

**CIRCULAR DATED 25 APRIL 2013**

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

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately. If you have sold or transferred all your Shares (as defined herein) represented by physical share certificate(s), you should immediately send this Circular, the Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been prepared by Logistics Holdings Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this Circular.

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

The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 6229 8088.



寶特控股有限公司

**LOGISTICS HOLDINGS LIMITED**

(Company Registration No.: 201224643D)  
(Incorporated in the Republic of Singapore)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

**THE PROPOSED DIVERSIFICATION OF THE EXISTING CORE BUSINESS  
(AS DEFINED IN THE CIRCULAR) OF THE COMPANY TO INCLUDE THE PROPOSED BUSINESS  
(AS DEFINED IN THE CIRCULAR)**

**IMPORTANT DATES AND TIMES:**

Latest Date and Time for Lodgement of Proxy Form	:	8 May 2013 at 3.00 p.m.
Date and Time of Extraordinary General Meeting	:	10 May 2013 at 3.00 p.m.
Place of Extraordinary General Meeting	:	24 Kranji Road Singapore 739465

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless otherwise stated.

### **Companies, Organisations and Agencies**

“Apex Projects”	:	Apex Projects Pte. Ltd.
“BCA”	:	Building and Construction Authority, a statutory board established on 1 April 1999 under the Ministry of National Development through the merger of the Construction Industry Development Board and the Building Control Division of the Public Works Department
“CDP”	:	The Central Depository (Pte) Limited
“Company”	:	Logistics Holdings Limited
“Group”	:	The Company and its Subsidiaries
“Logistics Construction”	:	Logistics Construction Pte Ltd
“SGX-ST”	:	Singapore Exchange Securities Trading Limited

### **General**

“Act”	:	Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
“Articles”	:	The Articles of Association of the Company
“ASEAN”	:	Association of Southeast Asian Nations, which at the Latest Practicable Date includes Brunei, Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Cambodia, Laos and Vietnam
“Australasia”	:	The Australasia region which includes Australia and New Zealand
“Board”	:	The board of directors of the Company
“Catalist”	:	The sponsor-supervised listing platform of the SGX-ST
“Catalist Rules”	:	SGX-ST Listing Manual Section B: Rules of Catalist, as from time to time amended, modified or supplemented
“Circular”	:	This circular to Shareholders dated 25 April 2013
“Director(s)”	:	The director(s) of the Company, for the time being

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## DEFINITIONS

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“EGM”	:	The extraordinary general meeting of the Company, notice of which is set out on page 22 of this Circular
“Existing Core Business”	:	Has the meaning ascribed to it in paragraph 2.1 of this Circular
“FY”	:	The financial year ended or ending 30 June
“Latest Practicable Date”	:	15 April 2013, being the latest practicable date prior to the printing of this Circular
“Memorandum”	:	The Memorandum of Association of the Company
“Notice of EGM”	:	The Notice of EGM as set out on page 22 of this Circular
“Ordinary Resolution”	:	The ordinary resolution as set out in the Notice of EGM
“Overseas Construction Business”	:	Has the meaning ascribed to it in paragraph 2.2 of this Circular
“PRC” or “China”	:	The People’s Republic of China, Hong Kong Special Administrative Region and the Macau Special Administrative Region for the purposes of this Circular and for geographical reference only
“Property Business”	:	Has the meaning ascribed to it in paragraph 2.2 of this Circular
“Proposed Business”	:	Has the meaning ascribed to it in paragraph 2.2 of this Circular
“Proposed Diversification”	:	The proposed diversification of the Group’s Existing Core Business to include the Proposed Business
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“Share(s)”	:	Ordinary share(s) in the capital of the Company
“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with Shares
“Subsidiary”	:	A subsidiary company as defined in Section 5 of the Act

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## DEFINITIONS

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“Substantial Shareholder” : A person (including a corporation) who holds (directly or indirectly) not less than five per cent. (5%) of the total votes attached to all the voting Shares in the Company

### **Currencies and Units**

“S\$” and “cents” : Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore

“%” or “per cent.” : Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Act.

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

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

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.

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## LETTER TO SHAREHOLDERS

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### LOGISTICS HOLDINGS LIMITED

(Company Registration No.: 201224643D)  
(Incorporated in the Republic of Singapore)

#### Directors

Pao Kiew Tee *(Non-Executive Chairman and Independent Director)*  
Phua Lam Soon *(Chief Executive Officer)*  
Ong Siew Eng *(Executive Director)*  
Ng Kok Seng *(Executive Director)*  
Foo Shiang Ping *(Non-Executive Director)*  
Timothy Chen *(Independent Director)*

#### Registered Office

24 Kranji Road  
Singapore 739465

**25 April 2013**

**To: The Shareholders of Logistics Holdings Limited**

**Dear Sir/Madam**

#### **1. INTRODUCTION**

- 1.1 The Directors are proposing to convene the EGM to be held on 10 May 2013 to seek Shareholders' approval for the Proposed Diversification.
- 1.2 The purpose of this Circular is to provide Shareholders with relevant information pertaining to, and to explain the rationale for, the Proposed Diversification and to seek Shareholders' approval by way of an Ordinary Resolution at the EGM to be convened. The Notice of EGM is set out on page 22 of this Circular.
- 1.3 The SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.

