our judgment on the reasonable use of such information, and have found no reason to doubt the reliability of the information.

The scope of our appointment does not require us to conduct a comprehensive review of the business, operations or financial condition of the Group and we have not made an independent evaluation or appraisal of the assets, liabilities and profitability of Hiap Hoe SuperBowl, the Company or the Group. As such, we will be relying on the disclosures and representations made by the Company on the value of the assets and liabilities, and profitability of Hiap Hoe SuperBowl, the Company or the Group. In this respect, we have been furnished with a valuation report dated 20 November 2014 (the “**Valuation Report**”) issued by Colliers International Consultancy & Valuation (Singapore) Pte Ltd (the “**Independent Valuer**”) regarding the assessed market value of the freehold residential development owned by Hiap Hoe SuperBowl known as “Treasure on Balmoral” (the “**Properties**”). As we are not experts in the evaluation or appraisal of the assets set out in the Valuation Report, we have placed sole reliance on the assessed market value of the Properties as determined by the Independent Valuer. In addition, we have also not been provided with and have not relied on any financial projections or forecasts in respect of Hiap Hoe SuperBowl, the Company and/or the Group for the purpose of our evaluation of the Proposed Disposal.

In rendering our advice, we did not have regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual Shareholder or any specific group of the Shareholders. As each Shareholder would have different investment objectives and profiles, we recommend that any individual Shareholder or group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) or objective(s) consult his or their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

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

We have prepared this Letter for the use of the Recommending Directors and the Audit Committee in connection with their consideration of the Proposed Disposal and their advice to the Independent Shareholders arising thereof. The recommendation made to the Independent Shareholders in relation to the Proposed Disposal remains the sole responsibility of the Recommending Directors.

Our opinion in relation to the Proposed Disposal should be considered in the context of the entirety of this Letter and the Circular.

3. INFORMATION RELATING TO HIAP HOE HOLDINGS

Hiap Hoe Holdings, a company incorporated in Singapore is a 69.85% shareholder of the Company. The Company’s Executive Chairman/Chief Executive Officer, Mr Teo Ho Beng and the Company’s Managing Director, Mr Teo Ho Kang, Roland, are the legal and beneficial owners of 39.83% and 34.18% of its issued and paid up share capital respectively. Hiap Hoe Holdings is an investment holding company and is involved in, *inter alia*, investments in commercial and residential properties.

Accordingly, Hiap Hoe Holdings would, for the purposes of Chapter 9 of the Listing Manual and the Proposed Disposal, be regarded as an “interested person” of the Company.

4. INFORMATION RELATING TO HIAP HOE SUPERBOWL

Hiap Hoe SuperBowl, a company incorporated in Singapore, has an issued and paid up share capital of S\$21,000,000 comprising 21,000,000 ordinary shares. The Company and SuperBowl Holdings are the legal and beneficial owners of 60% and 40% of the total number of issued shares in Hiap Hoe SuperBowl respectively. As at the Latest Practicable Date, SuperBowl Holdings is a 98.99% indirectly held subsidiary of the Company.

Hiap Hoe SuperBowl carries on the business of, *inter alia*, owning and developing property in Singapore, and the Properties comprise the main assets held by Hiap Hoe SuperBowl.

5. DETAILS OF THE PROPOSED DISPOSAL

Pursuant to the SPA, the Group will dispose of the entire shareholding interest in Hiap Hoe SuperBowl to Hiap Hoe Holdings, as well as assign the Existing Shareholders' Loans to Hiap Hoe Holdings. The details of the Proposed Disposal are set out in Section 4 of the Circular. The key terms of, and certain pertinent matters relating to, the Proposed Disposal are set out below.

5.1 Disposal Consideration

The aggregate consideration for the Sale Shares and the assignment of the Existing Shareholders' Loans is S\$72,833,151 (the "**Disposal Consideration**") which shall be satisfied in full by the Purchaser by the payment to each of the Company and SuperBowl Holdings of its respective portion of the Disposal Consideration in cash, upon the completion of the sale and purchase of all the Sale Shares and assignment of the Existing Shareholders' Loans.

5.2 Conditions Precedent

The Proposed Disposal is conditional on, *inter alia*, the following:

- (a) completion on or before 31 January 2015 of a legal, financial and business due diligence exercise by Hiap Hoe Holdings on Hiap Hoe SuperBowl and its business, and the results of such due diligence exercise being satisfactory to Hiap Hoe Holdings in its reasonable discretion;
- (b) the Company having received the requisite approval from its board of Directors and its Shareholders for the sale of the Sale Shares and the transactions contemplated under the SPA, including the approval from its independent Shareholders under Chapter 9 of the Listing Manual and under Chapter 10 of the Listing Manual (if applicable) at an EGM to be convened by the Company for the sale of the Sale Shares;
- (c) SuperBowl Holdings having received the requisite approval from its board of directors for the sale of its respective portion of the Sale Shares and the transactions contemplated under the SPA;
- (d) approval from the Land Dealings (Approval) Unit of Singapore Land Authority for the intended change in shareholders of Hiap Hoe SuperBowl from the Company and SuperBowl Holdings to Hiap Hoe Holdings having been obtained and if the approval is granted or obtained subject to any conditions, such conditions being reasonably acceptable to the Company, SuperBowl Holdings and Hiap Hoe Holdings, and such approval not having been revoked on or before Completion;
- (e) approval of the existing financier(s) of Hiap Hoe SuperBowl for the proposed change in shareholding of Hiap Hoe SuperBowl and for the release of the Company and SuperBowl Holdings from their respective obligations under the UOB Undertaking and Guarantees;
- (f) all other requisite regulatory approvals and corporate approvals, if necessary, for the transactions contemplated under the SPA being obtained, and not withdrawn, suspended, amended or revoked, on or before Completion, and if such consents or approvals are granted or obtained subject to any conditions, such conditions being reasonably acceptable to Hiap Hoe Holdings;
- (g) all payments in respect of all maintenance funds, sinking funds and property tax relating to the Properties payable up to the month in which the actual date of Completion falls on having been duly paid (with substantiating evidence of such payments having been provided to Hiap Hoe Holdings);
- (h) there having been no material adverse change in or to the business, operations, financial condition, properties and/or assets of Hiap Hoe SuperBowl from the date of the SPA up to Completion;

- (i) all other requisite laws, rules and guidelines necessary for or in connection with the transactions contemplated under the SPA having been complied with by the Company and SuperBowl Holdings on or before Completion;
- (j) the Company and SuperBowl Holdings having delivered to Hiap Hoe Holdings deeds executed by each of the Company and SuperBowl Holdings confirming that, subject to Completion being effected, they each have no claims against Hiap Hoe SuperBowl whatsoever in respect of Hiap Hoe SuperBowl's liabilities or obligations under a joint venture agreement dated 5 February 2008 entered into between the Company, SuperBowl Holdings and Hiap Hoe SuperBowl ("**JVA**") and if there are any such claims that they shall release and disclaim all their rights to such claims arising from or in connection with the JVA, in such form reasonably satisfactory to Hiap Hoe Holdings;
- (k) any and all interest accrued on the Existing Shareholders' Loans from the period commencing on 1 November 2014 up to and including the date of Completion having been fully repaid by Hiap Hoe SuperBowl to SuperBowl Holdings; and
- (l) save for the Existing Shareholders' Loans which shall be assigned to Hiap Hoe Holdings, any and all other existing intercompany loans and/or any financing or security obligations provided by the Company and SuperBowl Holdings in respect of Hiap Hoe SuperBowl (including the UOB Undertaking and Guarantees) having been fully discharged and there being no obligations or liabilities which remain outstanding, due and/or payable to the Company and SuperBowl Holdings.

If any of the conditions above are not fulfilled or not waived by Hiap Hoe Holdings by 31 March 2015 (or such other date as the parties may mutually agree in writing), the SPA shall *ipso facto* cease and determine and none of the parties shall have any claim against the other for costs, damages, compensation or otherwise.

As at the Latest Practicable Date, the conditions referred to in Sections 5.2(a), (c), (d) and (e) above have been fulfilled.

5.3 Valuation of the Properties

In connection with the Proposed Disposal, the Group engaged the Independent Valuer to assess and determine the market value of the Properties, which is intended to provide "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

Based on the Valuation Report dated 20 November 2014 issued by the Independent Valuer, the market value of the Properties as at 13 November 2014, using the direct comparison method and assuming with vacant possession and free from all encumbrances, was S\$185,000,000.

Further information on the valuation of the Properties is set out in Section 3 and Appendix C of the Circular, and Independent Shareholders are advised to read the information contained therein carefully.

5.4 Transaction Costs

Pursuant to the terms of the SPA, the Purchaser shall bear all stamp duty (if any) payable in connection with the transfer of the Sale Shares by the Vendors to the Purchaser and the assignment of the Existing Shareholders' Loans.

Save for the above, each party to the SPA shall bear its own professional and other costs and expenses of and incidental in connection to the sale of the Sale Shares, the assignment of the Existing Shareholders' Loans and the SPA.

6. EVALUATION OF THE PROPOSED DISPOSAL

In our evaluation of the Proposed Disposal, we have taken into account the following pertinent factors which we consider to have a significant bearing on our assessment:

- (a) rationale for the Proposed Disposal;
- (b) assessment of the Disposal Consideration;
- (c) financial effects of the Proposed Disposal; and
- (d) other relevant considerations.

These factors are discussed in greater details in the ensuing sections.

6.1 Rationale for the Proposed Disposal

It is not within our terms of reference to comment or express an opinion on the merits of the Proposed Disposal or the future prospects of the Group after the Proposed Disposal. Nevertheless, we have reviewed and considered the rationale for the Proposed Disposal as set out in Section 9 of the Circular, and reproduced in italics below for your reference.

“The Properties comprise the main assets held by Hiap Hoe SuperBowl. Since the sales launch of the Properties in September 2012 (at an initial launch price of between S\$2,044 per square foot (“psf”) to S\$2,375 psf), the Group has not been successful in selling any of the Properties despite various marketing activities by the appointed marketing agents. The Group’s attempts to sell the Properties have been made even more challenging by the several rounds of cooling measures introduced by the Singapore government which have dampened the local property market and further reduced the pool of potential purchasers in view of the implementation of the total debt servicing ratio which has made it challenging for sellers of residential units with a higher price point. The Directors believe that foreign purchasers in particular, who traditionally make up a majority of the purchasers of high end residential developments in prime districts in Singapore, have been deterred by the Additional Buyer’s Stamp Duties and other property cooling measures, and have refocused their investments to other markets outside of Singapore.

In October 2013, the Group appointed Savills (Singapore) Pte Ltd as its exclusive marketing agent for the divestment of all the Properties by way of private treaty with a guide price of S\$2,100 psf. The Group received a number of enquiries but no formal offer was received.

Subsequently, an Expressions of Interests (“EOI”) exercise for the enbloc sale of the Properties was launched in early July 2014 with a guide price of S\$1,850 psf or S\$191.4 million for all the Properties. The EOI exercise attracted 45 enquiries and 19 inspections of the Properties by property developers, funds, institutional and high net worth investors. Following the close of the EOI exercise in August 2014, the Group had not received any satisfactory offers and the offers received contained terms and conditions which were not favourable to Hiap Hoe SuperBowl. The highest offer received by the Group for all the Properties was S\$1,750 psf or an aggregate price of approximately S\$181 million for all the Properties, which represents a price that was 5.4% to 19.81%⁽¹⁾ less than the EOI guide price.

The Proposed Disposal will enable the Group to dispose of the Properties, through the sale of the Sale Shares, at the market value of the Properties as set out in the Valuation Report. Based on the Valuation Report, the current market value of the Properties as at 13 November 2014 is S\$185,000,000 (or approximately S\$1,789 psf). As at the date of entry into the SPA, such market value represents a price for the Properties that is higher than any of the other offers received by the Group for the Properties. Accordingly, the proposed purchase by Hiap Hoe Holdings represents the best offer received by the Group to date for all the Properties.

1 Assumes the price is inclusive of full Additional Buyer Stamp Duties and stamp duties of 18%.

In light of the foregoing and given the current market conditions in the residential property sector in Singapore, the Directors believe that the Proposed Disposal represents a good opportunity for the Group to dispose of this investment in the Properties at current market value and will enable the Group to deploy the proceeds from the sale for other purposes. As such, the Directors believe the Proposed Disposal to be in the interest of the Company."

6.2 Assessment of the Disposal Consideration

As mentioned in Section 4 of this Letter, Hiap Hoe SuperBowl carries on the business of developing and owning property in Singapore and the Properties comprise the main assets held by Hiap Hoe SuperBowl. As at 31 October 2014, the assets of Hiap Hoe SuperBowl comprise principally of: the Properties (representing 83.1% of total assets); amounts due from the holding company (representing 14.3% of total assets); and cash and cash equivalent (representing 2.5% of total assets).

In assessing the reasonableness of the consideration for the Proposed Disposal, we have considered the basis for arriving at the Disposal Consideration. In this regard, we note that the Disposal Consideration of S\$72,833,151 is determined based on the unaudited net asset value of Hiap Hoe SuperBowl as at 31 October 2014 of a deficit of S\$6,569,322, adjusted to take into account the following:

- (a) an impairment loss of S\$3,327,315 ("**Revaluation Impairment Loss**") arising from the valuation of the Properties (being (i) the carrying value of the Properties as at 31 October 2014 of S\$188,327,315 as set out in the unaudited financial statements of Hiap Hoe SuperBowl as at 31 October 2014 less (ii) the open market value of the Properties of S\$185,000,000 as reflected in the Valuation Report);
- (b) payment by Hiap Hoe SuperBowl of extension charges of S\$5.52 million ("**First QC Extension Fee**") for the extension of a further six (6) months from 2 November 2014 to sell the unsold Properties under the qualifying certificate issued to Hiap Hoe SuperBowl;
- (c) the increase in the paid-up capital of Hiap Hoe SuperBowl by S\$20 million on 27 November 2014 (the "**New Capital Contribution**") by way of a S\$20 million cash subscription of new ordinary shares by the Company and SuperBowl in a 60:40 proportion respectively, such increase being for additional working capital purposes of Hiap Hoe SuperBowl; and
- (d) the assumption that the Existing Shareholders' Loans of S\$68,249,788 ("**Loan Consideration**") extended to Hiap Hoe SuperBowl are assumed by Hiap Hoe Holdings.

