

CIRCULAR DATED 23 OCTOBER 2013

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

If you have sold or transferred all your shares in the capital of Freight Links Express Holdings Limited, please forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or 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.



FREIGHT LINKS EXPRESS HOLDINGS LIMITED

(Company Registration Number: 198600061G)

(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS IN RELATION TO

- (1) THE PROPOSED INCLUSION OF THE FINANCIAL SERVICES BUSINESS AND REAL ESTATE BUSINESS (EACH, AS DEFINED HEREIN) AS PART OF THE CORE BUSINESS OF THE GROUP;**
- (2) THE PROPOSED CHANGE OF NAME OF THE COMPANY; AND**
- (3) THE PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY.**

IMPORTANT DATES AND TIMES:

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| Last date and time for lodgement of Proxy Form | : | 23 November 2013 at 9.30 a.m. |
| Date and time of Extraordinary General Meeting | : | 25 November 2013 at 9.30 a.m. |
| Place of Extraordinary General Meeting | : | 51 Penjuru Road #04-00 Freight Links Express Logisticcentre Singapore 609143 |

The risk factors in relation to the proposed inclusion of the Financial Services Business and the Real Estate Business as part of the core business of the Group are contained in paragraphs 4.4 and 5.6 of this Circular respectively.

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DEFINITIONS

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

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| “ACRA” | : | The Accounting and Corporate Regulatory Authority of Singapore. |
| “ARCHL” | : | Shall have the meaning ascribed to it in paragraph 4.1(b) of this Circular. |
| “ASRS” | : | Shall have the meaning ascribed to it in paragraph 2.1(c) of this Circular. |
| “A-REIT” | : | Shall have the meaning ascribed to it in paragraph 5.1(b) of this Circular. |
| “CCDO” | : | Chief Corporate Development Officer. |
| “CDP” | : | The Central Depository (Pte) Limited. |
| “CEO” | : | Chief Executive Officer. |
| “CIO” | : | Chief Investment Officer. |
| “Circular” | : | This circular dated 23 October 2013. |
| “Companies Act” | : | The Companies Act (Chapter 50 of Singapore), as amended or modified from time to time. |
| “Company” | : | Freight Links Express Holdings Limited. |
| “Development Regulations” | : | Shall have the meaning ascribed to it in paragraph 5.6(c) of this Circular. |
| “Directors” or “Board” | : | Directors of the Company as at the date of this Circular. |
| “EGM” | : | Extraordinary general meeting of the Company to be held on 25 November 2013 for Shareholders to vote on the Proposed Transactions, notice of which is set out on pages 42 to 44 of this Circular. |
| “Existing Articles of Association” | : | The articles of association of the Company as at the date of this Circular. |
| “Existing Memorandum of Association” | : | The memorandum of association of the Company as at the date of this Circular. |
| “FIE” | : | Foreign investment enterprises. |

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| “Financial Services Business” | : | Shall have the meaning ascribed to it in paragraph 2.2 of this Circular. |
| “Freight and Logistics Business” | : | Shall have the meaning ascribed to it in paragraph 2.1 of this Circular. |
| “FY” | : | Financial year ended or ending 30 April (as the case may be). |
| “Group” | : | The Company and its subsidiaries. |
| “HSBCIT” | : | Shall have the meaning ascribed to it in paragraph 5.1(b) of this Circular. |
| “JTC” | : | JTC Corporation, a body corporate incorporated under the Jurong Town Corporation Act (Chapter 150 of Singapore). |
| “Latest Practicable Date” | : | 14 October 2013, being the latest practicable date prior to the printing of this Circular. |
| “Listing Manual” | : | The listing manual of the SGX-ST, as amended or modified from time to time. |
| “MOC” | : | Shall have the meaning ascribed to it in paragraph 5.6(c) of this Circular. |
| “PBOC” | : | Shall have the meaning ascribed to it in paragraph 5.6(c) of this Circular. |
| “PRC” | : | The People’s Republic of China. |
| “Proposed Name Change” | : | Shall have the meaning ascribed to it in paragraph 7.1 of this Circular. |
| “Proposed Transactions” | : | Shall have the meaning ascribed to it in paragraph 1.1 of this Circular. |
| “Real Estate Business” | : | Shall have the meaning ascribed to it in paragraph 2.2 of this Circular. |
| “RM” | : | The lawful currency of the Malaysia. |
| “RMB” | : | The lawful currency of the People’s Republic of China. |
| “Sabana REIT” | : | Shall have the meaning ascribed to it in paragraph 4.1(c) of this Circular. |
| “SACOFF” | : | Shall have the meaning ascribed to it in paragraph 4.1(a) of this Circular. |