#### **2. THE PROPOSED DIVERSIFICATION**

##### **2.1 BACKGROUND INFORMATION**

The Group has a track record of more than 27 years in the construction business in Singapore. The Group is principally engaged in building construction works as well as supply and installation of furniture/interior fitting-out works in Singapore in which it acts mainly as a main contractor for primarily the Singapore government and Singapore government-related bodies. As a main contractor, the Group has undertaken a wide range of building construction works such as excavation, piling, sub-structures and superstructures works, architectural works, aluminium cladding and curtain walling, mechanical and electrical ("**M&E**") works, interior fitting-out works, external works and landscaping ("**Existing Core Business**").

The Group undertakes building construction works and supply and installation of furniture/interior fitting-out works through both its wholly-owned subsidiaries, namely, Logistics Construction and Apex Projects.

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## LETTER TO SHAREHOLDERS

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As at the Latest Practicable Date, Logistics Construction is registered with the BCA grading of:

- (i) A2 under the category of CW01 for general building which enables the Company to undertake general building projects with a tendering limit of up to S\$85.00 million;
- (ii) C3 under the category of CW02 for civil engineering which enables the Company to undertake civil engineering projects with a tendering limit of up to S\$0.65 million; and
- (iii) L4 under the category of CR06 for interior decoration and finishing works which enables the Company to undertake interior decoration and finishing works projects with a tendering limit of up to S\$6.50 million,

whilst Apex Projects is registered with the BCA grading of:

- (i) C1 under the category of CW01 for general building which enables the Company to undertake general building projects with a tendering limit of up to S\$4.00 million;
- (ii) C3 under the category of CW02 for civil engineering which enables the Company to undertake civil engineering projects with a tendering limit of up to S\$0.65 million;
- (iii) L1 under the category of CR06 for interior decoration and finishing works which enables the Company to undertake interior decoration and finishing works with a tendering limit of up to S\$0.65 million; and
- (iv) L1 under the category of MW03 for landscaping which enables the Company to undertake landscaping projects with a tendering limit of up to S\$0.65 million.

Logistics Construction and Apex Projects are also registered as a General Builder Class 1 and General Builder Class 2 which enable the Group to undertake general building work with unlimited contract value and contract value of up to S\$6.00 million respectively.

### 2.2 DETAILS OF THE PROPOSED DIVERSIFICATION

Following the receipt of Shareholders' approval, the Group intends to venture into the following activities as and when opportunities arise:

- (a) property construction in ASEAN (including Singapore), China and/or the Australasian countries (the "**Overseas Construction Business**"); and
- (b) property development and property investment in ASEAN (including Singapore), China and/or the Australasian countries (collectively, the "**Property Business**").

(The Overseas Construction Business and the Property Business shall collectively be referred to as the "**Proposed Business**".)



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## LETTER TO SHAREHOLDERS

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Details of the Proposed Business are set out below:

### 2.2.1 Overseas Construction Business

Given the limited size of the construction industry in Singapore, the Group intends to expand the Existing Core Business to include ASEAN, China and/or the Australasian countries for growth. This will involve the Group carrying on its Existing Core Business in other geographical locations.

### 2.2.2 Property Business

#### Property Development

The property development business will involve the Group identifying suitable development sites, acquiring such sites for development of residential, commercial, retail and/or industrial properties, constructing the properties, and then selling or leasing such properties. The Group will not be restricted to property development in Singapore but may pursue opportunities in ASEAN, China and/or the Australasian countries.

The key processes of the property development business are expected to be as follows:

(i) Site evaluation and assessment

The Group will identify potential development sites from announcements of public tenders, government land sales programme, and private tenders or sales. On assessing the viability of a development site, various factors will be taken into consideration, including but not limited to the availability of financing, purchase price of the site, accessibility of the location, amenities of the area, feasibility of a potential property development, profile of the target buyers, market conditions, and restrictions from authorities. These assessments could be done internally or externally by professional consultants engaged by the Group.

(ii) Acquisition of sites

If the results of a site assessment are satisfactory, the Group will proceed to bid for or offer to acquire the available site based on a pre-determined price range to ensure the profitability of acquiring the site for development.

(iii) Appointment of professional consultants

After acquiring the site, the Group will proceed to assemble a team of professional consultants, including architects, interior designers, registered surveyors, and mechanical and electrical engineers to formulate the design of the site, architecture, interior design, and specifications of the development such as the number of units to be built and floor areas of the units. Given the Group's Existing Core Business, certain of these professionals or expertise may be available within the Group. Regulatory approvals and building plan clearances will also be obtained at this stage.

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## LETTER TO SHAREHOLDERS

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(iv) Marketing and sales

Based on the design and building plan approved for the proposed development, showrooms will be built by professional contractors to prepare for the project launch. The marketing strategy for the project will be formulated and external consultants may be engaged to execute the necessary marketing and sales activities, including media advertising, and the design, production and distribution of promotional materials. Sales and marketing agents will be engaged to handle sales of the development at the showrooms during project launch and other channels.

(v) Construction and development of projects

Construction of the development will either be carried out by the Group or through the appointment of a third party contractor.

(vi) Completion

Upon completion of construction, an application will be submitted to the relevant authority for the issue of the temporary occupation permit (or analogous permits in other countries) in respect of the development, and buyers will take possession of the units thereafter.

The Group will embark on property development projects only after evaluating each project on their individual merits. In making its assessment on the method and timing of such projects, the Group will consider the cash flow requirements of the Group, relevant market conditions, growth potential, projected returns and business value enhancements of such projects to the Group.

The Group will acquire development sites either through direct land acquisitions or through acquisition of or joint venture with other parties including property developers.