In relation to the Existing Shareholders' Loans, the Loan Consideration is equivalent to the net amount owed by Hiap Hoe SuperBowl to SuperBowl Holdings as at 31 October 2014. In addition, it is noted that it is a condition precedent to the Completion under the SPA that any and all interest accrued on the Existing Shareholders' Loans from the period commencing on 1 November 2014 up to and including the date of Completion shall be fully repaid by Hiap Hoe SuperBowl to SuperBowl Holdings. Adjusting for the Loan Consideration of S\$68,249,788 in respect of the assignment of the Existing Shareholders' Loans to the Purchaser, the implied consideration for the Sale Shares is S\$4,583,363 which is equivalent to the adjusted revalued net asset value of Hiap Hoe SuperBowl ("**Adjusted RNAV**") as at 31 October 2014, calculated on the following basis:

Unaudited net asset value of Hiap Hoe SuperBowl as at 31 October 2014	S\$(6,569,322)
Less: Revaluation Impairment Loss from revaluation of the Properties	S\$(3,327,315)
Less: Payment of First QC Extension Fee ⁽¹⁾	S\$(5,520,000)
Add: New Capital Contribution by the Vendors	S\$20,000,000
Adjusted RNAV	S\$4,583,363

Notes:

- (1) Pursuant to the qualifying certificate issued to Hiap Hoe SuperBowl in respect of the development of the Properties, Hiap Hoe SuperBowl is required to sell all the units of the Properties by 1 November 2014. Accordingly, Hiap Hoe SuperBowl had paid the First QC Extension Fee to allow for the extension of a further six (6) months from 2 November 2014 to sell the unsold Properties.

In this respect, the Directors have confirmed to us that, to the best of their knowledge and belief, save for the above adjustments to arrive at the Adjusted RNAV, they are not aware of any material events which may cause the net asset value of Hiap Hoe SuperBowl as at the Latest Practicable Date to be materially different from that recorded in the unaudited balance sheet of Hiap Hoe SuperBowl as at 31 October 2014.

6.3 Financial Effects of the Proposed Disposal

The pro forma financial effects of the Proposed Disposal on the Group have been prepared based on the unaudited consolidated financial statements of the Group for FY2014 and the assumptions set out in Sections 10 and 11 of the Circular.

In this respect, we note that the Proposed Disposal would result in the following pro forma financial effects⁽¹⁾ for the Group:

- (i) marginal decrease in the NTA per Share of the Group by approximately 0.01% from 145.59 cents to 145.57 cents, assuming the Proposed Disposal had been effected on 31 December 2014, as a result of the estimated expenses of S\$250,000 in connection with the Proposed Disposal; and
- (ii) marginal increase in the earnings per Share of the Group by approximately 3.5% from 68.28 cents to 70.67 cents, assuming the Proposed Disposal had been effected on 1 January 2014, mainly due to the absence of the net losses attributable to the Sale Shares of S\$11,338,117 in respect of FY2014.

Note:

- (1) *As the Disposal Consideration is determined at an amount equivalent to the revalued net asset value of Hiap Hoe SuperBowl as at 31 October 2014 (as set out in Section 4.2.2 of this Circular), there will not be any actual gain or loss on disposal to be recognized on the Proposed Disposal. Accordingly, no gain or loss on disposal has been assumed for the computation of the pro forma financial effects.*

Shareholders should note that pro forma financial effects set out in Section 11 of the Circular are purely for illustrative purposes only and do not reflect the future financial position of the Company or the Group after the Completion.

6.4 Other Relevant Considerations

6.4.1 Extension charges payable under the qualifying certificate issued to Hiap Hoe SuperBowl

Under the Qualifying Certificate ("QC") rules, "foreign housing developers" (which includes all public listed developers) issued with QCs has up to five years to complete construction of their residential projects and have to sell all the units within two years of obtaining their temporary occupation permits ("TOP"). To extend the sales period beyond two years after TOP, "foreign housing developers" have to pay extension charges which work out to 8 per cent of the land purchase price for the first year of extension, 16 per cent for the second year and 24 per cent from the third year onwards. The extension charges are pro-rated based on unsold units over the total units in the project.

Based on the above and information provided by the Management, the yearly extension charges which may be payable in respect of the Properties, assuming all the units of the Property remain unsold, will work out to be: (i) S\$11.04 million for the first year; (ii) S\$22.08 million for the second year; and (iii) S\$33.12 million from the third year onwards.

The Properties received its TOP in November 2012 and Hiap Hoe SuperBowl had paid its first extension charges of S\$5.52 million for the extension of six (6) months from 2 November 2014 to sell the unsold Properties under the QC issued to Hiap Hoe SuperBowl. In the event that the Proposed Disposal is not proceeded with for any reasons, Hiap Hoe SuperBowl will be liable to continue to pay such extension charges in the manner described above for the duration and to the extent the Properties remain unsold.

In addition, we note that an alternative option for Hiap Hoe SuperBowl is to transfer the Properties to an investment company within the Group. However, we understand that this may not be the most viable option as such a transfer will entail, *inter alia*, a 15% Additional Buyer Stamp Duty as well as the applicable Seller Stamp Duty if the Properties were subsequently sold within a period of four years after the transfer.

6.4.2 No superior alternative offers for the Properties from third parties

As mentioned in Section 9 of the Circular, since the sales launch of the Properties in September 2012, the Group has not been successful in selling any of the Properties despite various marketing activities by the appointed marketing agents. The Group also did not receive any satisfactory offers during the Expressions of Interests (“EOI”) exercise conducted from July 2014 to August 2014 for the enbloc sale of the Properties at the guide price of S\$191.4 million. The highest offer received by the Group for all the Properties was an aggregate price (inclusive of all taxes and duties including but not limited to Additional Buyer Stamp Duties (“ABSD”) and stamp duties) of approximately S\$181 million (“**Highest EOI Offer**”) for all the Properties, which represents a price that was 5.4% to 19.8% (assuming the price is inclusive of full ABSD and stamp duties of 18%) less than the EOI guide price. In contrast, we note that pursuant to the terms of the SPA, the Purchaser shall bear all stamp duty (if any) payable in connection with the transfer of the Sale Shares by the Vendors to the Purchaser and the assignment of the Existing Shareholders’ Loans.

The Highest EOI Offer represents a price that is 2.2% to 17.1% (assuming the price is inclusive of full ABSD and stamp duties of 18%) less than the market value of the Properties as indicated in the Valuation Report. Accordingly, the Proposed Disposal enables the Group to dispose of the Properties, through the sale of the Sale Shares, at the market value of the Properties as set out in the Valuation Report, which as at the date of entry into the SPA is higher than any of the other offers received by the Group for the Properties.

7. OUR OPINION

In arriving at our opinion, we have taken into account, *inter alia*, the following key considerations which we consider to be pertinent in our assessment of the Proposed Disposal:

- (a) rationale for the Proposed Disposal;
- (b) assessment of the Disposal Consideration;
- (c) financial effects of the Proposed Disposal; and
- (d) other relevant considerations as set out in Section 6.4 of this Letter.

Having considered all of the above and the information available to us as of the Latest Practicable Date, we are of the opinion that the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its Independent Shareholders.

Our opinion is addressed to the Recommending Directors for their benefit and for the purpose of their consideration of the Proposed Disposal. The recommendation to be made by them to the Independent Shareholders shall remain the sole responsibility of the Recommending Directors.

Whilst a copy of this Letter may be reproduced in the Circular, neither the Company, the Directors nor any other persons may reproduce, disseminate or quote this Letter (or any part thereof) for any other purpose at any time and in any manner without our prior written consent in each specific case, except for the forthcoming EGM and for the purpose of the Proposed Disposal.

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

TATA CAPITAL MARKETS PTE. LTD.

Wayne Lee Chin Ing
CEO & Executive Director
Head of Corporate Finance

Foo Say Nam
Vice President
Corporate Finance

APPENDIX B

PARTICULARS OF THE PROPERTIES

No.	Description of Property	Lot No.	MK/TS
1	5 Balmoral Road #01-01 Singapore 259786	U4279L	TS26
2	5 Balmoral Road #02-01 Singapore 259786	U4280N	TS26
3	5 Balmoral Road #03-01 Singapore 259786	U4281X and A101A	TS26
4	5 Balmoral Road #04-01 Singapore 259786	U4282L and A102K	TS26
5	5 Balmoral Road #05-01 Singapore 259786	U4283C and A103N	TS26
6	5 Balmoral Road #06-01 Singapore 259786	U4284M and A104X	TS26
7	5 Balmoral Road #07-01 Singapore 259786	U4285W and A105L	TS26
8	5 Balmoral Road #08-01 Singapore 259786	U4286V and A106C	TS26
9	5 Balmoral Road #09-01 Singapore 259786	U4287P and A107M	TS26
10	5 Balmoral Road #10-01 Singapore 259786	U4288T and A108W	TS26
11	5 Balmoral Road #11-01 Singapore 259786	U4289A and A109V	TS26
12	5 Balmoral Road #12-01 Singapore 259786	U4290P and A110M	TS26
13	5 Balmoral Road #01-02 Singapore 259786	U4291T	TS26
14	5 Balmoral Road #02-02 Singapore 259786	U4292A	TS26
15	5 Balmoral Road #03-02 Singapore 259786	U4293K and A111W	TS26
16	5 Balmoral Road #04-02 Singapore 259786	U4294N and A112V	TS26
17	5 Balmoral Road #05-02 Singapore 259786	U4295X and A113P	TS26
18	5 Balmoral Road #06-02 Singapore 259786	U4296L and A114T	TS26
19	5 Balmoral Road #07-02 Singapore 259786	U4297C and A115A	TS26
20	5 Balmoral Road #08-02 Singapore 259786	U4298M and A116K	TS26
21	5 Balmoral Road #09-02 Singapore 259786	U4299W and A117N	TS26
22	5 Balmoral Road #10-02 Singapore 259786	U4300P and A118X	TS26
23	5 Balmoral Road #11-02 Singapore 259786	U4301T and A119L	TS26
24	5 Balmoral Road #12-02 Singapore 259786	U4302A and A120N	TS26
25	5A Balmoral Road #01-03 Singapore 259822	U4303K	TS26
26	5A Balmoral Road #02-03 Singapore 259822	U4304N and A121X	TS26
27	5A Balmoral Road #03-03 Singapore 259822	U4305X and A122L	TS26

No.	Description of Property	Lot No.	MK/TS
28	5A Balmoral Road #04-03 Singapore 259822	U4306L and A123C	TS26
29	5A Balmoral Road #05-03 Singapore 259822	U4307C and A124M	TS26
30	5A Balmoral Road #06-03 Singapore 259822	U4308M and A125W	TS26
31	5A Balmoral Road #07-03 Singapore 259822	U4309W and A126V	TS26
32	5A Balmoral Road #08-03 Singapore 259822	U4310C and A127P	TS26
33	5A Balmoral Road #09-03 Singapore 259822	U4311M and A128T	TS26
34	5A Balmoral Road #10-03 Singapore 259822	U4312W and A129A	TS26
35	5A Balmoral Road #11-03 Singapore 259822	U4313V and A130P	TS26
36	5A Balmoral Road #12-03 Singapore 259822	U4314P and A131T	TS26
37	5A Balmoral Road #01-04 Singapore 259822	U4315T	TS26
38	5A Balmoral Road #02-04 Singapore 259822	U4316A and A132A	TS26
39	5A Balmoral Road #03-04 Singapore 259822	U4317K and A133K	TS26
40	5A Balmoral Road #04-04 Singapore 259822	U4318N and A134N	TS26
41	5A Balmoral Road #05-04 Singapore 259822	U4319X and A135X	TS26
42	5A Balmoral Road #06-04 Singapore 259822	U4320K and A136L	TS26
43	5A Balmoral Road #07-04 Singapore 259822	U4321N and A137C	TS26
44	5A Balmoral Road #08-04 Singapore 259822	U4322X and A138M	TS26
45	5A Balmoral Road #09-04 Singapore 259822	U4323L and A139W	TS26
46	5A Balmoral Road #10-04 Singapore 259822	U4324C and A140C	TS26
47	5A Balmoral Road #11-04 Singapore 259822	U4325M and A141M	TS26
48	5A Balmoral Road #12-04 Singapore 259822	U4326W and A142W	TS26

APPENDIX C

VALUATION REPORT



Valuation

5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822

**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



Colliers International Consultancy & Valuation (Singapore) Pte Ltd

1 Raffles Place #45-00 One Raffles Place
Singapore 048616
Tel 65 6223 2323 Fax 65 6438 6826
RCB No. 198105965E



Our Ref : PTE/2538/2014

20 November 2014

**VALUATION REPORT FOR
HIAP HOE SUPERBOWL JV PTE. LTD.**

1.0 INTRODUCTION

1.1 Instructions

Our instructions are to advise on the market value of the under mentioned property for stamp duty purpose.

We have assumed that the instructions and subsequent information supplied contain a full and frank disclosure of all information that is relevant.

Pursuant to your instructions, we have inspected the property, made relevant searches and are pleased to report as follows:

1.2 Date of Inspection : 13 November 2014

2.0 PROPERTY PARTICULARS

2.1 Address : 5 & 5A Balmoral Road
TREASURE ON BALMORAL
Singapore 259786 & 259822

2.2 Type : A residential development (total 48 units) known as
"Treasure On Balmoral"

2.0 PROPERTY PARTICULARS *(Cont'd)*

2.3 Land Area : 4,308.4 sm or thereabouts

2.4 Total Strata Floor Area : 9,582 sm, including private enclosed spaces, planters, a/c ledge and private swimming pool/ pool deck

Note : Please refer to Appendix I for the individual unit strata floor area.

2.5 Year of Completion : Circa 2012

2.6 Condition : Good/ new

3.0 TITLE/TENURE *(Search done on 17 November 2014)*

3.1 Legal Description : Lot 909C Town Subdivision 26 (the development site)

Note: Please refer to Appendix I for individual Strata Title Lot Nos.

3.2 Tenure : Estate In Fee Simple

3.3 Registered Proprietor(s) : Hiap Hoe Superbowl JV Ptd. Ltd.

3.4 Legal Encumbrance(s) : Mortgaged to United Overseas Bank Limited

4.0 TOWN PLANNING

Master Plan Zoning : "Residential"
(2014 Edition)

Note: The official Master Plan/Road/Drainage Interpretation Plans and other legal requisitions have not been applied for and/or made available to us.