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| “SAFE” | : | Shall have the meaning ascribed to it in paragraph 5.6(c) of this Circular. |
| “SCPL” | : | Shall have the meaning ascribed to it in paragraph 4.1(a) of this Circular. |
| “Securities Account” | : | A securities account maintained by a Depositor with CDP but does not include a securities sub-account. |
| “SEPL” | : | Shall have the meaning ascribed to it in paragraph 4.1(b) of this Circular. |
| “SESDAQ” | : | Stock Exchange of Singapore Dealing and Automated Quotation (now known as Catalist). |
| “SGX-ST” | : | Singapore Exchange Securities Trading Limited. |
| “Shareholders” | : | Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited. |
| “Shares” | : | Ordinary shares in the capital of the Company. |
| “SIPL” | : | Shall have the meaning ascribed to it in paragraph 4.1(c) of this Circular. |
| “SPM” | : | Shall have the meaning ascribed to it in paragraph 5.1(a) of this Circular. |
| “SREIM” | : | Shall have the meaning ascribed to it in paragraph 4.1(c) of this Circular. |
| “Substantial Shareholder” | : | A Shareholder who has an interest in five per cent. (5%) or more of the voting shares of the Company. |
| “S\$” | : | The lawful currency of the Republic of Singapore. |
| “TOP” | : | Shall have the meaning ascribed to it in paragraph 5.1(b) of this Circular. |
| “US\$” | : | The lawful currency of the United States of America. |
| “%” 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.

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

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

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

FREIGHT LINKS EXPRESS HOLDINGS LIMITED

(Company Registration Number: 198600061G)
(Incorporated in the Republic of Singapore)

| Board of Directors | Designation | Registered Office |
|--------------------------|------------------------------------|-----------------------|
| Khua Hock Su | Non-Executive Chairman | 51 Penjuru Road |
| Eric Khua Kian Keong | Executive Director and CEO | #04-00 |
| Henry Chua Tiong Hock | Executive Director and CCDO | Freight Links Express |
| Thomas Woo Sai Meng | Executive Director and CIO | Logisticcentre |
| Sebastian Tan Cher Liang | Independent Non-Executive Director | Singapore 609143 |
| Derek Loh Eu Tse | Independent Non-Executive Director | |

23 October 2013

To: The Shareholders of Freight Links Express Holdings Limited

Dear Sir/Madam

- (1) **THE PROPOSED INCLUSION OF THE FINANCIAL SERVICES BUSINESS AND REAL ESTATE BUSINESS AS PART OF THE CORE BUSINESS OF THE GROUP;**
- (2) **THE PROPOSED CHANGE OF NAME OF THE COMPANY; AND**
- (3) **THE PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY.**

1. INTRODUCTION

- 1.1 The Board is convening the EGM to seek the approval of Shareholders in relation to the following:
 - (a) the proposed inclusion of the Financial Services Business and Real Estate Business as part of the core business of the Group;
 - (b) the proposed change of name of the Company; and
 - (c) the proposed amendments to the Existing Memorandum of Association and Existing Articles of Association of the Company,(collectively, the “**Proposed Transactions**”).
- 1.2 The purpose of this Circular is to explain the reasons for, and to provide Shareholders with information relating to, the Proposed Transactions and to seek the approval of Shareholders for the proposed resolutions set out in the notice of EGM on pages 42 to 44 of this Circular.

2. EXISTING CORE BUSINESS AND GROWTH AND DIVERSIFICATION OF THE BUSINESS OF THE GROUP

2.1 Core Business

The Company is an investment holding company established in 1986 and was listed on the SGX-ST in 1995. The Group was built on the foundation of freight forwarding and over the years, the Group's core business activity has since expanded to encompass a wide range of freight and logistics related products including chemical storage and logistics and

warehousing operations and logistics (“**Freight and Logistics Business**”). In relation to this core Freight and Logistics Business, the Group plans to expand its range of storage and logistics service offerings in the foreseeable future to include commodity logistics, and self-storage and logistics businesses.