### Property Investment

As part of the Group's strategy to generate additional and recurrent revenue streams, the Group intends to engage in property investment by acquiring existing properties or investing in entities holding such properties in order to gain through capital appreciation and/or derive rental income by leasing out the investment properties. As and when suitable opportunities arise, the Group intends to build a portfolio of investment properties progressively and selectively, while actively seeking out opportunities for potential property development projects.

## 2.3 RATIONALE FOR THE PROPOSED DIVERSIFICATION

### 2.3.1 Overseas Construction Business and Overseas Property Business Expands the Geographical Scope of the Group's Existing Core Business

The Group is principally engaged in building construction works as well as the supply and installation of furniture/interior fitting-out works entirely in Singapore. The geographical expansion of the Group's Existing Core Business, and venture into the

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## LETTER TO SHAREHOLDERS

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Property Business outside Singapore, will allow the Group to participate in the growth prospects of the construction and/or property industries in ASEAN, China and/or the Australasian countries.

The property construction, property development and property investment industries cycles in these countries, and across different segments within such industries, may not necessarily coincide with that of Singapore's construction and/or property industries, as consumer sentiment, economic conditions and other factors that affect supply and demand in these countries may not coincide with that in Singapore.

In addition, the Overseas Construction Business allows the Group to utilise its accumulated knowledge and expertise in the construction industry in new geographical areas. This reduces the learning curve for the Group, and the Group's focus will then mainly be on appreciating the local differences in the construction industry (including local business practices) in any particular country, as opposed to that of Singapore.

This permits the Group the opportunity to reduce its risk of being dependent upon the construction and/or property sector in Singapore through geographical diversification.

### 2.3.2 Property Development and Property Investment in ASEAN (Including Singapore), China and/or the Australasian Countries Leverages on the Group's Existing Core Business

The Group believes that property development is complementary to the Group's Existing Core Business. The Group believes that with the experience that it has built up in its Existing Core Business and its knowledge of the costs, processes and risks involved in the construction of properties, this would facilitate the Group in the review of prospective projects from a property development perspective. The Group would be able to tap on its accumulated knowledge of the construction industry and better envisage potential problems that could be faced by a property developer, giving the Group the advantage of being able to pre-empt problems that might arise in the course of property development. Steps can then be taken to avoid or minimise such problems which will facilitate the operations and management of a property development project which may result in better returns.

The existing relevant experience and knowledge of the Company's management will assist the Company in identifying appropriate land sites and profitable development projects, as well as effectively managing the property development process, a core component of which is construction. For property development in Singapore, the Company's management could leverage on their networks within the Singapore construction industry to gain an understanding of the popular locations of new property developments and land sites which are available for tender.

The Group also believes that the experience it has gained in assessing the quality of buildings constructed would assist the Group in assessing the value and quality of a potential property which will put the Group in a better position in evaluating potential property investment opportunities. Furthermore, the Group may also leverage on its knowledge of trends of property owners and property developers who engage the Group for construction projects, to select suitable investment properties.

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## LETTER TO SHAREHOLDERS

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### 2.3.3 The Proposed Business Diversifies the Group's Risk and Provides a New Income Stream

The Board believes that the Proposed Diversification would allow the Group to have better prospects of profitability and ensure longer-term growth. The Proposed Diversification would enable the Group to expand its revenue base so that it is not dependent entirely on construction projects in Singapore for its revenue. The availability of the Group's current construction projects is largely dependent on award of contracts by the Singapore government and Singapore government-related bodies and their annual spending. By diversifying its business to include the Proposed Business, the Group will be able to tap on overseas construction markets and property markets and have access to new business opportunities.

The Proposed Business will diversify the Group's earnings base in the following manner:

- (i) Certain segments of the Proposed Business are counter-cyclical to the Group's Existing Core Business – ASEAN, China and the Australasian countries are at different stages of development. Countries where property prices are depressed will present opportunities for the Group to build a portfolio of properties for its property investment segment of the Proposed Business. Countries which enter into the era of rapid urbanisation will bring opportunities for the Group to secure new construction or property development projects.
- (ii) Certain segments of the Proposed Business can provide a stable revenue stream The property investment business, if the investment properties are rented out, will provide a source of monthly income to the Group through the recurring rental payments received.

The Group intends to enter the Proposed Business prudently, while continuing to seek to grow the Group's Existing Core Business with the ultimate aim of enhancing Shareholders' value.

### 2.3.4 Approval is Not Required from Shareholders for Major Transactions that do not Change the Group's Risk Profile

Pursuant to Rules 1013 and 1014 of the Catalist Rules, an acquisition is a major transaction where any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules exceeds 75% but is less than 100% (a "**Major Transaction**"). A Major Transaction must be made conditional upon approval by shareholders in general meeting. For further details on the Rules 1006, 1013 and 1014, please refer to the Catalist Rules.

Pursuant to Practice Note 10A of the Catalist Rules, save where the acquisition changes the risk profile of the issuer, shareholders' approval is not required for a Major Transaction if the acquisition will result in an expansion of the issuer's existing core business. Practice Note 10A further states that the SGX-ST takes the view that it should not in normal circumstances require an issuer to seek shareholders' approval if the expansion is by way of an acquisition of a similar business, when other means to expand its business that are open to the issuer would not require shareholders' approval.