5.0 LOCATION

TREASURE ON BALMORAL is located at the western side of a branch road of Balmoral Road near to its junction with Balmoral Park and Stevens Road, some 5.5 km from the City Centre.

The immediate locality is predominantly residential in nature with mainly apartment/ condominium developments. Notable landmarks nearby include The Pines, Raffles Girls' Secondary School, Shangri-la Hotel and The Tanglin Club, amongst others.

Accessibility to other parts of Singapore is enhanced by its proximity to the Orchard/ Newton MRT Stations and Pan-Island/ Central Expressways, all of which are a short drive away.

6.0 GENERAL DESCRIPTION

TREASURE ON BALMORAL, is a residential development comprising two 12-storey blocks with roof garden, accommodating a total of 44 apartment units and 4 penthouse units each with a private swimming pool and pool deck

Recreational facilities provided in the development include a lap pool, splash pool, hydromassage pool, aqua gym, sun tanning pool deck, children's playground, barbecue & outdoor dining area, fitness alcove, foot reflexology, meditation deck, entertainment deck and a clubhouse housing multi-purpose room with kitchenette, gymnasium and male/ female changing and steam rooms.

A 24-hour security system as well as adequate basement car parking facilities are also available.

7.0 IMPROVEMENTS

7.1 Construction

Reinforced concrete (r.c.) structures, r.c./ clay brickwalls, r.c. flat roof/ floor and staircases. Typical units are fitted with timber/ glass/ heavy metal/ aluminium framed doors and powder-coated aluminium framed glass windows generally.

7.2 Typical Accommodation

Type A1, A1a, A1b, A1-G

(Typical 3-bedroom apartment)

Private foyer, living/ dining area, balcony, outdoor dining, master bedroom with an attached bathroom, 2 other bedrooms, common bathroom, dry and wet kitchens, household shelter and toilet

Note: Type A1-G has additional private enclosed space

Type B1, B1a, B1b, B1-G, B2, B2b, B2-G, B3, B3b, B3-G

(Typical 4-bedroom apartment)

Private foyer, living/dining area, balcony, outdoor dining, master bedroom with an attached bathroom, junior master bedroom with an attached bathroom, 2 other bedrooms, common bathroom, dry and wet kitchens, household shelter and toilet

Note: Type B1-G, B2-G & B3-G have additional private enclosed space

7.0 IMPROVEMENTS (Cont'd)

7.2 Typical Accommodation (Cont'd)

Type A1-P, B1-P, B2-P, B3-P (Typical Penthouse)

Entrance level : Private foyer, living/ dining area, balcony, outdoor dining, master bedroom with an attached bathroom, junior master bedroom with an attached bathroom, 2 other bedrooms, common bathroom, dry and wet kitchens, household shelter and toilet

Roof level : Private pool with spa seat, roof garden and barbeque pit

Note: Type A1-P does not include junior master bedroom with an attached bathroom

7.3 Finishes

Floor : Marble/ homogeneous tiles/ timber strips generally

Wall : Marble/ homogeneous tiles/ emulsion paint generally

Ceiling : Emulsion paint/ ceiling boards generally

7.4 Fittings

Built-in wardrobes/ high & low kitchen cabinets with cooker hood, hob, ovens/ refrigerator/ split-unit air-conditioners generally

8.0 SERVICES

Essential public utilities and tele-communication services are available for connection.

9.0 OCCUPANCY/TENANCY

Vacant

10.0 VALUATION CONSIDERATIONS

10.1 Basis of Valuation

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

Our valuation is premised on assumptions based on the information provided to us by your goodselves. In the event that the given information is revised subsequently, a revaluation is necessary.

10.2 Method of Valuation

In arriving at the market value of the subject property, we have adopted the Direct Comparison Method. We have analysed and studied recent sales evidence of similar properties in the subject/ comparable developments. Adjustments are made for differences in location, age, tenure, floor area/ level, condition, orientation, design, standard of finishes, date of sale, amongst other factors, before arriving at the market value of the property.

11.0 VALUATION

In view of the foregoing and having taken into consideration the prevailing market conditions, we are of the opinion that the market value of the subject property as at 13 November 2014, assuming with vacant possession and free from all encumbrances, is as follows:

MARKET VALUE **S\$185,000,000/-**
(SINGAPORE DOLLARS ONE HUNDRED AND EIGHTY-FIVE MILLION ONLY)

A handwritten signature in dark ink, appearing to read "Colliers International", written over a light blue circular stamp.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

JAC/KN/ds

This valuation report is subject to the attached Limiting Conditions.

APPENDIX I

Breakdown of Strata Floor Area

Block	Unit No.	Type	Strata Lot No.	Strata Floor Area (sm)
5	#01-01	A1-G	U4279L	248
5	#02-01	A1a	U4280N	158
5	#03-01	A1	U4281X & A101A	164
5	#04-01	A1	U4282L & A102K	164
5	#05-01	A1	U4283C & A103N	164
5	#06-01	A1	U4284M & A104X	164
5	#07-01	A1	U4285W & A105L	164
5	#08-01	A1	U4286V & A106C	164
5	#09-01	A1	U4287P & A107M	164
5	#10-01	A1	U4288T & A108W	164
5	#11-01	A1b	U4289A & A109V	171
5	#12-01	A1-P	U4290P & A110M	302
5	#01-02	B1-G	U4291T	193
5	#02-02	B1a	U4292A	180
5	#03-02	B1	U4293K & A111W	186
5	#04-02	B1	U4294N & A112V	186
5	#05-02	B1	U4295X & A113P	186
5	#06-02	B1	U4296L & A114T	186
5	#07-02	B1	U4297C & A115A	186
5	#08-02	B1	U4298M & A116K	186
5	#09-02	B1	U4299W & A117N	186
5	#10-02	B1	U4300P & A118X	186
5	#11-02	B1b	U4301T & A119L	193
5	#12-02	B1-P	U4302A & A120N	340

Block	Unit No.	Type	Strata Lot No.	Strata Floor Area (sm)
5A	#01-03	B2-G	U4303K	291
5A	#02-03	B2	U4304N & A121X	185
5A	#03-03	B2	U4305X & A122L	185
5A	#04-03	B2	U4306L & A123C	185
5A	#05-03	B2	U4307C & A124M	185
5A	#06-03	B2	U4308M & A125W	185
5A	#07-03	B2	U4309W & A126V	185
5A	#08-03	B2	U4310C & A127P	185
5A	#09-03	B2	U4311M & A128T	185
5A	#10-03	B2	U4312W & A129A	185
5A	#11-03	B2b	U4313V & A130P	193
5A	#12-03	B2-P	U4314P & A131T	340
5A	#01-04	B3-G	U4315T	288
5A	#02-04	B3	U4316A & A132A	187
5A	#03-04	B3	U4317K & A133K	187
5A	#04-04	B3	U4318N & A134N	187
5A	#05-04	B3	U4319X & A135X	187
5A	#06-04	B3	U4320K & A136L	187
5A	#07-04	B3	U4321N & A137C	187
5A	#08-04	B3	U4322X & A138M	187
5A	#09-04	B3	U4323L & A139W	187
5A	#10-04	B3	U4324C & A140C	187
5A	#11-04	D	U4325M & A141M	194
5A	#12-04	PH 14	U4326W & A142W	343
			TOTAL :	9,582

**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



TYPICAL LIVING AREA



TYPICAL BEDROOM

**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**

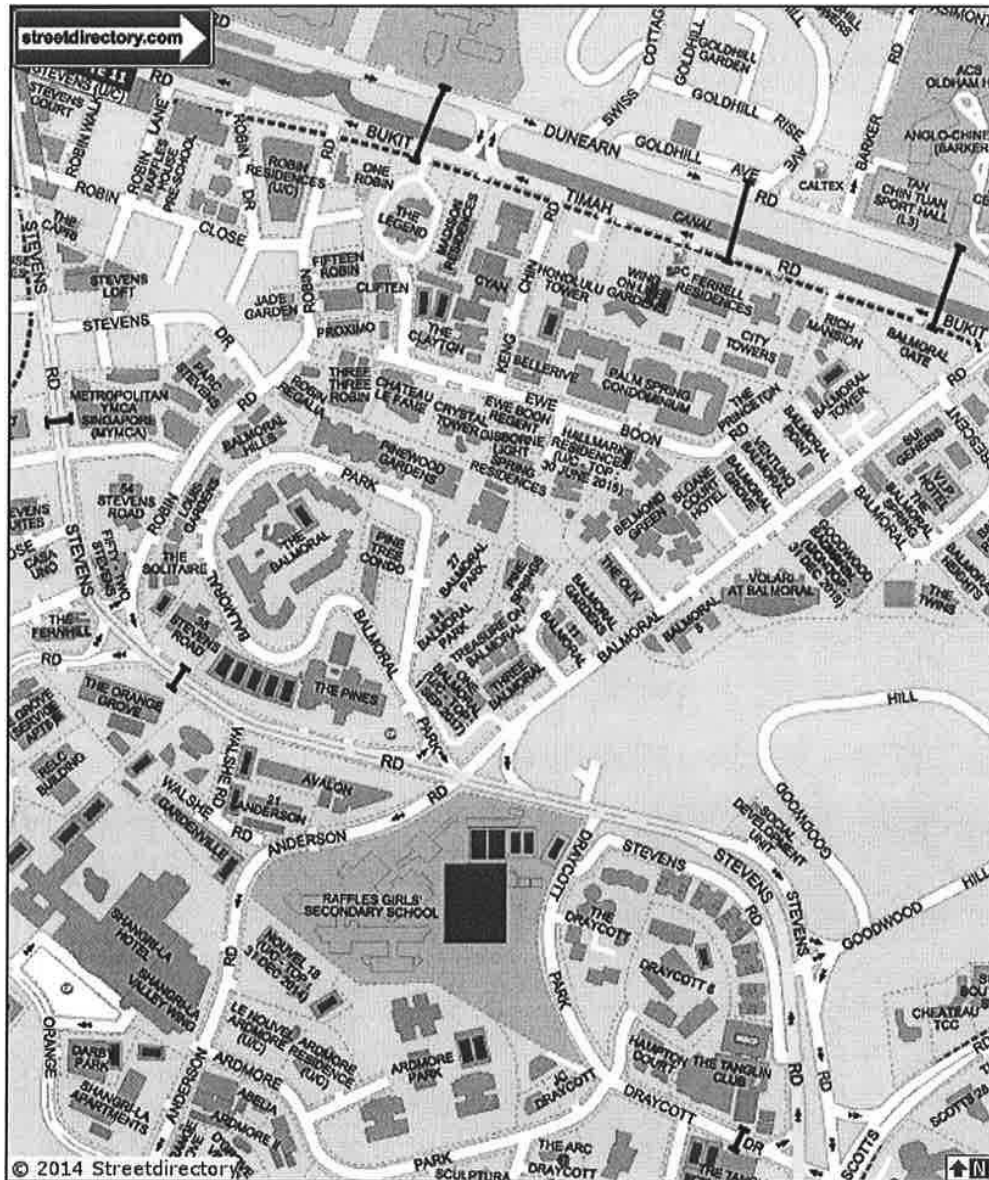


TYPICAL KITCHEN



SWIMMING POOL

5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822



LOCATION PLAN

(NOT TO SCALE)

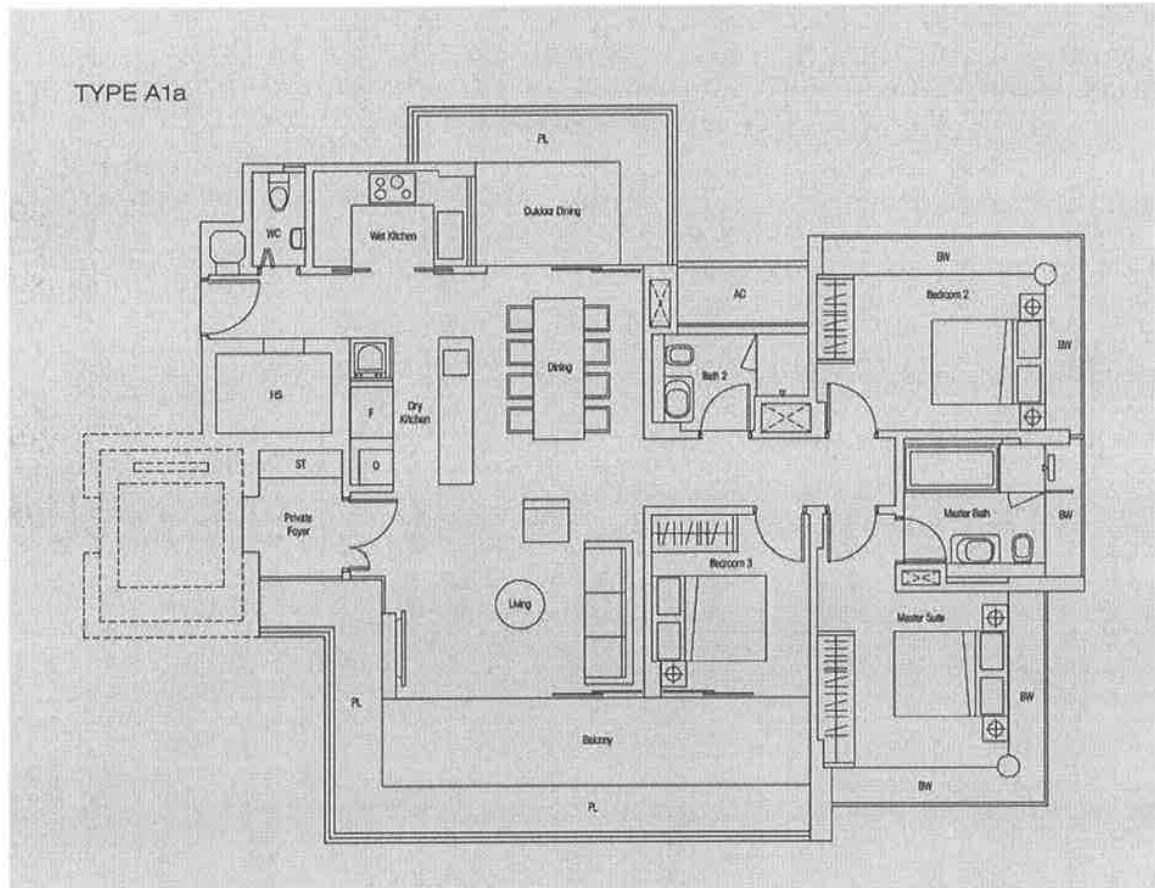
Colliers International Consultancy & Valuation (Singapore) Pte Ltd