Further details on the Group’s Freight and Logistics Business are set out below.

(a) *International Freight Forwarding*

The Group is a market leader in the non-vessel operating common carrier business which is supported by a global network of owned offices and freight forwarding agents reaching out to more than 600 destinations worldwide. The Group offers a slew of international freight forwarding services, including ocean and air freight services, consolidation and deconsolidation, transshipment, project cargo, shipment documentation, customs clearance and transportation, as well as land transportation to Peninsula Malaysia. Such comprehensive global network equips the Group with the ability to handle both specialised project cargo and large scale projects, including oil and gas, infrastructure development, and power plant and factory relocation. Integral to these services are the Group’s own airfreight office which enables the Group to offer its customers better and more reliable airfreight services.

(b) *Chemical Storage and Logistics*

The Group is a leading chemical logistics solution provider in Singapore and Malaysia which caters to global players in the petrochemical industry. The range of services include warehousing and storage facilities for dangerous goods, drumming, chemical transportation in bulk tankers and ISO-tank containers, container haulage and plant management logistics, emergency recovery services and safety escort services. This business is supported by the technical knowledge of its highly skilled workforce, as well as infrastructure of two chemical warehouse hubs that meet the stringent Singapore Civil Defence Force SS532 standard featuring the latest in safety and chemical control measures.

To better cope with the strong demand from customers, a state-of-the-art dangerous goods warehouse is currently under construction on Jurong Island and it is on schedule to be completed by the end of 2013.

(c) *Warehousing Operations and Logistics*

In relation to warehousing operations and logistics, the Group provides a wide range of integrated logistics services at its strategically located facilities in Singapore, Malaysia, Dubai, Korea and the PRC. By harnessing information technology and automation such as the Automated Storage and Retrieval System (“**ASRS**”), the Group is able to offer a range of supply chain services which include vendor hub services, customs brokerage, shipping, air-conditioned temperature control storage, transportation and distribution, online inventory management and distribution and document storage. The Group achieves high clients retention rate that reflects its firm commitment to uphold high service quality.

In April 2012, the Group entered into a joint venture with two Korean partners to form Muto Global Pte. Ltd. which operates as an ISO-tank operator. This enabled the Group to expand its ISO-tank business and freight agency business. The Group has purchased 1,000 ISO-tanks which are currently leased to Muto Global Pte. Ltd. and it has plans to increase the fleet of ISO-tanks in the near future.

(d) *Commodity Logistics*

To leverage on its competitive advantage in the supply chain management business, the Group is exploring the prospects of managing and facilitating inter-regional trade flows. The Group has entered into a co-operation agreement with Chongqing Heijin Industrial Limited, a subsidiary of Blackgold International Holdings Limited, a company listed on the Australian Securities Exchange, to engage in the logistics of moving commodity (namely, coal) in the Asian region.

(e) *Self-storage and Logistics*

The Group sees promising prospects in the self-storage and logistics sector. In general, the self-storage business requires less human resources to operate which, in turn, alleviates manpower issues in this tight labour market. Also, given the reduction in size of residential and commercial units due to increased land prices, there will be a higher demand for self-storage spaces. Self-storage provides greater flexibility and choice to consumers as it offers different sizes of storage units which can cater to each individual's requirements. Plans are afoot to develop or acquire self-storage facilities when a suitable opportunity arises.

2.2 Growth and Diversification of Business

Besides expanding its core Freight and Logistics Business, the Group has over time also grown its business from that of being a pure freight and logistics solution provider to include the business of fund management, financial leasing services and asset and trust management ("**Financial Services Business**") and the business of property management services and real estate development ("**Real Estate Business**"), as well as ancillary activities in other investments.

Further details on the Group's Financial Services Business and Real Estate Business are set out in paragraphs 4 and 5 below (respectively).

3. **RATIONALE FOR THE PROPOSED INCLUSION OF THE FINANCIAL SERVICES BUSINESS AND REAL ESTATE BUSINESS AS PART OF THE CORE BUSINESS OF THE GROUP**

In view of the growth and diversification of the business portfolio of the Group, the Group has undertaken a strategic review of its existing businesses and has proposed to include the Financial Services Business and the Real Estate Business as part of its core business (together with the Freight and Logistics Business). The diversification is part of the corporate strategy of the Group to provide Shareholders with diversified returns and long term growth and to enable the Group to focus its expertise in the respective business areas to strengthen its execution capabilities and build sustainable and scalable businesses in the respective industries and markets.