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## LETTER TO SHAREHOLDERS

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With the Proposed Diversification of the Group's Existing Core Business to include the Overseas Construction Business and the Property Business, the Group will, in its normal course of business, be able to enter into any transaction relating to the Overseas Construction Business and/or the Property Business without the need for further Shareholders' approval even though such transaction constitutes a Major Transaction, unless such transaction changes the risk profile of the Group. This substantially reduces the administrative time and expenses in convening separate general meetings to seek Shareholders' approval and consequently, facilitates the Group's pursuit of its corporate objectives and increasing the Group's responsiveness to business opportunities that avail to the Group.

For the avoidance of doubt, notwithstanding the Proposed Diversification of the Group's Existing Core Business to include the Overseas Construction Business and/or the Property Business, in respect of transactions:

- (i) which fall within the definition of Rule 1002(1) of the Catalist Rules, Rules 1010 and 1014 of the Catalist Rules will still apply;
- (ii) where any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules exceeds 100% or results in a change in control of the issuer, Rule 1015 of the Catalist Rules will still apply to such transactions and such transactions must be, among others, made conditional upon approval by Shareholders in general meeting; and
- (iii) which constitute an "interested person transaction" as defined under the Catalist Rules, Chapter 9 of the Catalist Rules will apply to such transaction and the Company will comply with the provisions of Chapter 9 of the Catalist Rules.

### 2.4 FINANCIAL EFFECTS OF THE PROPOSED DIVERSIFICATION

The Proposed Diversification is not expected to have a significant financial impact on the Group's net tangible asset per Share and earnings per Share for FY2013.

Should there be any material impact on the Group's net tangible asset per Share and earnings per Share for FY2013, the Company will make the necessary announcements at the appropriate time.

### 2.5 MANAGING THE PROPOSED BUSINESS

The Proposed Business will be under the supervision of the Group's Chief Executive Officer, Mr Phua Lam Soon and Executive Directors, Ms Ong Siew Eng and Mr Ng Kok Seng, who will provide the strategic vision and policy on the Proposed Business. In making their decisions, they will, where necessary and appropriate, seek the advice of reputable external consultants and experts.

Mr Phua Lam Soon has more than 27 years of experience in the building construction industry in Singapore. Ms Ong Siew Eng, the spouse of Mr Phua Lam Soon, has been responsible for the Group's human resource and administrative functions since the incorporation of Logistics Construction and Apex Projects in 1992 and 2008 respectively. Mr Ng Kok Seng is a veteran in the construction industry with more than 15 years of experience.

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## LETTER TO SHAREHOLDERS

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With their extensive experience in construction and their networks in the real estate business, Mr Phua Lam Soon, Ms Ong Siew Eng and Mr Ng Kok Seng have gained a good understanding of Singapore's construction and property market, and have accumulated the requisite knowledge in relation to the Property Business in Singapore.

The Group will strengthen the management expertise in the Proposed Business with additional headcount as and when necessary and/or appoint third party professionals for advice. The Group may foster partnerships with various third parties to assist it in undertaking the Proposed Business more effectively and efficiently as the Group seeks to build its expertise and capabilities in the field. Such partnerships may be established either on a case to case basis or on a term basis.

Where appropriate, aspects of the Proposed Business may be outsourced to third party contractors. This may include, for example, appointing marketing agents to facilitate the sale, purchase or lease of properties to the Group's customers. In selecting contractors, the Group will take into account the specific expertise and competencies required for the project in question and the experience, historical track record and financial standing of the party concerned.

Before undertaking any major project in the Proposed Business, management will prepare a feasibility study containing financial forecasts, risk analysis, market study, background of any main contractors or joint venture partners, and funding needs of the project concerned. In addition, the Board, which reviews the risk exposure of the Group for all its businesses at regular intervals, will additionally review the risk exposure of the Proposed Business at frequent intervals of no less than six months.

### 2.6 FINANCING THE PROPOSED BUSINESS

The Group plans to finance the Proposed Business using a combination of internal funds, bank borrowings as well as working with joint venture partners who will be able to provide funding for projects. As and when necessary and deemed appropriate, the Group may explore secondary fund raising exercises by tapping the capital markets.

With the exception of finance leases for certain items of machinery and equipment not exceeding S\$104,000 and a term loan for the Group's leasehold premise at 24 Kranji Road, Singapore 739465 not exceeding S\$741,000 as at the Latest Practicable Date, the Group has no other bank borrowings. Hence, there is sufficient headroom for debt-financing, as required. The Group's consolidated cash and cash equivalent as at 31 December 2012 was approximately S\$10.36 million and the market capitalisation as at the Latest Practicable Date was S\$33.32 million.

### 2.7 RISK FACTORS

The following is a list of key risk factors that are associated with the addition of the Proposed Business to the Group's Existing Core Business. The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Company or are currently not deemed to be material. If any of the following considerations and uncertainties develops into actual events, the business, results of operations, financial condition and prospects of the Group could be materially and adversely affected.

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## LETTER TO SHAREHOLDERS

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### **Risks Associated with the Proposed Diversification**

#### ***The Group does not have any proven track record and operating history in the Proposed Business***

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

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

#### ***The Group may not have the ability nor sufficient expertise to execute the Proposed Business***

The Group's ability to successfully diversify into the Proposed Business is dependent upon its ability to adapt its existing knowledge and expertise and to understand and navigate the Proposed Business. There is no assurance that the Group's existing experience and expertise will be sufficient for the Proposed Business, or that the employees hired by the Group to implement the Proposed Business at various geographical locations will have the relevant experience and knowledge. The Group may also appoint third party professionals, third party contractors and/or foster partnerships with various third parties to assist it in undertaking the Proposed Business more effectively and efficiently. However, there is no assurance that these third party professionals and/or contractors will be able to deliver and/or that these partnerships will be successful. As such, the Group may not be able to successfully implement the Proposed Business and this may adversely affect the Group's financial performance and profitability.