[illegible]

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

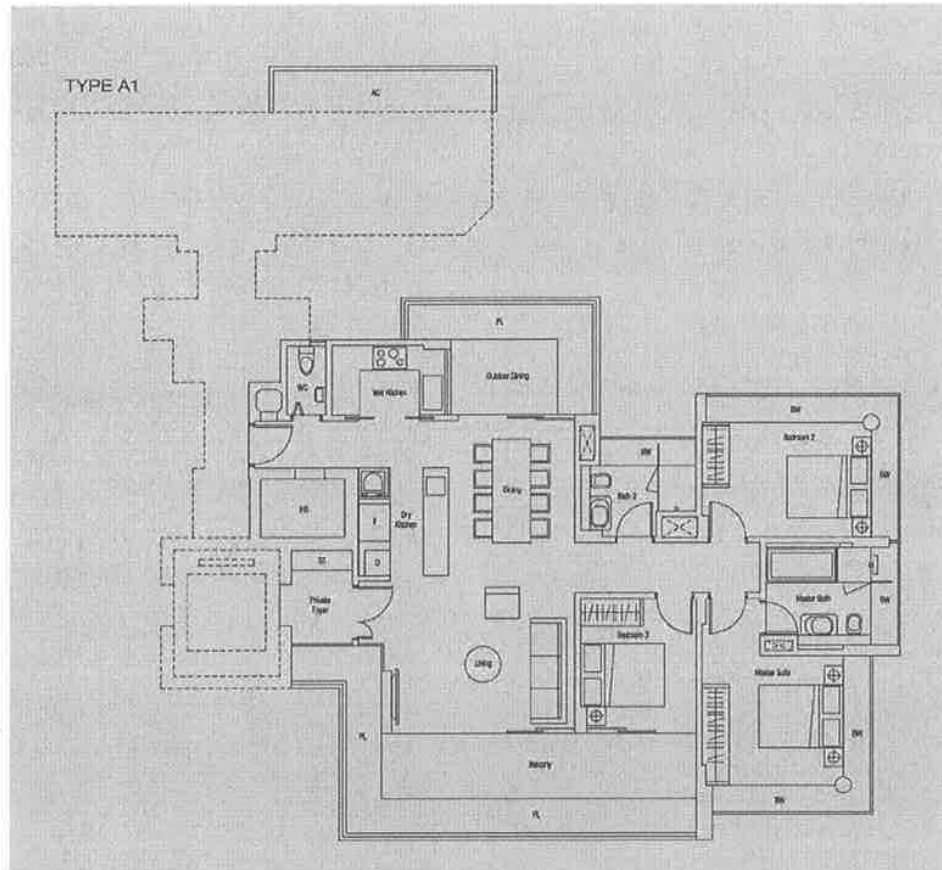
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

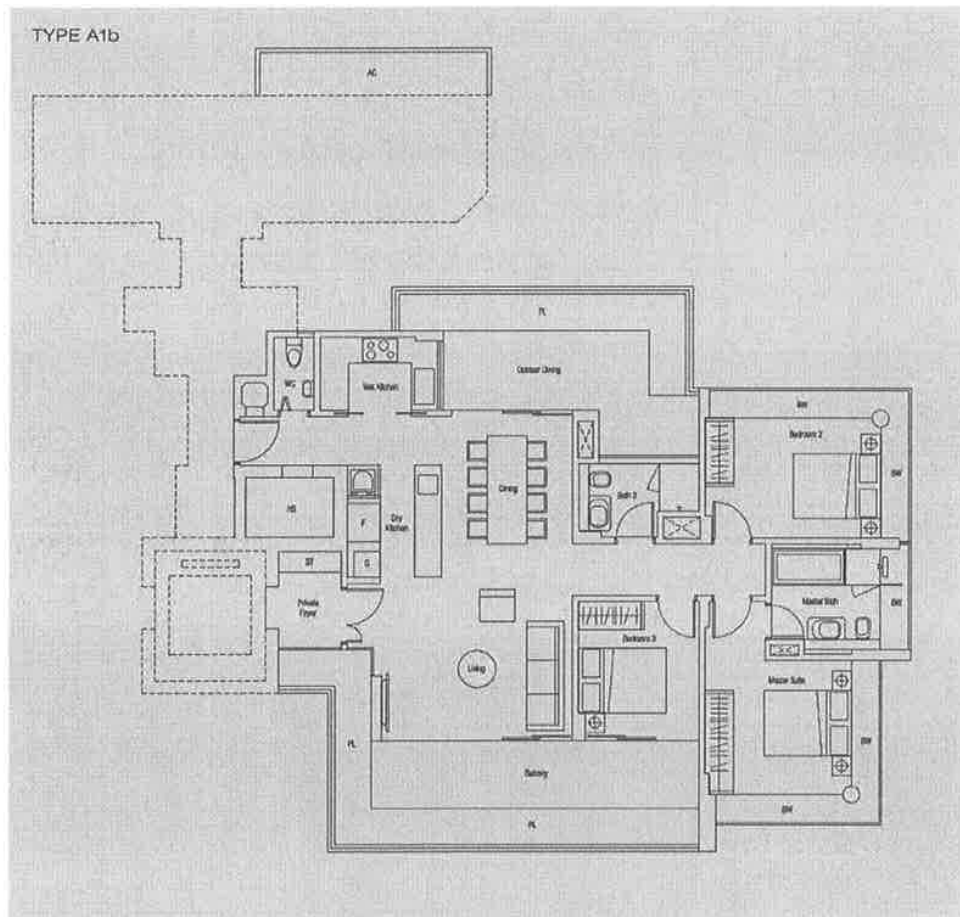
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

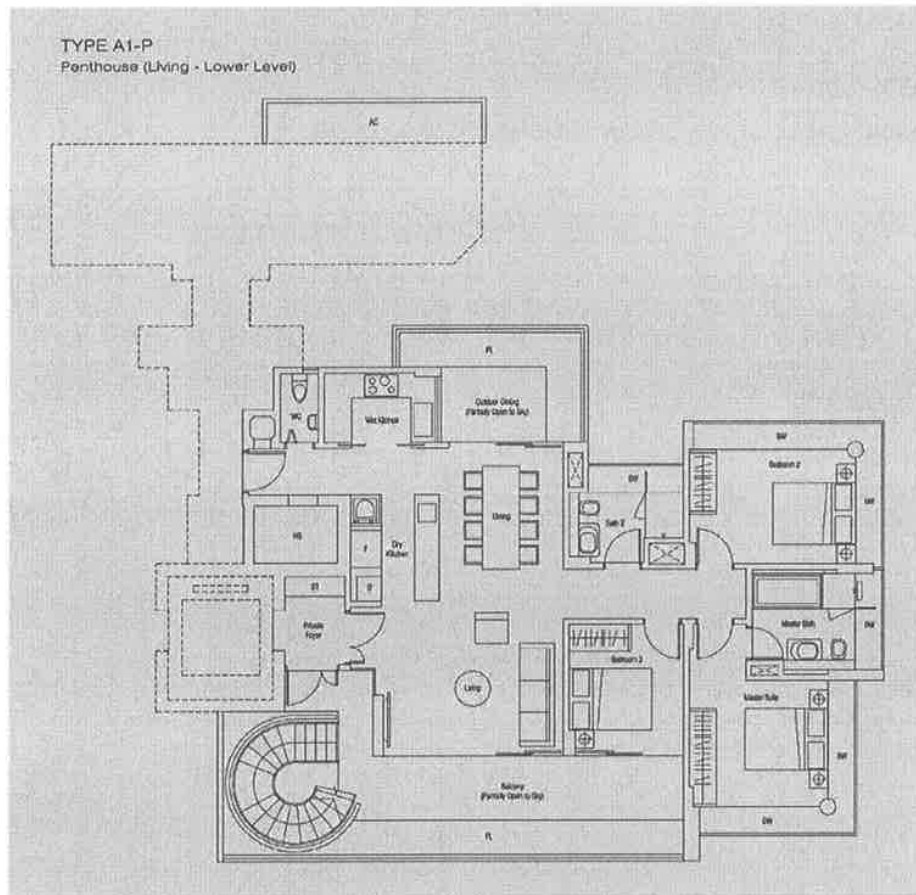
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

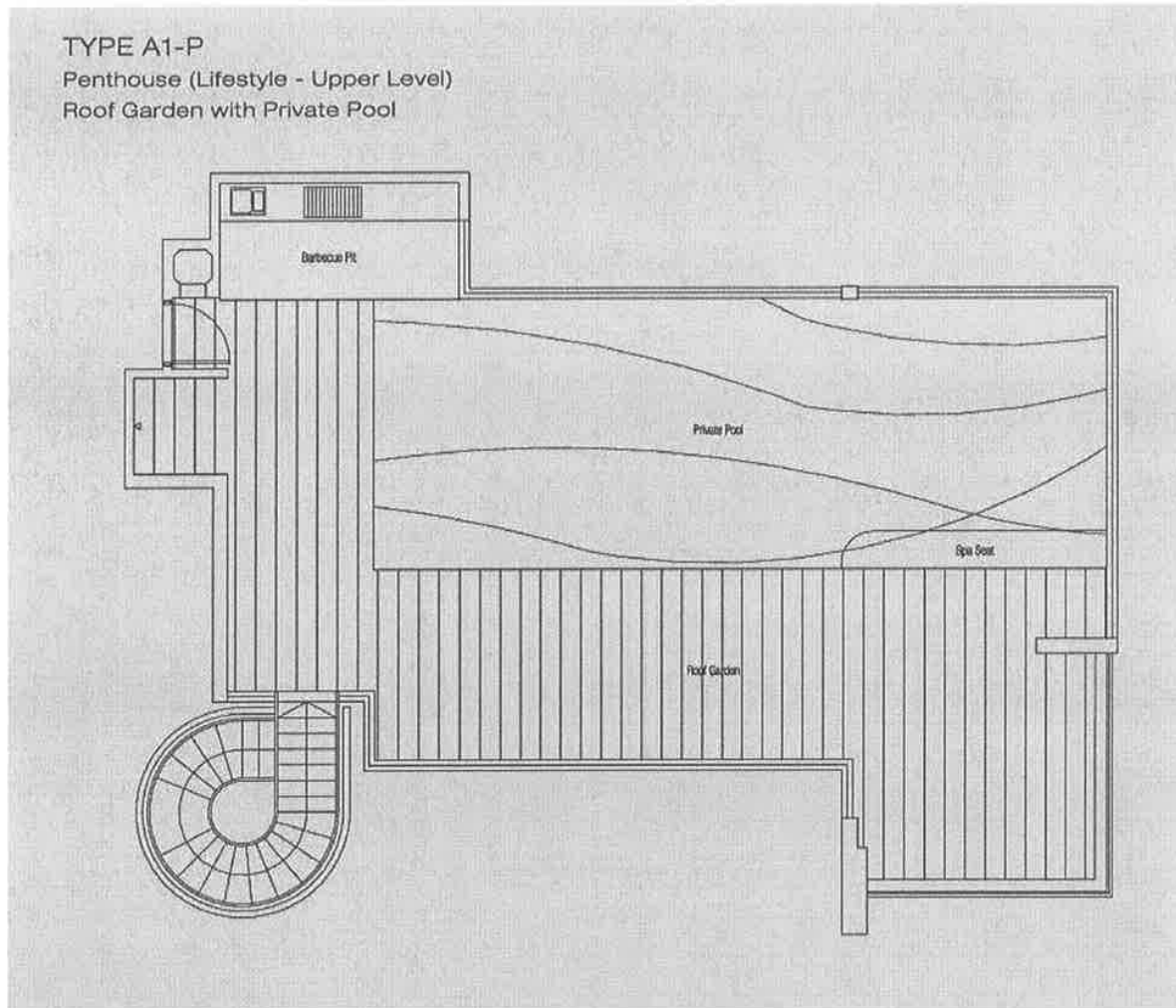
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

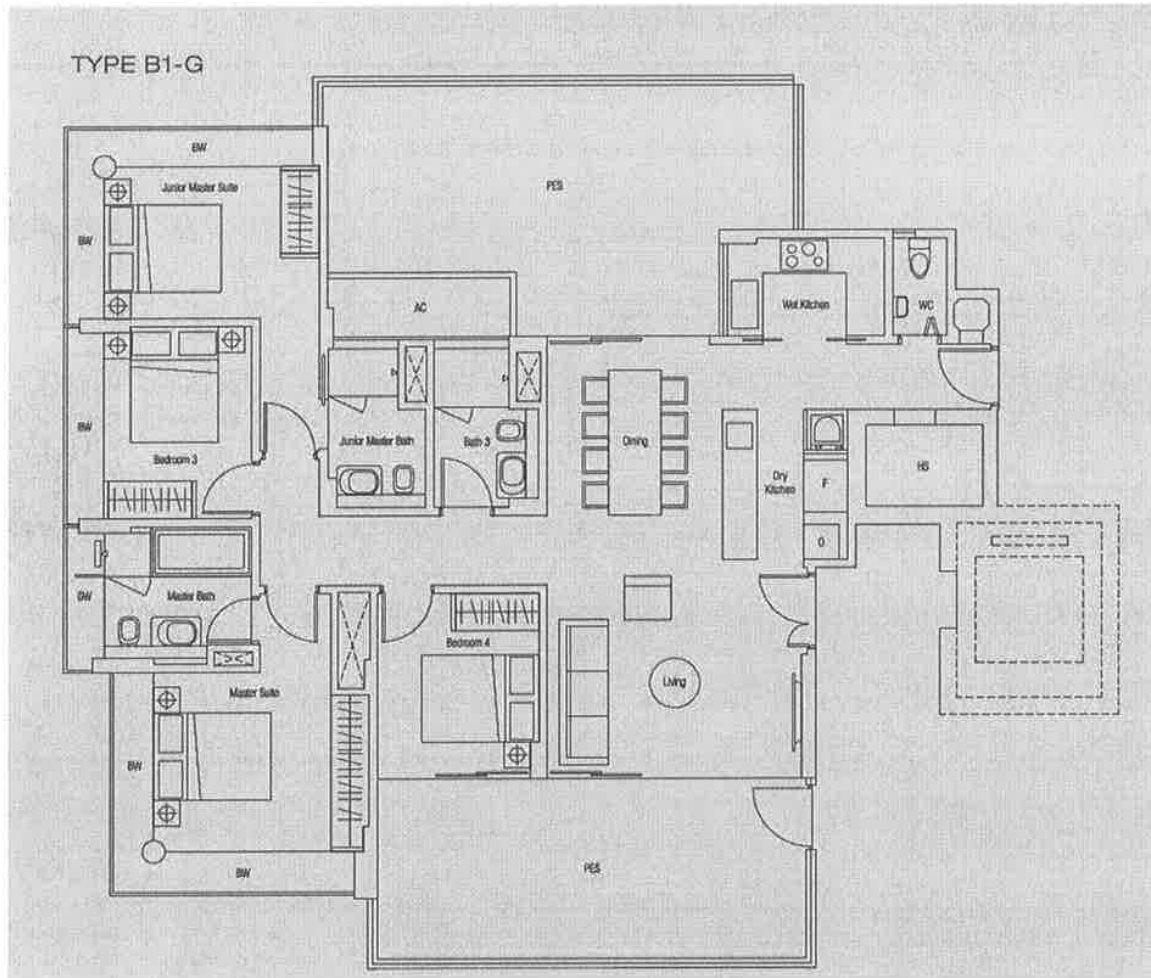
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