The reasons for including the Financial Services Business and Real Estate Business as part of the Group's core business are further elaborated below:

3.1 **Financial Services Business and Real Estate Business are Presently Part of Existing Business**

Besides its Freight and Logistics Business, the Group is at present already engaging in fund management, property development, investment and management activities and has set foot on the business of providing financial leasing services.

In recent years, the proportion of the Group's assets employed in non-freight and logistics business (excluding assets employed in the financial leasing services) has grown from 33% in FY2009 to 49% in FY2013 whereas its contribution towards the Group's total pre-tax profit over the same period has grown from 6% in FY2009 to 60% in FY2013. This in part was due to the Group's capital recycling strategy of selling down properties and leasing them back to generate cash flow to fund new business initiatives and expansion.

The Company believes that the Group is well positioned to leverage on its existing knowledge and experience in the respective industries and businesses to critically assess and evaluate opportunities as they may arise.

With its existing track record, the Company believes that the Group will be able to carry on the activities in the Financial Services Business and Real Estate Business with more focus and more actively once such businesses form part of the core business of the Group.

3.2 Providing a More Diversified Business Base for Future Growth

Whilst the Group will continue to pursue sustainable growth strategies to strengthen its Freight and Logistics Businesses, the Group should also explore other growth areas to strive for a more sustained performance in the years ahead. Given the uncertain global economic outlook, the Group believes it is more prudent to not rely solely on its core Freight and Logistics Business.

The inclusion of the Financial Services Business and Real Estate Business can provide the Group with a more diversified business and income base for future growth and will reduce the reliance of the Group on the provision of freight and logistics services for its revenue streams. The leasing and structured finance industry in the PRC has also experienced phenomenal growth in recent years. The Directors believe that the financial leasing joint venture, leveraging on favorable market conditions and industry support by the local government, will provide opportunities for the Group to grow its financial leasing services business and create value for its Shareholders in the long run.

Furthermore, the Financial Services Business and Real Estate Business have the potential to be additional sources of stable income for the Group in the future. As such, the Board considers it commercially prudent and appropriate for the Group to include the Financial Services Business and Real Estate Business as part of its core business, with a view to sustaining and enhancing Shareholders' value and returns.

3.3 Increased Demand for Specialised Financial Services in the PRC

The Group believes that the PRC currently enjoys long-term economic growth and has an increasing demand for specialised financial services. The Group is of the view that there is potential for growth in the Financial Services Business given that the current penetration rate of the PRC market is still low as compared to the global financial market. With the inclusion of the Financial Services Business as part of the Group's core business, the Group may continue to dedicate more resources to expand on the financial services it provides in the PRC. It is also in line with the Group's present goal of improving the earnings of the Group and delivering better returns to Shareholders from the capital employed by the Group.

3.4 Opportunities in Property Development and Investment

The Group intends to expand its Real Estate Business to include acquisition of land and the development, construction, and sale or lease, of hospitality, industrial, commercial and residential properties thereon, in emerging Asian markets, with a focus on markets in Singapore, Malaysia and the PRC.

The inclusion of the Real Estate Business as a part of its core business will position the Group to participate in the growth prospects of these emerging Asian markets and enable the Group to channel more human and capital resources to provide for a more diversified and sustainable growth path.

(a) *Singapore*

The property market in Singapore has seen stable and significant growth in recent years in terms of rental income and capital appreciation, and the Company believes that there is potential for further growth in the future.

While recent cooling measures may dampen the residential property market, the Company believes that they are primarily intended to reduce short-term speculation and is not likely to have a material adverse impact on the long-term growth of the real estate sector as a whole.

(b) *Malaysia*

The Group is exploring prospects for the Real Estate Business in Malaysia, given its geographical proximity to Singapore. In addition, the Prime Ministers of Singapore and Malaysia had in February 2013 announced the construction of the high-speed rail link between Kuala Lumpur and Singapore, which is predicted to be completed around 2020. The Group anticipates that the announcement of these projects will generate greater interest in properties in Malaysia and the possible stops along the route of the high-speed rail link between Kuala Lumpur and Singapore, due to the improved accessibility to Malaysia.