#### ***The Group is exposed to risks associated with acquisitions, joint ventures or strategic alliances***

Depending on available opportunities, feasibility and market conditions, the Group's expansion into the Proposed Business may involve acquisitions, joint ventures or strategic alliances with third parties in Singapore as well as in overseas markets, including ASEAN, China and/or Australasian countries.

Participation in joint ventures, strategic alliances, acquisitions or other investment opportunities involves numerous risks, including the possible diversion of management attention from existing business operations and loss of capital or other investments deployed in such joint ventures, strategic alliances, acquisitions or opportunities. In such events, the Group's financial performance may be adversely affected.

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### ***The Group is subject to various government regulations in the Proposed Business***

The property industry and construction industry in countries in which the Group may operate in is subject to various laws and regulations. Licenses, permits, certificates, consents or regulatory approvals may be required for, among other things, property development and construction services. For example, the property development business in Singapore requires a Housing Developer's license. If the Group fails to obtain the requisite approvals, it will be unable to undertake the relevant segment of the Proposed Business.

The Group must also comply with the applicable laws and regulations in the Proposed Business, failing which the Group may be subject to penalties, have its licenses or approvals revoked, or lose its right to own, develop or manage its properties which may have a material and adverse impact on the Group's business, financial condition, results of operations and prospects.

Further, any changes in applicable laws and regulations could result in higher compliance costs and adversely affect the operations of the Group and the financial performance of the Group.

### ***The Group may face intense competition from existing competitors and new market entrants in the Proposed Business***

Both the Property Business and the Overseas Construction Business are highly competitive, with strong competition from established industry participants who may have larger financial resources or stronger track records. The Group may not be able to provide comparable services at lower prices or respond more quickly to market trends than potential or existing competitors who may have larger financial resources and/or stronger track records. In the event that the Group is unable to be competitive, the Group's financial position and performance will be adversely affected.

### ***The Group is susceptible to fluctuations in foreign exchange rates that could result in the Group incurring foreign exchange losses***

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

### ***Risks Associated with the Overseas Construction Business and the Property Business in ASEAN, China and Australasia***

The Group's strategy to carry out the Proposed Business in other geographical locations is subject to numerous risks and uncertainties that are normally associated with expanding into overseas markets. These include, but are not limited to: (i) inability to obtain local government approvals, permits, licenses or documents of a similar nature for the Group's overseas expansion in a timely manner or at all and potential restrictions on foreign investment; (ii) possibility of cost overruns, construction delays, equipment problems, and other operating difficulties; (iii) insufficient management resources and potential increase in labour costs; (iv) inability to comply with foreign labour, industrial and tax regulations; (v) lower than expected demand and lack of acceptance by local customers of the Group's development properties and/or construction services; (vi) high sales and marketing costs;



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## LETTER TO SHAREHOLDERS

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(vii) difficulty in expanding the sales and service network; (viii) difficulty in implementing quality control policies in the Group's overseas operations; (ix) difficulty in sourcing raw materials in the Group's overseas operations; (x) difficulty in controlling costs; (xi) lack of understanding of the local social conditions, or the local business environment, or the financial, management or legal systems in the relevant countries; (xii) unstable political, regulatory or macroeconomic environments and potential foreign exchange differences; (xiii) lack of available funding of the Group's overseas customers; and (xiv) other related factors beyond the Group's control.

Such risks and uncertainties may result in high investment costs or loss of investment, government penalties, breach of contract, loss of sales, reduction in revenue as well as expose the Group to liabilities and the requirement to pay compensation under the relevant laws and regulations, agreements and lawsuits and damage to the Group's reputation, which could have a material adverse effect on the Group's business, financial condition and results of operations.

### **Risks Associated with the Property Business**

#### ***Fluctuations in property prices and the Group's ability to identify suitable land sites and property development projects may have an adverse impact on the Group's property development business and financial condition***

Property prices and the availability of suitable land sites will fluctuate. Should property market prices experience a downward trend, the Group's earnings may be adversely affected as the Group may have to postpone the sale of such property development project units to a later date, if and when market conditions improve. In the event that the Group is required to sell its property development projects at lower prices, the Group's financial performance will be adversely affected.

The Group can build up its land bank by scouting for and acquiring land sites appropriate for its property development projects via offers from private owners, by participating in property auctions and government land sales programmes as well as through third-party property agents. The Group will face competition for new land sites from other property developers and there is no assurance that suitable sites, whether in Singapore or in other countries, will always be available to the Group for the purposes of the property development business. If the Group is not able to procure suitable land sites to carry out its property development projects, or carries out property development projects at less favourable locations that may not be as marketable, the Group's sales volume and profitability may be adversely affected.

The Group's performance is also dependent on its ability to identify profitable property development projects, and following such identification, to successfully complete such projects. The viability and profitability of the Group's property development projects are subject to fluctuations and are dependent on, *inter alia*, the demand for the Group's development projects, the pricing and number of property development projects and the overall schedules of the Group's projects which are in turn, to a large extent, affected by market sentiment, market competition, general economic and property markets conditions, as well as government regulations.