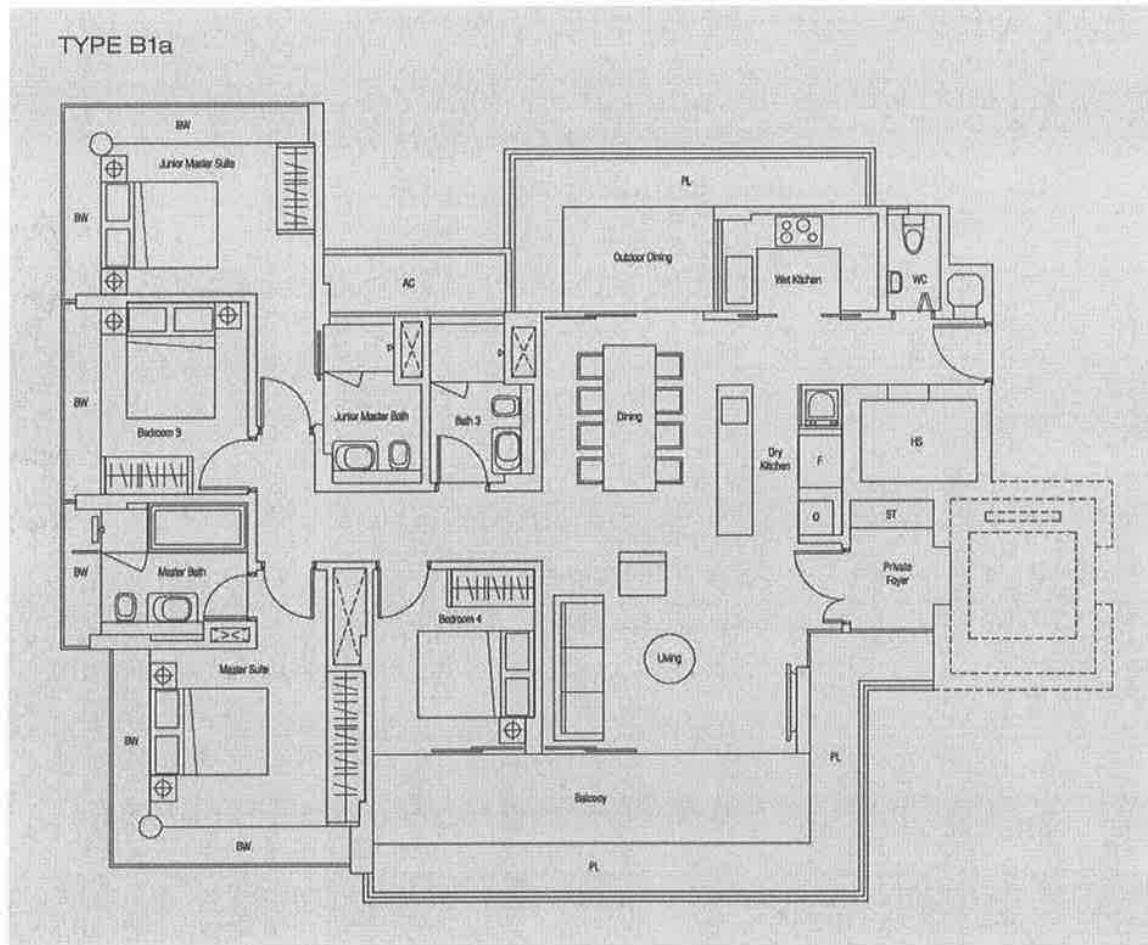
5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

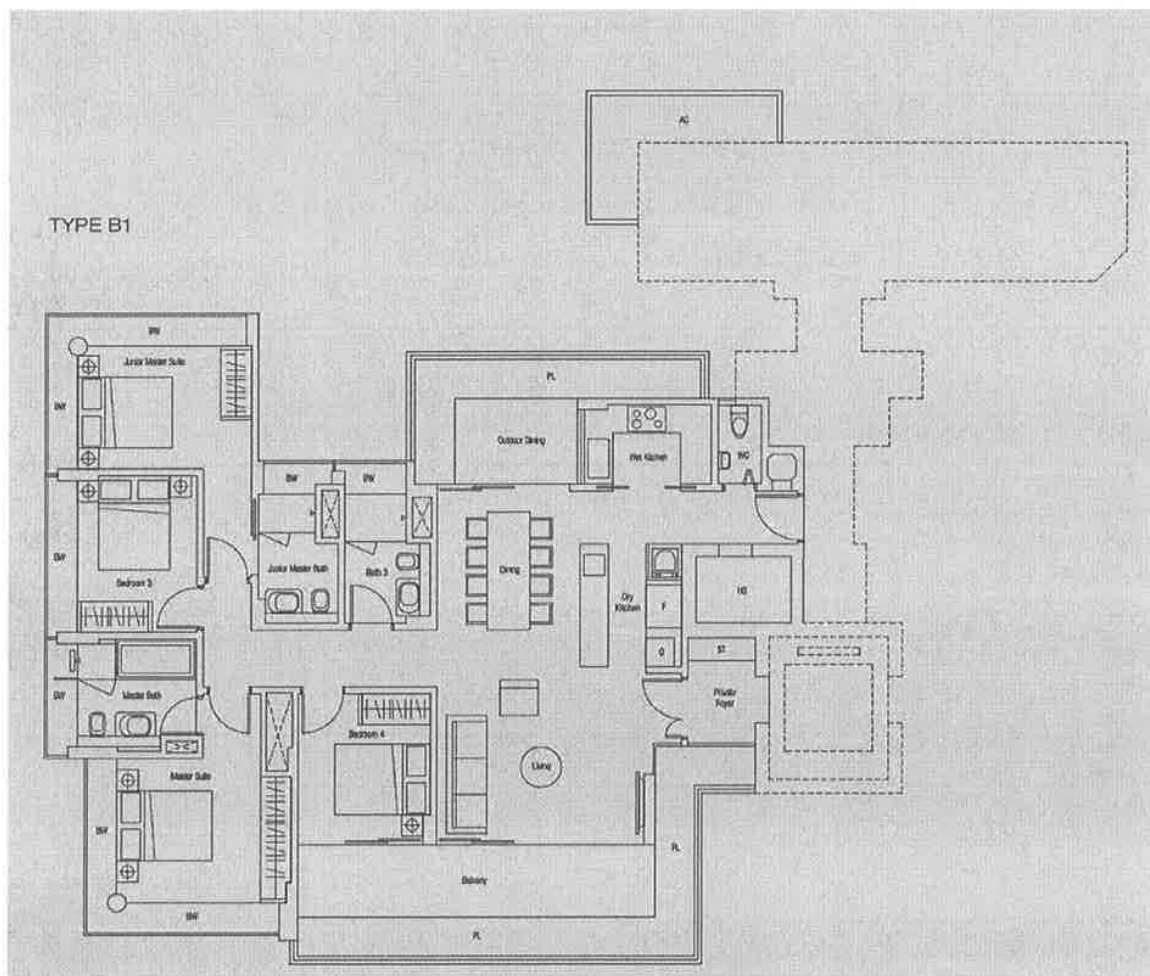
5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

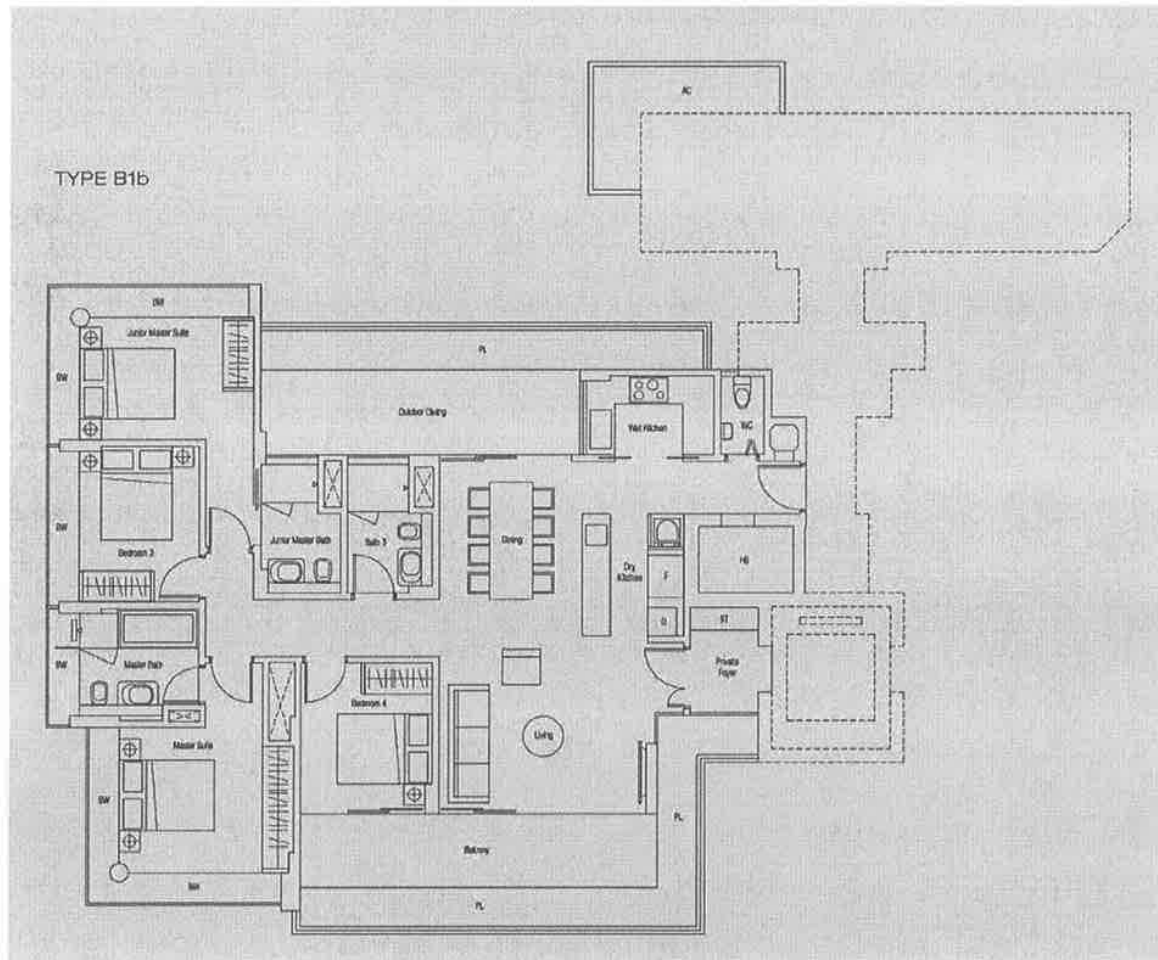
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

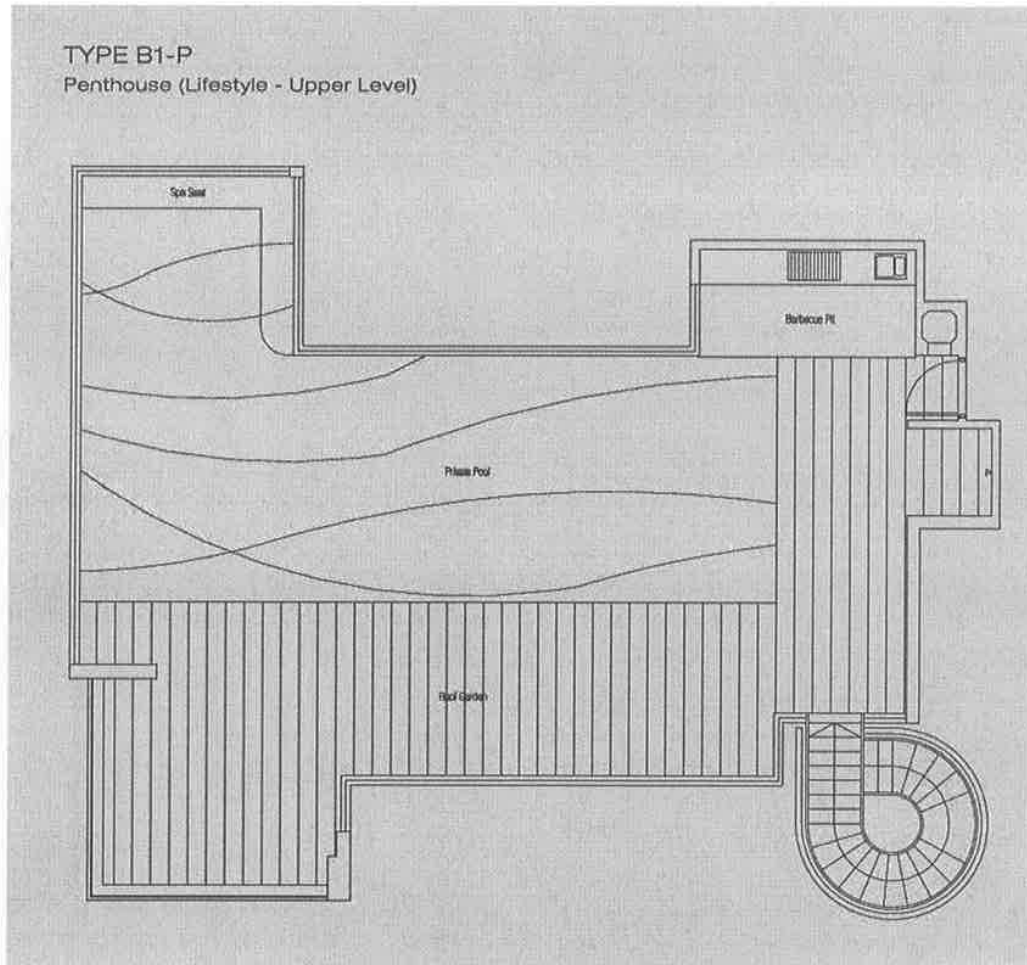
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

TYPE B1-P
Penthouse (Living - Lower Level)

The floor plan illustrates the layout of a penthouse unit. Key features include:

- Living Area:** A large open space with a fireplace, a curved staircase, and a large window.
- Dining Area:** A rectangular dining table with chairs.
- Kitchen:** A kitchen with a wet bar and a dry bar.
- Bedrooms:** Four bedrooms, each with a private closet.
- Bathrooms:** A master suite with a private closet and a master bath.
- Outdoor Area:** A large outdoor dining area, a pool, and a hot tub.
- Storage:** A large closet area.