(c) *PRC*

The PRC is one of the markets which the Group is considering for growth of the Real Estate Business as it is the most populous country in the world and enjoys rapid economic development, resulting in an increase in its gross domestic product per capita and per capita disposable income. The increasing urbanization of its population and rapid growth of its first, second and third-tier cities will lead to increased demand for housing by urban residents and will encourage individual and corporate investments in property, resulting in increase in both transaction volume and sale prices.

Given the Group's track record in the development and investment of industrial properties and the positive outlook of the property industry's future growth prospects, the Group believes that it will be in good stead to grow this business in the long run.

3.5 No Need for Approval from Shareholders under the Listing Manual for Major Transactions relating to the Financial Services Business and Real Estate Business

Under Chapter 10 of the Listing Manual, which sets out the rules of transactions by issuers, Rule 1014 states that where in relation to a proposed transaction of an issuer, any of the relevant figures as computed on the bases set out in Rule 1006¹ of the Listing Manual exceeds 20%, the transaction is classified as a major transaction and must, *inter alia*, be made conditional upon the approval of shareholders in a general meeting.

Nonetheless, Rule 1002(1) of the Listing Manual, which defines the transactions which will be captured under Chapter 10, expressly states, *inter alia*, that transactions of an acquisition or disposal which is “in, or in connection with, the ordinary course of its business” are excluded. In addition, paragraph 3.1 of Practice Note 10.1 of the Listing Manual states that in determining whether a transaction can be regarded as in the ordinary course of an issuer’s business, the SGX-ST will have regard to the issuer’s existing core business. Paragraph 3.2 of Practice Note 10.1 of the Listing Manual further provides that shareholder approval is not required if an acquisition will result in an expansion of an issuer’s existing core business so long as the acquisition does not change the risk profile of the issuer.

In this case, in the event that the Shareholders do approve the inclusion of the Financial Services Business and Real Estate Business as part of the core business of the Group, the Group will have the ability and flexibility to enter into major transactions relating to the Financial Services Business and Real Estate Business falling under Rule 1014 of the Listing Manual without first having to seek the Shareholders’ approval as such transactions will be within the existing core business and are consequently “in, or in connection with, the ordinary course of its business”. This will enable the Group to consider and enter into major transactions relating to the Financial Services Business and Real Estate Business in an efficient and timely manner as the need to first obtain Shareholders’ approval is obviated (subject always to such major transaction not changing the risk profile of the Company). Further, with the dispensation of the need to convene general meetings from time to time to seek Shareholders’ approval for major transactions relating to the Financial Services Business and Real Estate Business, there will be time and costs saving and the risk to the Group of losing such opportunities due to concerns of delays and approvals will also be reduced, thereby allowing the Group to maximise business opportunities when they arise.

For the avoidance of doubt, notwithstanding Shareholders’ approval being sought for the proposed inclusion of the Financial Services Business and Real Estate Business as part of the core business of the Group:

- (a) in respect of a transaction where any of the relative figures as computed on the bases set out in Rule 1006 exceeds 100% or results in a change in control of the Company, the transaction would be classified as a very substantial acquisition or reverse takeover respectively. Rule 1015 of the Listing Manual would apply and such transaction must be, among others, made conditional upon approval by Shareholders in general meeting;

1 The bases in Rule 1006 of the Listing Manual are set out below:

- (a) The net asset value of the assets to be disposed of, compared with the group’s net asset value. This basis is not applicable to an acquisition of assets.
- (b) The net profits attributable to the assets acquired or disposed of, compared with the group’s net profits.
- (c) The aggregate value of the consideration given or received, compared with the issuer’s market capitalisation based on the total number of issued shares excluding treasury shares.
- (d) The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.

- (b) in respect of a transaction which constitutes an “interested person transaction” as defined under the Listing Manual, Chapter 9 of the Listing Manual would apply to such transaction; and
- (c) should a transaction change the risk profile of the Company as defined in Practice Note 10.1 of the Listing Manual, the Company will seek the approval of the Shareholders for such transaction. Further, where any of the relative figures as computed on the bases as set out in Rule 1006 exceeds 20% for a transaction and in the event that such transaction does not change the risk profile of the Company, the Company will confirm in an announcement that there is no change in the risk profile of the Company and the basis for the opinion.