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## LETTER TO SHAREHOLDERS

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***The Group is subject to risks inherent in investing in entities which it does not control and the manner in which it holds its investments and property interests***

The Group may hold property investments through or make investments in entities that are not the Group's subsidiaries and over which the Group does not have majority control. The performance of these entities and the Group's share of their results are subject to the same or similar risks relating to the property investment's business that affect the Group as described herein. There is no assurance that the Group will be able to influence the management, operation and performance of these entities through its voting rights, in a manner which would be favourable to the Group, or at all. If all or any of these entities were to perform poorly, the Group's overall business, financial condition, results of operations and prospects may be adversely affected.

***The Group is subject to risks of late payment or non-payment by its clients and/or tenants***

The Group may face uncertainties over the timeliness of clients' and/or tenants' payments and their solvency or creditworthiness in respect of purchases of the Group's development properties or the lease of the Group's investment properties. There is no assurance that the Group will be able to collect any progress payments and/or rent on a timely basis, or at all.

In the event that there are defaulting purchasers or a significant delay in collecting progress payments from purchasers and/or rent from tenants (as the case may be), the Group may face stress on its cash flow and a material increase in bad and doubtful debts, which will have an adverse impact on the Group's financial performance.

***The Group may face potential liability and claims from property development projects***

The time required to complete a property development project depends on various factors, including the size of the project, prevailing market conditions and availability of resources. Delays may arise due to various factors, including adverse weather conditions, natural calamities, power failure, machinery and equipment breakdown, shortage of construction materials, shortage of labour, accidents, cessation of business of the Group's contractors, disputes with contractors and unexpected delay in obtaining required approvals. Such delays may result in cost overruns and increased financing costs and accordingly affect the Group's profitability or lead to claims for liquidated damages from purchasers of the properties.

In addition, the Group may be involved from time to time in disputes with various parties such as contractors, construction companies, consultants and other partners for various reasons, including differences in the interpretation of acceptable quality standards of workmanship, material used, adherence to contract specifications and costs of variation orders. These disputes may lead to legal and other proceedings. If the Group is unable to manage such risks, the Group's business and financial position will be affected if any compensation or damages is payable by the Group.

***An inability to generate adequate returns on properties acquired or developed and held for long-term investment purposes may result in losses to the Group and may have an adverse impact on the Group's financial position***

The investment returns available from the property development and property investment business depends, to a large extent, on the amount of capital appreciation generated. The ability to eventually dispose of properties at a profit will depend on market conditions and

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## LETTER TO SHAREHOLDERS

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levels of liquidity, which may be limited or subject to significant fluctuations. Further, completed projects and invested properties are relatively illiquid, and the Group may be unable to convert real estate asset portfolio into cash on short notice. To facilitate a sale of illiquid property assets on short notice, the Group may have to lower the selling price substantially. Illiquidity of property assets also limits the Group's ability to vary its portfolio in response to changes in economic or other conditions in a timely manner. In the event of any adverse change in market conditions or in the event of a need to lower the prices of properties to effect the sale of properties, the Group may not be able to sell its property projects or property investments at above its costs, resulting in the Group suffering losses on the project or property and adversely affecting the Group's financial position.

***The Group may not be able to provide the capital investments needed to undertake the property development and property investments projects***

The property development business and the property investments business may require substantial capital investments or cash outlay. There is no assurance that financing, either on a short-term or a long-term basis, will be made available or, if available, that such financing can be obtained on commercially reasonable terms, in which event the Group's future plans and growth prospects will be adversely affected.

Additional debt funding is subject to interest payments and interest rate fluctuations and may also be subject to conditions that restrict or require consent for corporate restructuring, additional financing or fund raising, and requirements on the maintenance of certain financial ratios. These conditions may reduce the availability of the Group's cash flow for capital expenditures, working capital and other general corporate purposes. In addition, these conditions may limit the flexibility of the Group in planning for, or reacting to, changes in the business or industry and increase the Group's vulnerability to general adverse economic and industry conditions.

Additional equity financing may result in a dilution to Shareholders' equity interests and may, in the case of a rights issue, require additional investments by Shareholders. Further, an issue of Shares below the then prevailing market price will also affect the value of Shares then held by investors. Dilution in Shareholders' equity interests may occur even if the issue of Shares is at a premium to the market price.

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

While the Group will, where appropriate, obtain insurance policies to cover losses with respect to its properties, the insurance obtained may not be sufficient to cover all potential losses. Examples of such potential losses include losses arising out of extraordinary events such as natural disasters like earthquakes or floods. Losses arising out of damage to the Group's properties not covered by insurance policies in excess of the amount it is insured would affect the Group's profitability. The Group may also have to commit additional resources, other than to meet the uninsured losses, to complete a project, which would also adversely affect the financial performance of the Group.

***The Group is subject to changes in economic situation, government regulations and property industry for its Property Business***

The performance of the Group's Property Business depends largely on the economic situation and the performance of the property industry and there is no assurance that the property sectors of countries in which the Group undertakes the Property Business will

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## LETTER TO SHAREHOLDERS

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continue to grow. Should the economy or the property market experience a downturn, whether globally or in any country in which the Group undertakes the Property Business, the performance of this segment may be adversely affected. In addition, as the gestation period for a property development project is long, typically between two to three years, any downturn in the economy or the property market, during the course of a development project may affect the profitability of such development project, thereby adversely affecting the Group's financial performance.

Changes in government regulations in which the Group undertakes the Property Business may also result in the Group being unable to complete any property development project, or sell any completed property development project or purchased property at a profit, or at all. This may adversely affect the financial position of the Group.