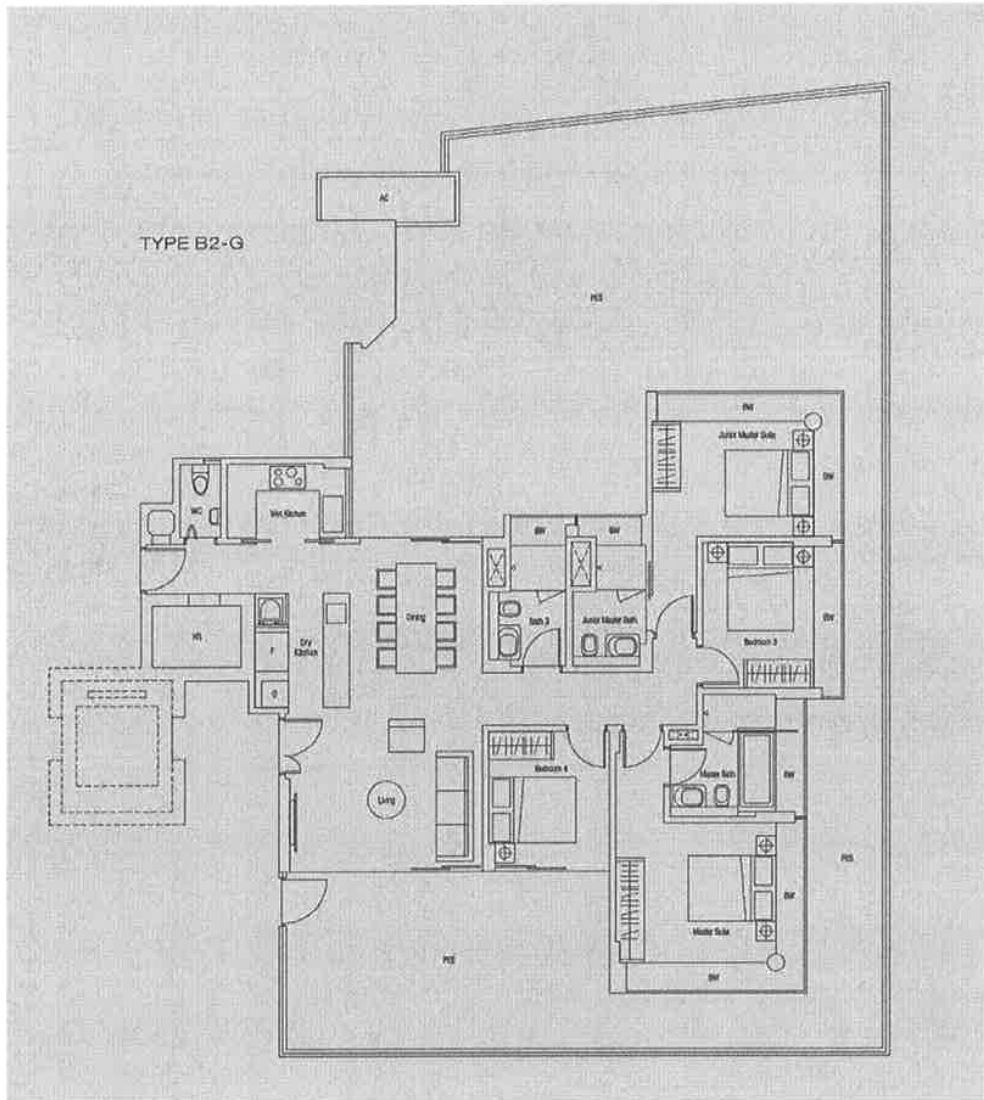
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

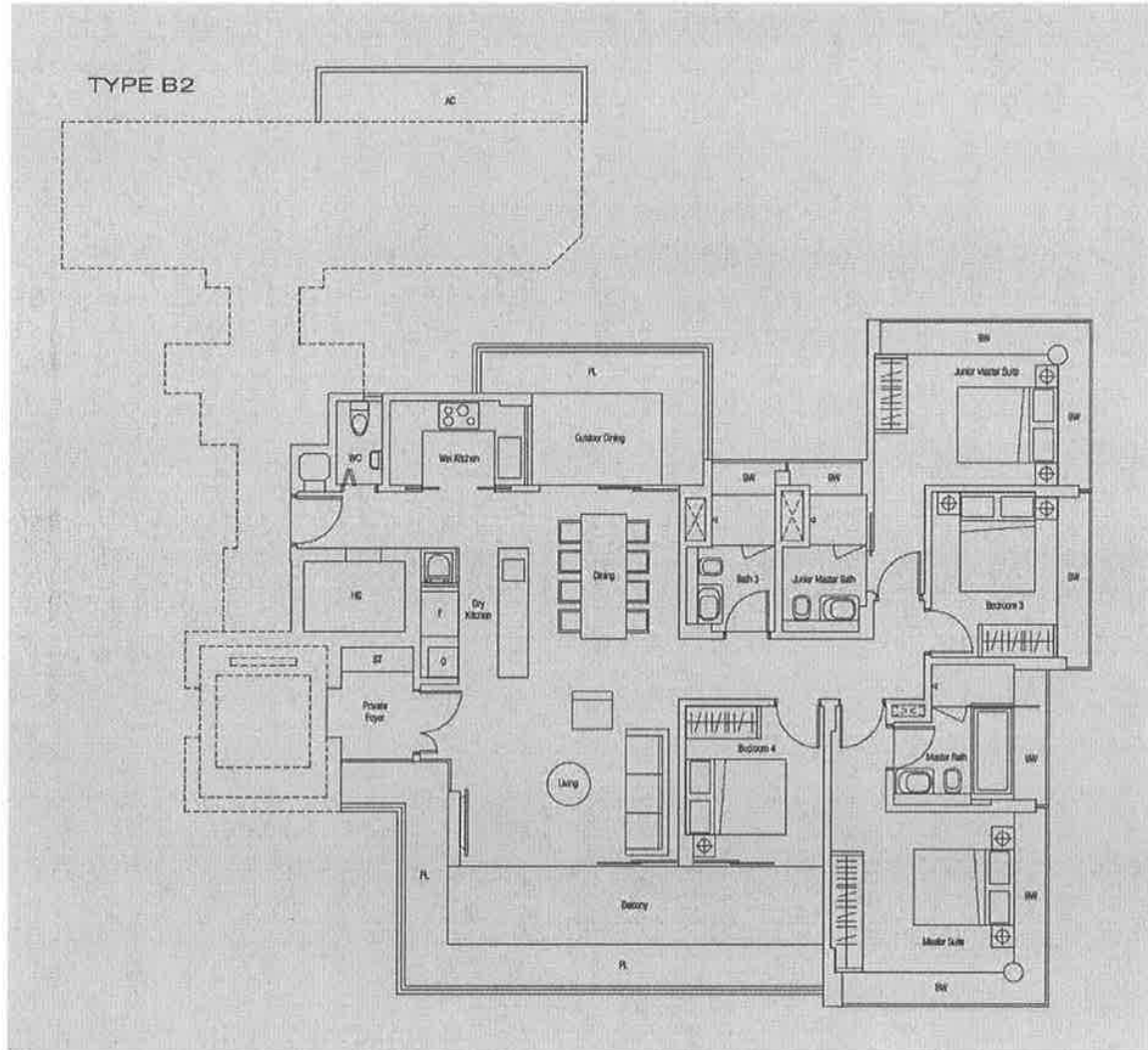
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

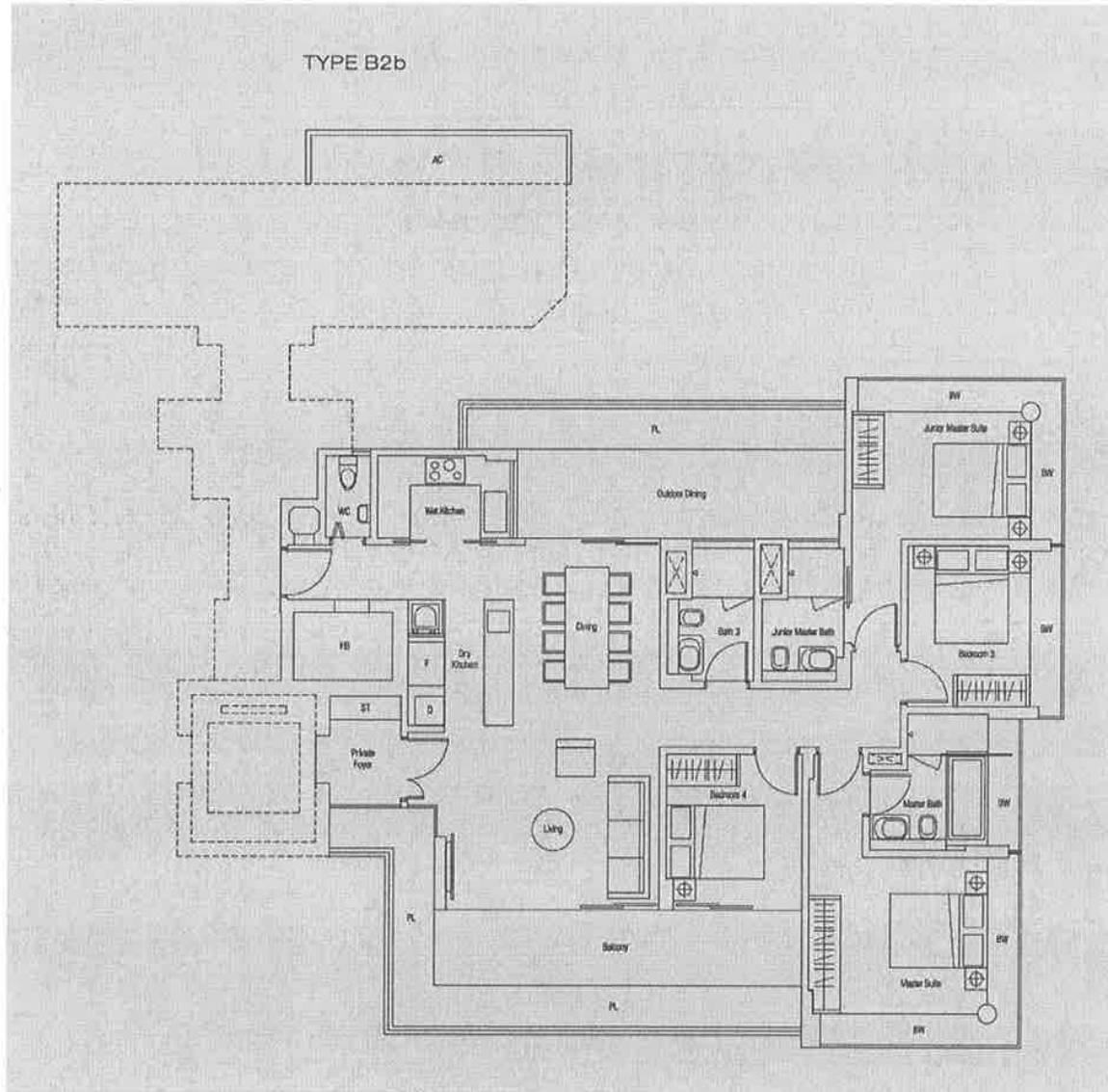
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