4. THE PROPOSED INCLUSION OF THE FINANCIAL SERVICES BUSINESS AS PART OF THE CORE BUSINESS OF THE GROUP

4.1 The Group’s current Financial Services Business comprises the following:

(a) *Fund Management*

In April 2011, the Group invested in a 30% equity stake in Sentosa Capital (Pte) Ltd (“**SCPL**”). SCPL is a fund management company registered with Monetary Authority of Singapore and derives income from management fees for the investment management services provided to its clients. The background and experience of the core management team of SCPL are further described in paragraph 4.3(a) below.

The Group also invested US\$30.0 million in Sentosa Asian Credit Offshore Feeder Fund Limited (“**SACOFF**”) with a view to improving yields on capital. SACOFF is a liquid Asian ex-Japan credit fund investing in both hard currency bonds (US\$/G3) and local currency denominated Asian bonds. The fair value of the investment in SACOFF as at 31 Aug 2013 is US\$33,620,084.

The investments in both SCPL and SACOFF were approved by Shareholders at an extraordinary general meeting of the Company held on 15 March 2011.

The Company anticipates that its aggregate investment in the fund management services portion of the Financial Services Business will not exceed 50% of the Group’s net asset value. As such, Rule 1020 of the Listing Manual will not be applicable.

(b) *Financial Leasing Services*

On 22 February 2013, the Company announced that its wholly-owned subsidiary, Singapore Enterprises Private Limited (“**SEPL**”) entered into various agreements with parties in a joint venture to provide financial leasing and structured financial services in the PRC via a joint venture entity, Advanced Resources Capital Holding Ltd (“**ARCHL**”). The background and experience of the core management team of ARCHL are further described in paragraph 4.3(b) below.

Under PRC laws, foreign investors with not less than US\$5 million in assets may apply to establish wholly foreign-owned enterprises in the financial leasing industry. The Measures on the Administration of Foreign Investment in the Leasing Industry issued by the PRC Ministry of Commerce stipulates that such wholly foreign-owned enterprises in the financial leasing industry must have registered capital of not less than US\$10 million. As announced on 22 February 2013, the Company intends to invest up to US\$15 million into the joint venture entity to undertake the financial leasing business, which investment will be funded by a combination of internal resources and external debt.

In connection with the above, the Group has obtained approval from the Shanghai Municipal Commission of Commerce for a license to operate the financial leasing business, and has successfully registered with the Industrial and Commercial Bureau, State Administration of Foreign Exchange and tax authorities.

As at the Latest Practicable Date, the Group has not commenced any operations in respect of the financial leasing services.

(c) *Sabana REIT Management*

The Group currently engages in asset management services via its participation in Sabana Real Estate Investment Management Pte. Ltd. ("**SREIM**") through its 51% equity stake in Sabana Investment Partners Pte. Ltd. ("**SIPL**"), which the Company subscribed for in August 2010. SREIM is the manager of Sabana Shari'ah Compliant REIT ("**Sabana REIT**"), which units are listed on the SGX-ST. Sabana REIT was established principally to invest in income-producing real estate and real estate-related assets in line with Shari'ah investment principles. It is the world's largest Shari'ah-compliant REIT with total assets of S\$1,150,579,000 based on the financial statements of Sabana REIT for the second quarter ended 30 June 2013.

The Group is also the sponsor and largest unit holder of Sabana REIT. As at the Latest Practicable Date, the market capitalisation of Sabana REIT is S\$762.1 million and the Group holds 8.14% of the total number of units in Sabana REIT. The fair value of its investment in the units as at 30 September 2013 is S\$60,369,952.

4.2 The Group intends to undertake the following in respect of the Financial Services Business:

- (a) investing in fund management;
- (b) providing financial leasing services including hire purchase, equipment financing, shipping loans, working capital loans, letters of credit, project financing and receivables financing to potential customers in the equipment manufacturing, petroleum and gas, medical, education and construction industries in the PRC; and
- (c) asset and trust management.

4.3 Financial Services Business Management Teams

The Financial Services Business will be under the supervision of the following management teams as further described below.