Changes in the business environment for jurisdictions in which the Group operates may include delays in procuring the necessary relevant approvals, licenses or certificates from government bodies, changes in laws, regulations and policies in relation to property development, fluctuations in demand for properties, delays in construction schedules due to poor weather conditions, labour disputes and fluctuation in costs of construction materials and other costs of development. Such delays may result in the Group incurring additional costs, thus affecting the profitability of the Group.

### ***The Group may be subject to risks in relation to pre-sale policies for properties under development***

The practice of pre-sales (that is, selling properties under construction prior to the receipt of construction completion and examination certificate) is adopted in the property industry of many countries, including Singapore. Should the Shareholders approve the Proposed Diversification, in line with the relevant industry practice, the Group may pre-sell most of the properties developed under the Property Business prior to completion. There are certain risks relating to the pre-sale of properties. In the event of a failure or delay in the delivery of pre-sold properties to purchasers, the Group may be liable for potential losses that purchasers may suffer as a result. There is no guarantee that these losses will not exceed the purchase price paid in respect of the pre-sold units. Failure to complete a property development on time may be attributed to factors such as time taken and costs involved in completing construction, which are in turn adversely affected by factors such as delays in fitting out works, shortages of labour, adverse weather conditions or natural disasters. If the delay in delivery extends beyond the contractually specified period, the purchasers may also be entitled to terminate the pre-sale agreements and claim refunds of monies paid, damages and/or compensation for late delivery. There is no assurance that there will be no circumstances which will result in liabilities arising from pre-sale arrangements which have experienced significant delays in completion or delivery, resulting in the Group having to compensate purchasers for late delivery, or refund of monies paid in situations where purchasers have terminated the sale and purchase agreements. This will adversely affect the Group's business and financial performance.

### ***The Group's property development projects may be affected by cost overruns and/or increases in costs***

Unforeseen circumstances such as adverse soil conditions, unfavourable weather conditions, unanticipated construction constraints at worksites, increase in the costs of labour, construction materials, equipment, rental and sub-contracting services, unanticipated variations in labour and equipment productivity over the term of a development or corrective

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## LETTER TO SHAREHOLDERS

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measures for poor workmanship may arise in the course of the projects which may result in additional unanticipated costs over and above the initial budget. Where these costs overruns cannot be passed onto customers, the Group may have to absorb the cost overruns and may suffer losses on the project. The Group's profitability and financial performance may be materially and adversely affected.

***The Group's property development projects are dependent on the services rendered by sub-contractors***

The Group is expected to rely on sub-contractors to provide various services for the property development projects, including piling and foundation works, structural works, architectural works and engineering works. The services rendered by the Group's sub-contractors may not be satisfactory to the Group or meet the Group's requirements for quality. Furthermore, the contractors engaged may experience financial or other difficulties that may affect their ability to carry out the work for which they are contracted to complete, thus delaying the completion of, or failing to complete, the projects and resulting in additional costs or exposures to the risk of liquidated damages to the Group. In the event of any loss or damage which arises from the default of such sub-contractors, the Group may have to incur losses to rectify such defects, materially and adversely affecting the Group's financial performance and financial condition.

***The property development business may be adversely affected by any shortage in the supply of workers or increases in the costs of hiring workers***

The construction of property development projects is highly labour intensive, and is therefore vulnerable to any shortage in the supply of, or increases in the costs of workers. Such changes in the supply of workers may result from changes in government policies. In the event of any disruption to the supply of workers, or if the costs cannot be controlled, the overall construction costs may increase and the Group's financial performance may be materially and adversely affected.

### 3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the Company based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest		Aggregate Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b><u>Directors</u></b>						
Phua Lam Soon <sup>(1)(2)</sup>	14,701,600	8.65	103,273,600	60.75	117,975,200	69.40
Ong Siew Eng <sup>(1)(2)</sup>	14,873,600	8.75	103,101,600	60.65	117,975,200	69.40
Ng Kok Seng	1,490,000	0.88	—	—	1,490,000	0.88
Foo Shiang Ping	130,000	0.08	—	—	130,000	0.08
<b><u>Substantial Shareholders</u></b>						
(Other than Directors)						
Yi Investment Pte. Ltd.	88,400,000	52.00	—	—	88,400,000	52.00

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## LETTER TO SHAREHOLDERS

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**Notes:**

- (1) Ms Ong Siew Eng is the spouse of Mr Phua Lam Soon. Accordingly, Mr Phua Lam Soon and Ms Ong Siew Eng are each deemed to be interested in the other's respective shareholdings in the Company.
- (2) Yi Investment Pte. Ltd. is an investment holding company incorporated in the Republic of Singapore. The shareholders of Yi Investment Pte. Ltd. are Mr Phua Lam Soon (50.00%) and Ms Ong Siew Eng (50.00%). Accordingly, Mr Phua Lam Soon and Ms Ong Siew Eng are deemed to be interested in Yi Investment Pte. Ltd.'s shareholding in the Company.

#### **4. DIRECTORS' RECOMMENDATION**

The Directors are of the opinion that the Proposed Diversification is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution approving the Proposed Diversification as set out in the Notice of EGM.

#### **5. EXTRAORDINARY GENERAL MEETING**

The EGM, notice of which is set out on page 22 of this Circular, will be held on 10 May 2013 for the purpose of considering and if, thought fit, passing, with or without modifications, the Ordinary Resolution set out in the Notice of EGM.