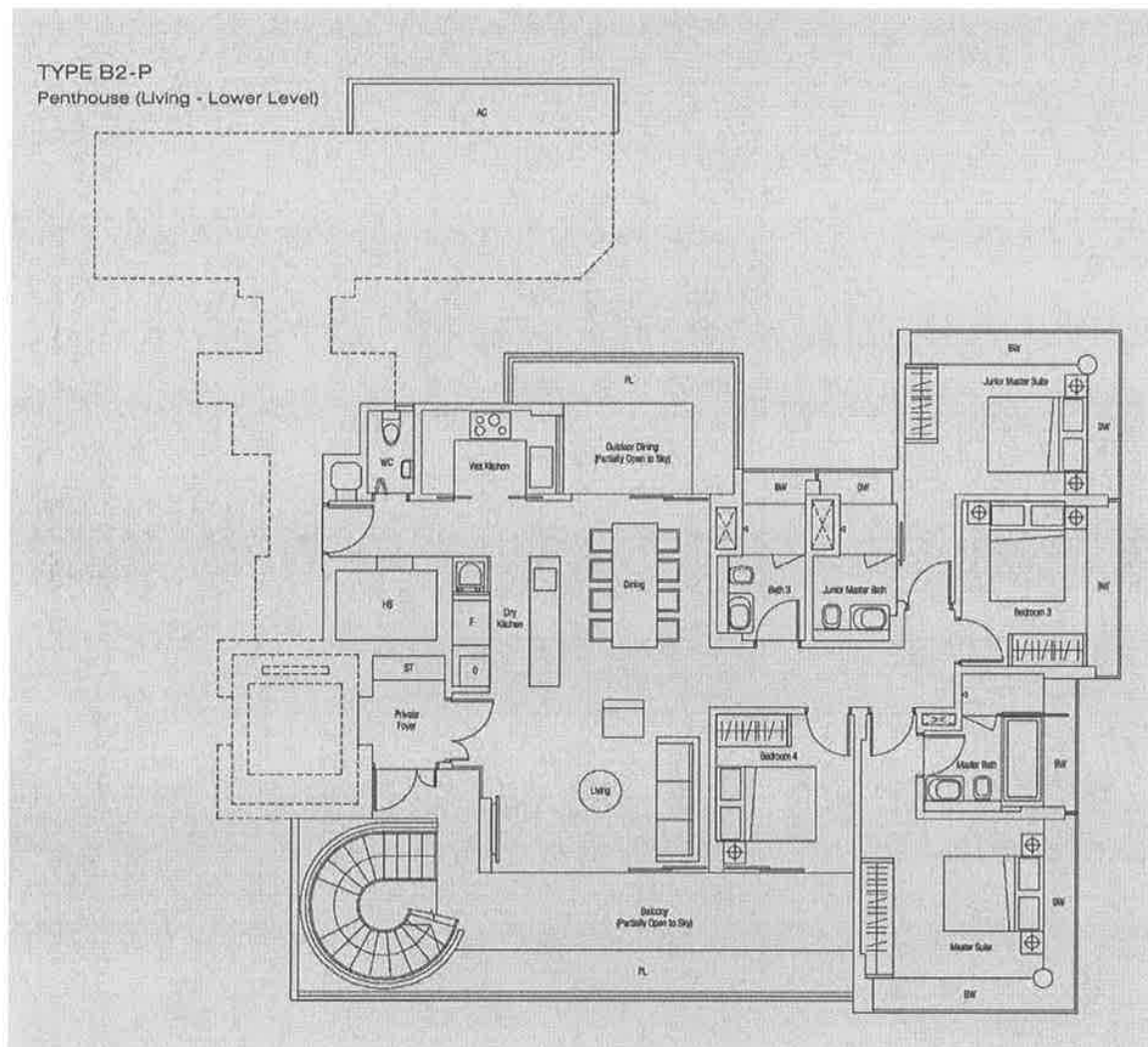
5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822



FLOOR PLAN
(NOT TO SCALE)

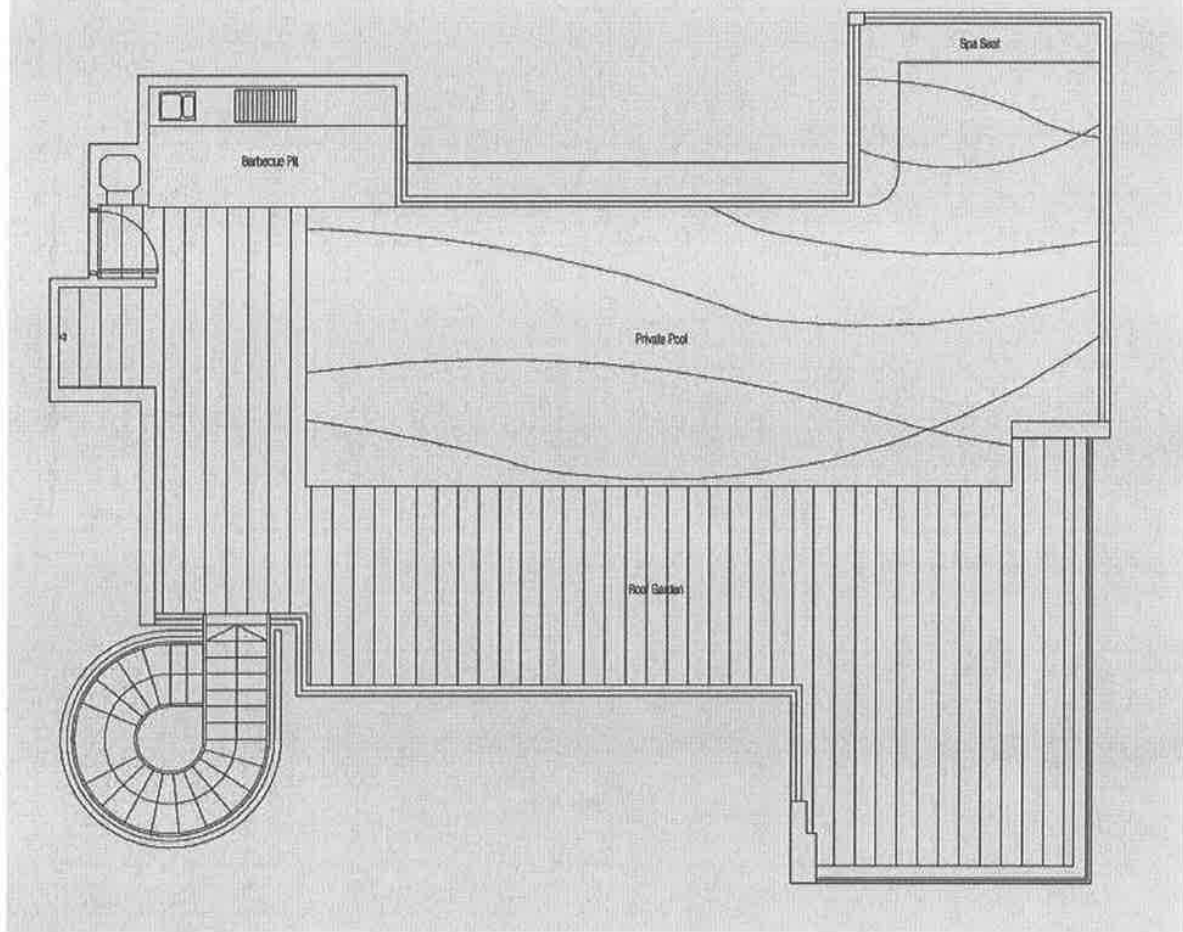
Colliers International Consultancy & Valuation (Singapore) Pte Ltd

5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822

TYPE B2-P

Penthouse (Lifestyle - Upper Level)