(a) The core management team of SCPL comprises the following members:

| S/N | Name | Background Experience/Previous Appointments |
|-----|------------------|--|
| 1. | Brad Levitt | <p>Chief Executive Officer of SCPL</p> <p>Qualified Chartered Financial Analyst</p> <p>Previous appointments with Standard Chartered Bank (Global Head of Capital Market), founder and managing director of Standard Chartered Bank's fixed income business.</p> <p>Academic qualification include BA in Economics from University of California, Davis and MBA in Finance from UCLA.</p> |
| 2. | Charlie Wang | <p>Chief Investment Officer of SCPL</p> <p>Previous appointments with Standard Chartered Bank (Global head of Credit Trading), managing director and head of Asian and Middle East Fixed Income Trading, Bankers Trust in Asia.</p> <p>Academic qualifications include Bachelor of Science in Electrical Engineering from Polytechnic University of New York, Master of Science in Electrical and Computer Engineering from Carnegie Mellon University and earned a Master of Science in Finance (MBA) from the MIT Sloan School of Management. Mr. Wang is a qualified Chartered Financial Analyst.</p> |
| 3. | Oskar Choynowski | <p>Chief Operating Officer of SCPL</p> <p>Previous appointments with Black Rhino Capital (co-founder), Merrill Lynch. Black Rhino Capital is an Asian fixed income and FX proprietary quantitative research and trading partnership based in Singapore.</p> <p>Academic qualifications include BA in Economics from the University of California, Los Angeles, MBA from INSEAD.</p> |

(b) The core management team of ARCHL comprises the following members:

| S/N | Name | Background Experience/Previous Appointments |
|-----|------------|---|
| 1. | Guohua Ren | Approximately 30 years of banking and capital markets experience. Previous appointments with StormHarbour Securities (HK) Limited, Standard Chartered Bank HK, the Bank of China, Commonwealth Bank of Australia, Fleet Boston Financial and Bear Stearns & Co. |
| 2. | Yang Duan | Previously involved in China market activities including fixed income trading and sales. Previous appointments with Societe Generale HK, Standard Chartered, Bear Stearns, Calyon and Credit Lyonnais in Europe and Asia. |
| 3. | Xi Liu | Previously involved in developing China corporate and institutional businesses in the field of cross asset and financing solutions. Approximately 20 years of experience in investment banking. Previous appointments with Societe Generale HK, Standard Chartered (HK) and BNP Paribas (HK) and Credit Lyonnais (Paris). |

Where required, the Group will engage additional persons or seek the advice of reputable external consultants or advisors with the relevant expertise in this area.

4.4 Risk Factors in relation to the inclusion of the Financial Services Business as part of the Core Business of the Group

Entry into the Financial Services Business involves a number of risks. The following risk factors are not and do not purport to be an exhaustive list or explanation of all the potential risks associated with the Financial Services Business. There may be additional risks not presently known to the Group 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.

The Group is exposed to defaults from customers on their obligations

The Financial Services Business is exposed to the risk of customers defaulting on their obligations and the Group may incur losses as a result. The value of collateral or guarantees securing our leases and the assets underlying our leases which are disposed of upon repossession may be inadequate for the Group to recover its receivables under the leases.

The Group is exposed to lapses in risk management measures

The Group's entry into the Financial Services Business will require the implementation of robust risk management measures to mitigate the credit risks associated with such business. Credit risks could arise from deterioration in the credit rating of any of the Group's counterparties, from a general deterioration in local or global economic conditions, or from systemic risks within the financial markets.

Uncertainties and instability in global market conditions could adversely affect the business

The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. These and other related events have had a significant impact on the global capital, credit and financial markets as a whole. These events could adversely affect the Group insofar as they result in:

- (a) an increase in counterparty risk; and/or
- (b) an increased likelihood that one or more of the Group's insurers or syndicated lenders may be unable to honour their contractual commitments to the Group.

Risks associated with entry into joint ventures

The Group's proposed expansion into the Financial Services Business involves entering into joint ventures with third parties in overseas markets. Participation in joint ventures involves numerous risks including the possible diversion of management attention from existing business operations and loss of capital or other investments deployed in such ventures, alliances, or opportunities, which may adversely affect the Group's financial performance.

Government regulations in respect of the financial leasing business

The financial services industry in the PRC is subject to significant government regulation which will require the Group to obtain the relevant regulatory approvals.