#### **6. ACTION TO BE TAKEN BY SHAREHOLDERS**

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 should complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company at 24 Kranji Road, Singapore 739465 not less than 48 hours before the time fixed for the holding of the EGM. The completion and return of the Proxy Form by such Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy should he subsequently wish to do so.

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

#### **7. 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 Diversification, 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 the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

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## LETTER TO SHAREHOLDERS

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### 8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the Company's registered office at 24 Kranji Road, Singapore 739465 during normal business hours from the date hereof up to and including the date of the EGM:

- (a) the Memorandum and Articles of Association of the Company; and
- (b) the Offer Document of the Company dated 8 January 2013.

Yours faithfully

For and on behalf of  
**The Board of Directors**  
**Logistics Holdings Limited**

Phua Lam Soon  
Chief Executive Officer

25 April 2013

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### LOGISTICS HOLDINGS LIMITED

(Company Registration No.: 201224643D)  
(Incorporated in the Republic of Singapore)

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (“**EGM**”) of **Logistics Holdings Limited** (the “**Company**”) will be held at 24 Kranji Road, Singapore 739465 on 10 May 2013 at 3.00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

All capitalised terms used in this Notice of EGM which are not defined herein shall have the same meanings ascribed to them in the circular to the shareholders of the Company dated 25 April 2013.

#### AS ORDINARY RESOLUTION

#### THE PROPOSED DIVERSIFICATION OF THE GROUP’S EXISTING CORE BUSINESS TO INCLUDE THE PROPOSED BUSINESS

That:

- (a) approval be and is hereby granted for the Proposed Diversification of the Group’s Existing Core Business to include the Proposed Business comprising property construction, property development and property investment in ASEAN (including Singapore), China and/or the Australasian countries, and all other businesses and activities related to the Proposed Business;
- (b) subject to compliance with the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited requiring approval from shareholders in certain circumstances, the Company (directly and/or through its subsidiaries) be and is hereby authorised to invest in, purchase or otherwise acquire or dispose of from time to time, any such assets, investments and shares/interests in any entity that is in the Proposed Business for the purpose of or in connection with the Proposed Business on such terms and conditions as the directors of the Company (“**Directors**”) deem fit, and such Directors be and are hereby authorised to take such steps and exercise such discretion and do all such acts and things as they deem desirable, necessary or expedient to give effect to any such investment, purchase, acquisition or disposal; and
- (c) the Directors and each of them be and are hereby authorised to complete and do all acts and things as they or each of them deem desirable, necessary or expedient to give effect to the matters contemplated by this resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group.

#### BY ORDER OF THE BOARD

Mr Ong Wei Jin and Ms Goh Wei Lin  
Joint Company Secretaries  
Singapore  
Date: 25 April 2013

#### Notes:

- 1 A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- 2 The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 24 Kranji Road, Singapore 739465 not less than forty eight (48) hours before the time appointed for the meeting.



# Logistics Holdings Limited

(Company Registration Number: 201224643D)  
(Incorporated in the Republic of Singapore)

## IMPORTANT:

- 1 For investors who have used their CPF monies to buy the Company's shares, this Circular is sent to them at the request of their CPF Approved Nominees 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.

## PROXY FORM

(Please see notes overleaf before completing this Form)

I/We \_\_\_\_\_

\*NRIC/Passport No./Co. Registration No. \_\_\_\_\_

being a \*member/members of Logistics Holdings Limited (the "Company"), hereby appoint:

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

*\*and/or (delete as appropriate)*

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

or failing \*him/her/them, the Chairman of the Extraordinary General Meeting (the "EGM") of the Company as \*my/our \*proxy/proxies to vote for \*me/us on \*my/our behalf, and if necessary, to demand a poll at the EGM of the Company to be held at 24 Kranji Road, Singapore 739465 on 10 May 2013 at 3.00 p.m. and at any adjournment thereof.

\*I/We direct \*my/our \*proxy/proxies to vote for or against the Ordinary Resolution(s) to be proposed at the EGM as indicated hereunder with an "x" in the spaces provided hereunder. If no specific directions as to voting are given, the \*proxy/proxies will vote or abstain from voting at \*his/their discretion.

The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

\* Please delete accordingly

ORDINARY RESOLUTION	To be used on a show of hands		To be used in the event of a poll	
	For <sup>1</sup>	Against <sup>1</sup>	No. of Votes For <sup>2</sup>	No. of Votes Against <sup>2</sup>
To approve the Proposed Diversification of the Group's Existing Core Business to include the Proposed Business				

### Notes:

- 1 Please indicate your vote "For" or "Against" with an "x" within the box provided.
- 2 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.

All capitalised terms used in this Proxy Form which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Company's Circular to Shareholders dated 25 April 2013 (including supplements and modifications thereto).

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Total No. of Shares	No. of Shares
In CDP Register	
In Register of Members	

\_\_\_\_\_  
Signature of Shareholder(s)  
or, Common Seal of Corporate Shareholder

**IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM**

**Notes:**

- 1 Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act (Chapter 50) of Singapore), you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. 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. If no number is inserted, this form of proxy will 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 not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
- 3 The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 24 Kranji Road, Singapore 739465 not less than forty eight (48) hours before the time appointed for the EGM.
- 4 Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
- 5 The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
- 6 Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
- 7 A corporation that is a member may authorise by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act (Chapter 50) of Singapore.
- 8 The submission of an instrument or form appointing a proxy by a shareholder does not preclude him from attending and voting in person at the EGM if he so wishes.
- 9 The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares against his name in the Depository Register as at forty eight (48) hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

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