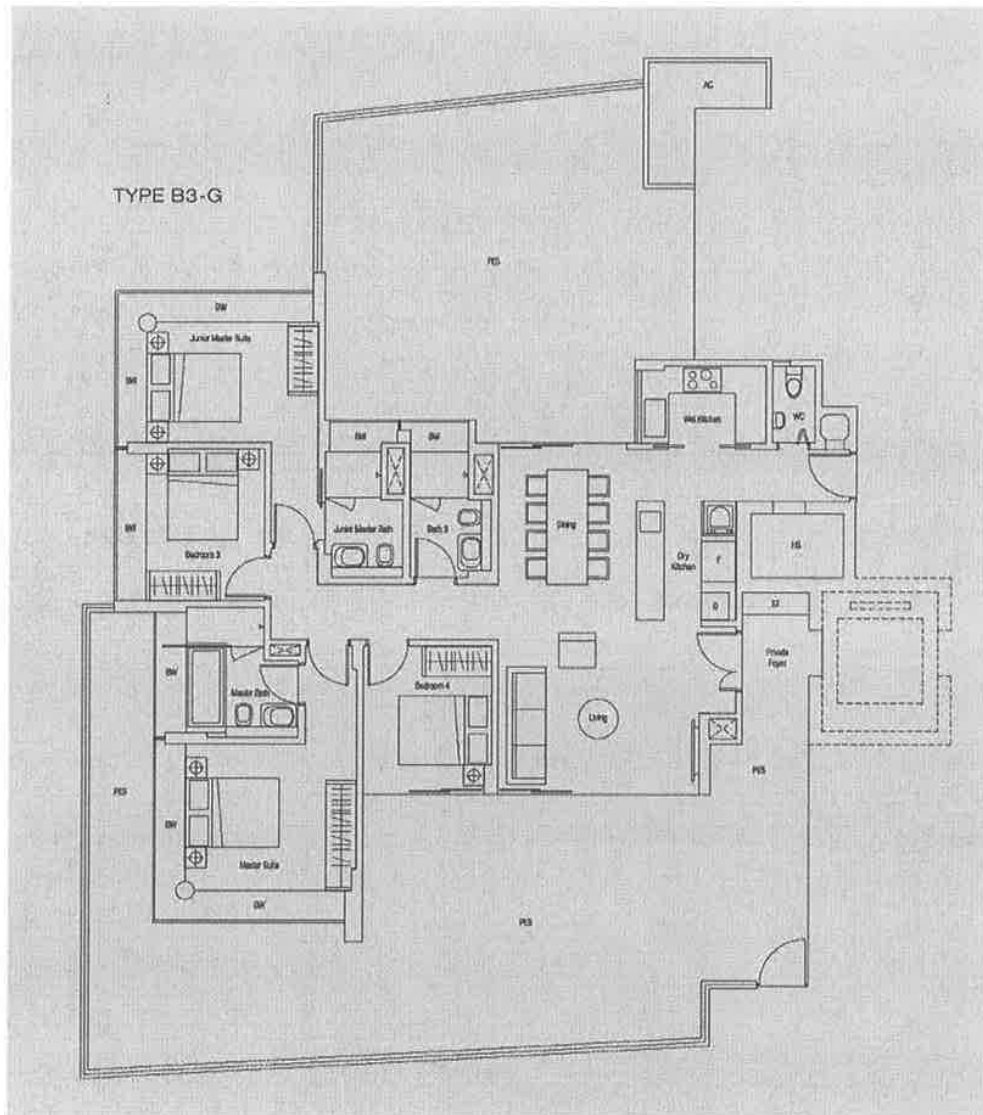
Roof Garden with Private Pool



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

TYPE B3

AC

Junior Master Suite

Bedroom 3

Junior Master Bath

Bath 3

Office

Dining

Kitchen

Dry Kitchen

HG

ST

Private Elevator

Lobby

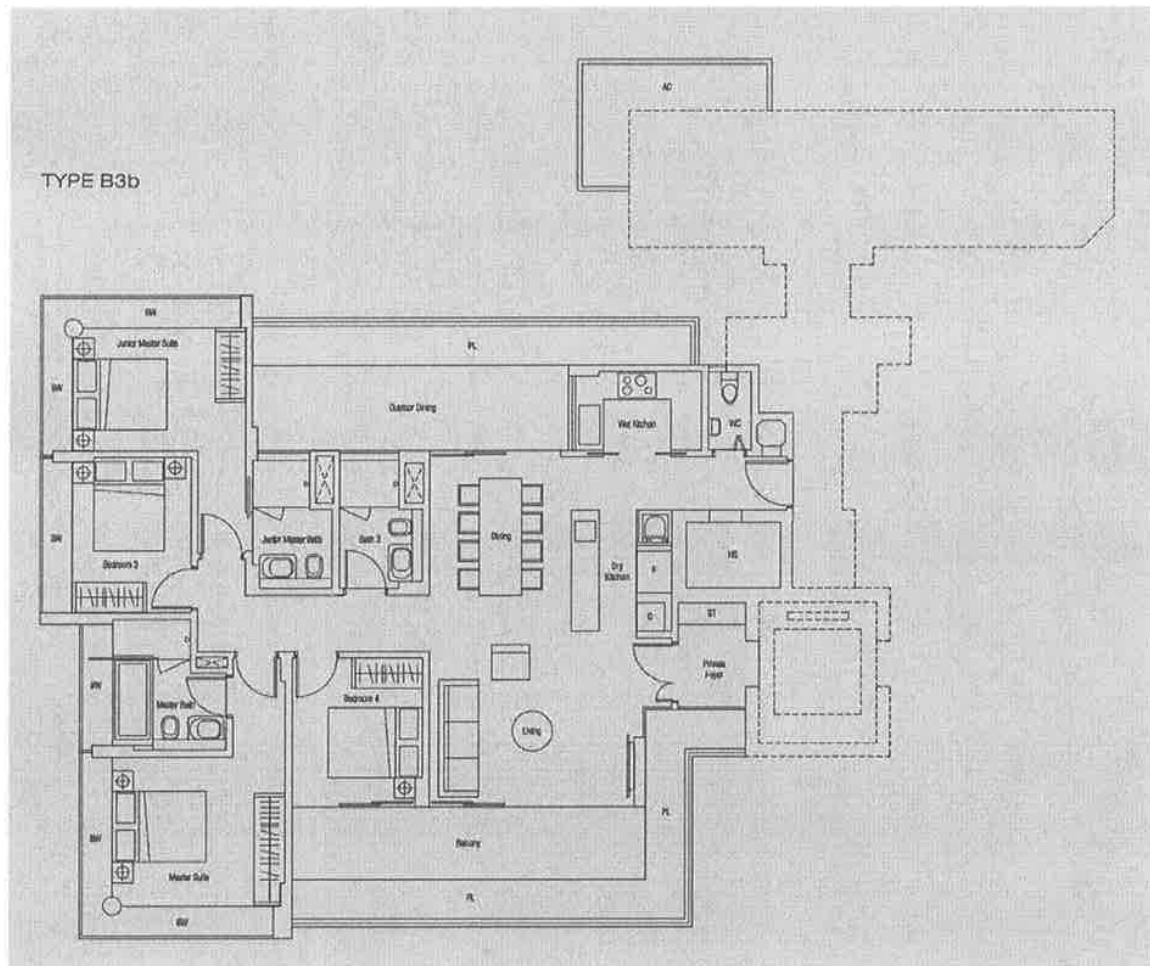
Bedroom 4

Master Suite

Master Bath

63

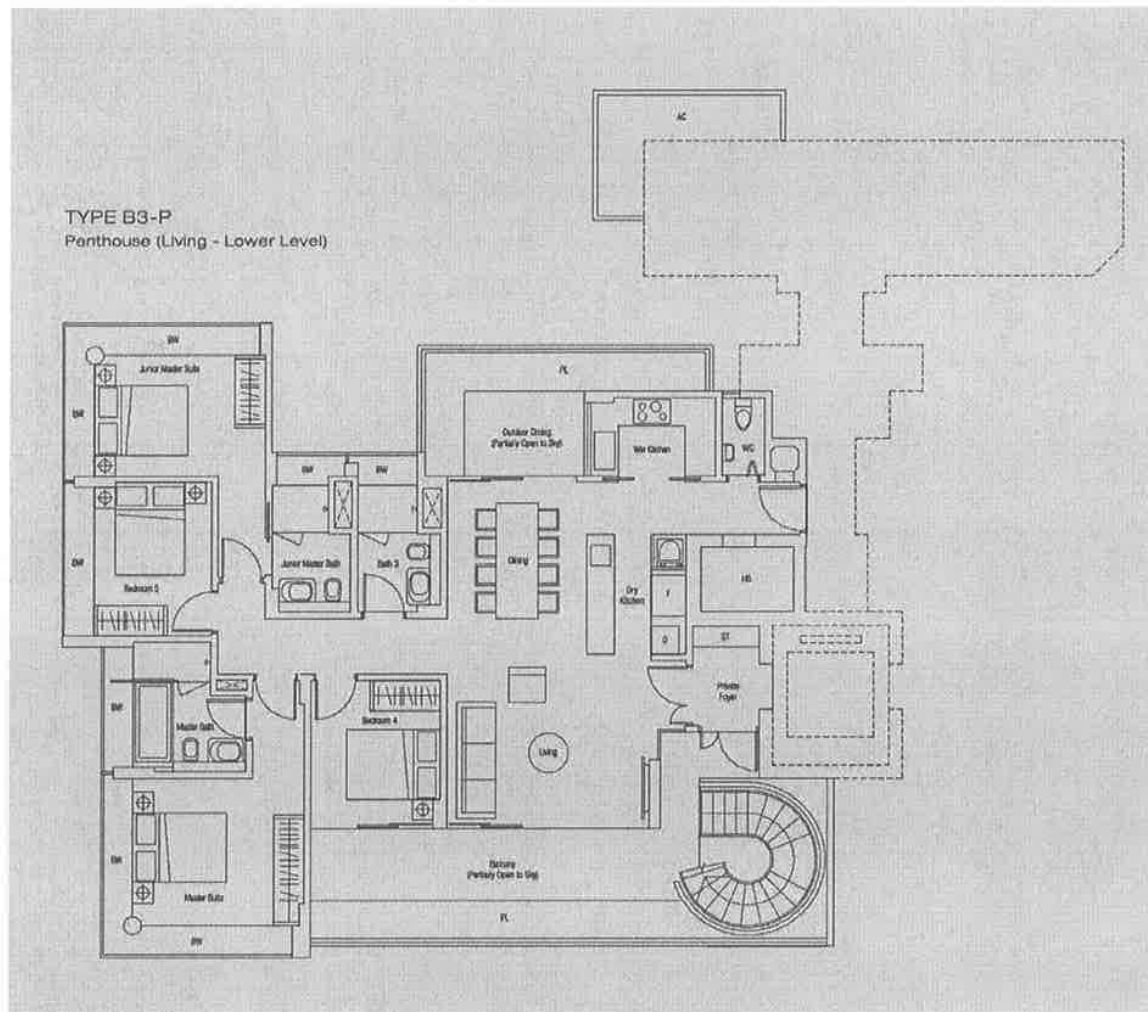
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

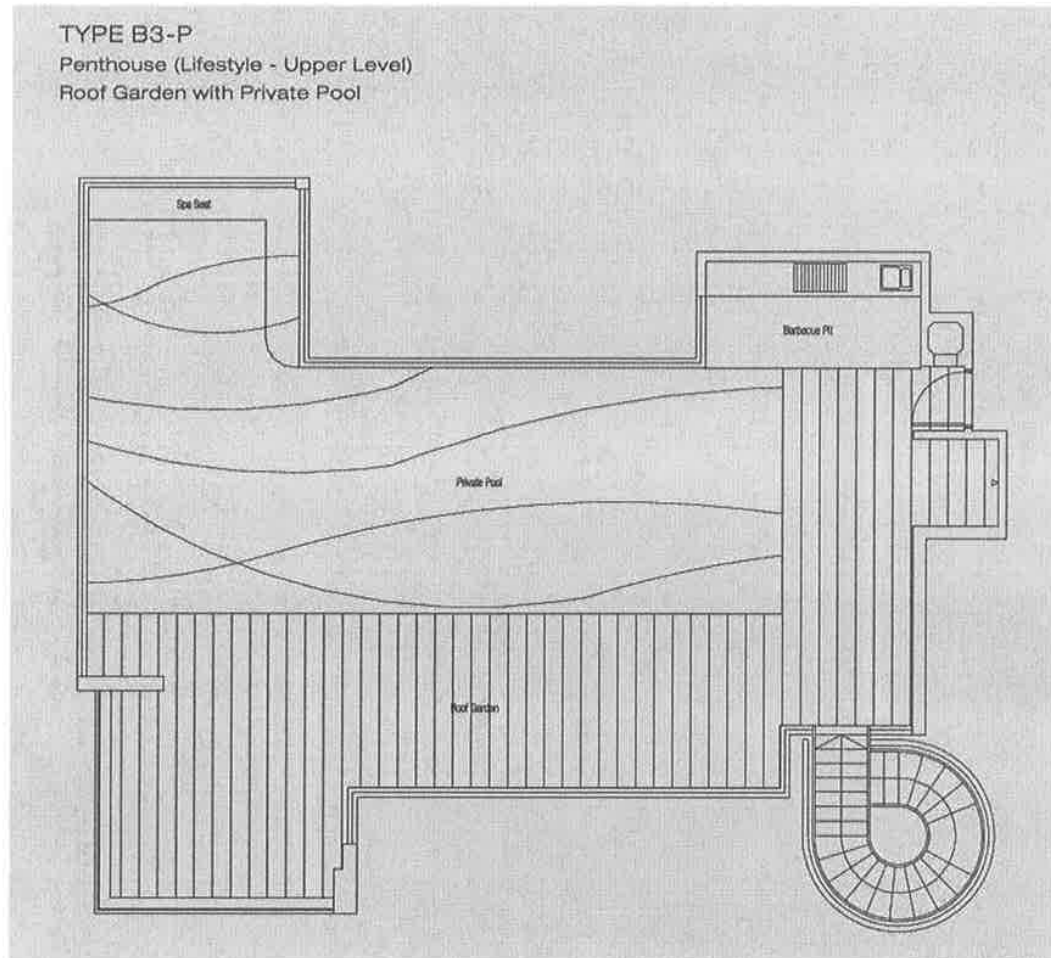
**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**



FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

**5 & 5A BALMORAL ROAD
TREASURE ON BALMORAL
SINGAPORE 259786 & 259822**

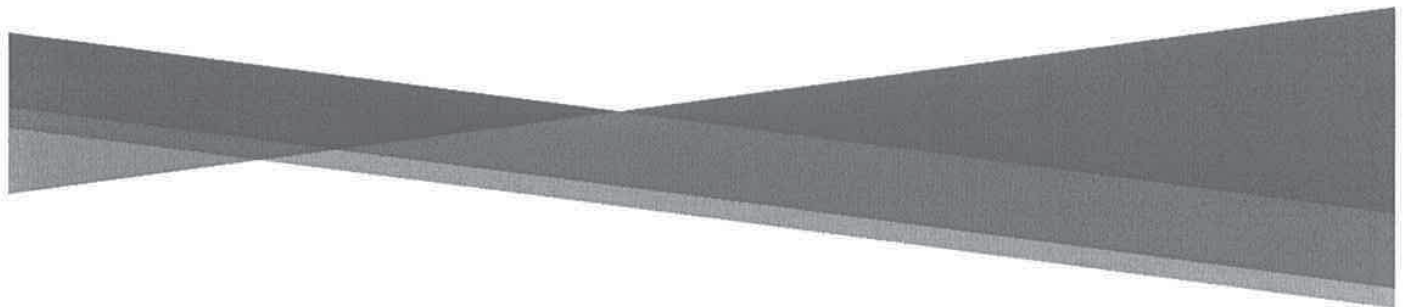


FLOOR PLAN
(NOT TO SCALE)

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

LIMITING CONDITIONS

1. Values are reported in Singapore currency unless otherwise stated.
2. In our valuation it is presumed that the property as currently used is not in contravention of any planning or similar regulations. We shall not be responsible if it is otherwise.
3. For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.
4. No requisition on road, MRT, LRT, drainage and other government proposals has been made. Such information will not be tendered unless specifically requested for and we be properly reimbursed.
5. While due care is exercised in the course of our inspection to note any serious defects, we will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible. Further, we will not be able to report that the building is free from rot, infestations or other defects. The building services will not be tested but will be presumed to be in good working order. We recommend that appropriately qualified persons be engaged to undertake investigations excluded from our scope of work.
6. Neither the whole nor any part of this valuation report or any reference to it may be included in any document, circular or statement or be published in any way without our prior written consent to the form and context in which it may appear. We shall bear no responsibility for any unauthorised inclusion or publication and reserve the right to claim for any loss, liability, costs or expenses (including but not limited to professional or executive time) we may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.
7. In accordance with our usual practice, we must state that this valuation report is restricted to the client or person to whom this valuation report is specifically addressed to and for the specific purpose stated therein and to be used within a reasonable time. We disclaim any liability should it be used by any other person or for any other purpose(s) or beyond a reasonable time.
8. Where it is stated in the valuation report that information has been supplied to us by another party, the information is presumed to be reliable and we do not accept any responsibility should it be proven otherwise. The study of possible alternative development options and the related economics are not within the scope of this report unless expressly stated.
9. Our opinion of the market value of the property is free from any influence and/or point of views of any other parties.
10. Any market projections incorporated within our services including but not limited to, income, expenditure, associated growth rates and other variables are projections only and may prove to be inaccurate. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.
11. No allowance will be made in our valuation report for any charges, mortgages or other claims affecting the property nor for any costs, expenses, taxation or outgoings which may be involved in any transaction of the property.
12. The title to the property is presumed to be good and marketable and, unless mentioned in this valuation report, be free from any encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title, searches and requisitions and other such legal matters.
13. Any plans included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.
14. All Location Plans are obtained from Streetdirectory.com. Whilst we do make every endeavour to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.
15. We shall not be required to give testimony or to appear in court or 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. For the avoidance of doubt, our directors and employees shall have no liability in respect of their private assets. The amount of aggregate liability of Colliers is limited to the fee for this service.



CONTACT DETAILS

TEL 65 6223 2323

FAX 65 6438 6826

Colliers International Consultancy & Valuation

Singapore Pte Ltd

1 Raffles Place #45-00

One Raffles Place

Singapore 048616

www.colliers.com

HIAP HOE LIMITED

Company Registration Number 199400676Z
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of HIAP HOE LIMITED (the “**Company**”) will be held at Ramada Singapore at Zhongshan Park, 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 on 23 March 2015 at 11.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following Ordinary Resolution:

*Unless otherwise defined, all terms defined in this Notice of EGM shall have the same meanings as those defined or construed in the Circular dated 6 March 2015 (the “**Circular**”) issued by the Company to the Shareholders.*

ORDINARY RESOLUTION - THE PROPOSED DISPOSAL OF 100% OF THE ISSUED AND PAID UP SHARE CAPITAL OF HIAP HOE SUPERBOWL JV PTE LTD AND ASSIGNMENT OF THE EXISTING SHAREHOLDERS’ LOANS TO HIAP HOE HOLDINGS PTE LTD

THAT, approval be and is hereby given:

- (a) for the Proposed Disposal on the terms and subject to the conditions set out in the SPA; and
- (b) for the Directors of the Company and each of them to be authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be necessary or expedient for the purpose of completing the Proposed Disposal and/or the transactions contemplated by this resolution.

By Order of the Board

Lai Foon Kuen
Company Secretary

Singapore
6 March 2015

Notes:

- 1. A member of the Company (“**Member**”) entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote on his/her behalf. A proxy need not be a Member of the Company.
- 2. The instrument appointing a proxy or proxies that has been executed by a Member, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof), must be lodged at the registered office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983, not less than 48 hours before the time appointed for the EGM. The sending of a Proxy Form by a Member does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.
- 3. **Personal data privacy:** By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, or by attending the EGM, a Member (a) 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 EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (b) 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 (c) agrees that the Member will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Member’s breach of warranty. In addition, by attending the EGM and/or any adjournment thereof, a Member consents to the collection, use and disclosure of the Member’s personal data by the Company (or its agents) for any of the Purposes.

This page has been intentionally left blank.

HIAP HOE LIMITED

Company Registration Number 199400676Z
(Incorporated in the Republic of Singapore)

Important:

1. For investors who have used their CPF monies to buy shares in the capital of Hiap Hoe Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. 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.
3. CPF Investors who wish to attend the EGM as OBSERVERS have to submit their requests through their CPF Approved Nominees so that their Agent Banks may register with the Company Secretary of Hiap Hoe Limited within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We* _____ (Name) of

_____ (Address)

being a Member/Members* of Hiap Hoe Limited (the “Company”) hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholdings %
Address		

and/or failing him/her (delete as appropriate):

Name	NRIC/Passport Number	Proportion of Shareholdings %
Address		

or failing him, the Chairman of the EGM as my/our proxy/proxies, to attend and vote for me/us on my/our behalf and, if necessary, to demand a poll at the EGM of the Company to be held at Ramada Singapore at Zhongshan Park, 16 Ah Hood Road, Zhongshan Room Level 2, Singapore 329982 on 23 March 2015 at 11.00 a.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolution to be proposed at the EGM 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.

	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**
Ordinary Resolution				
The Proposed Disposal of 100% of the issued and paid up share capital of Hiap Hoe SuperBowl JV Pte Ltd and assignment of the Existing Shareholders' Loans to Hiap Hoe Holdings Pte Ltd				

* Please indicate how you wish to vote “For” or “Against” with an “X” within the box provided.

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

Dated this _____ day of _____ 2015

Total Number of shares in:	
(a) CDP	
(b) Register of Members	

Signature(s) of shareholder(s) or
common seal of corporate shareholder



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 of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A Member 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 on his behalf. Where a Member appoints two proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of the proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as alternate to the first named or at the Company's option to treat the instrument of proxy as invalid.
3. The instrument appointing the proxy or proxies must be deposited at the registered office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983, not less than 48 hours before the time appointed for the EGM.
4. The instrument appointing the 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.
5. Where the instrument appointing a proxy is signed by an attorney, the letter or power of attorney or other authority, if any, or a duly certified copy thereof shall (failing previous registration with the Company), if required by law, be stamped and be deposited at the registered office of the Company, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
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 EGM, in accordance with section 179 of the Companies Act (Chapter 50) of Singapore.

General:

The sending of a Proxy Form by a Member does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked. 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. In addition, in the case of Members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such Members are not shown to have shares entered against their names in the Depository Register as at 48 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

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