With the proposed inclusion of the Financial Services Business as part of the Group's core business, the Group will require licences, permits or approvals to operate in the financial services industry. Any delays in securing the relevant licences, permits or approvals may result in loss of business over an extended period of time which could have a material adverse effect on the Group's business and financial position. Any changes in the relevant regulations may also increase the Group's regulatory and compliance costs, leading to reduced profit margins. Any breach of or non-compliance with the relevant regulations can result in penalties and withdrawal or cancellation of the Group's regulatory permits. In the event that any of these licences are revoked, the financial performance of the Financial Services Business will be adversely affected.

The Group's wholly foreign-owned enterprise has to observe the relevant PRC regulations including but not limited to the Measures on the Administration of Foreign Investment in the Leasing Industry, Notice of State Administration of Taxation on Levying Turnover Tax on Financial Leasing Business, and PRC contract law.

Fluctuations in foreign exchange rates may have a material and adverse effect on the Group's profitability

As the Company's trading and reporting currency is denominated in S\$, any fluctuation in S\$ against the relevant foreign currency may affect the Group's profitability and financial position. For example, any foreign-denominated income which is derived from the Financial Services Business' overseas units may decrease if the value of the S\$ appreciates against the relevant foreign currency, adversely affecting the profitability of the Group.

Risks relating to conducting operations in the PRC in respect of the financial leasing business

Changes in the socio-political and economic conditions in the PRC, especially a slowdown which affect the target industries in which the Group operates, may have a material adverse effect on the Group's business, results of operations and financial position.

In the event that the Company's subsidiaries in the PRC are unable to distribute dividends to the Company, the Company may face cash flow difficulties and be unable to repay its debts, service its payment obligations and distribute dividends to Shareholders.

PRC law regulates the giving of loans to and direct investments in PRC companies by offshore holding companies. Such regulations may delay or prevent the Company from providing loans or capital contributions to its subsidiaries in the PRC, which could materially and adversely affect their liquidity and the Company's ability to fund and expand its business.

In addition, changes to and ambiguities within the PRC laws and regulations may have a negative impact on our operations.

5. THE PROPOSED INCLUSION OF THE REAL ESTATE BUSINESS AS PART OF THE CORE BUSINESS OF THE GROUP

5.1 The Group's current Real Estate Business comprises the following:

(a) *Property Management*

The Group's engagement in property management business is through its participation in Sabana Property Management Pte. Ltd. ("**SPM**") which is wholly-owned by Sabana Investment Partners Pte. Ltd. (indirectly through SREIM). SPM provides management services to the entire Sabana REIT portfolio of 21 properties comprising high-tech industrial warehouses, chemical warehouses, general and logistics warehouse facilities.

In addition, through its directly and wholly-owned subsidiary, Freight Links Properties Pte. Ltd., the Group provides management services to its owned and leased warehouse and logistics properties. Such property management services include the oversight of operations, preventive maintenance control, conduct work audit and dealing with service contractors and service contracts including workplace health and safety requirements.

(b) *Property Development and Investment*

Since the 1990s, the Group had started developing and investing in various types of industrial properties either for its own use or for use by third parties. The projects successfully undertaken by the Group in the past are set out in the table below. In July 2011, the Group secured a land lease from JTC to build a chemical mega-hub suitable for handling and storage of hazardous chemicals at 121 Banyan Drive, Jurong Island to mainly serve multinational companies. Upon completion of the said chemical mega-hub, the Group would have completed construction a total of eight warehouses with a combined gross floor area exceeding two million square feet.

| Property Location | Temporary Occupation Date (“TOP”) | Description of Property | Ownership and Existing Use |
|--|--|--|--|
| 5 Toh Guan Road East Singapore 608831 | July 1991 (Phase 1) and June 1996 (Phase 2) | Two warehouse complexes made up of a part three-storey cum five-storey warehouse block with ancillary office and adjoining four-storey warehouse block | In 2004, these properties were sold to and leased back from HSBC Institutional Trust Services (Singapore) Limited (“ HSBCIT ”) as trustee of Ascendas Real Estate Investment Trust (“ A-REIT ”). One of the warehouse complexes is currently operated by the Group, while the other is being managed by A-REIT. |
| 9 Changi South Street 3 Singapore 486361 | July 1997 | An eight-storey office building and a four-storey warehouse fitted with ASRS | In 2004, these properties were sold to and leased back from HSBCIT as trustee of A-REIT. Leaseback term was not renewed by the Group since its expiry in 2012. |
| 51 Penjuru Road Singapore 609143 | February 1999 | A part single-storey fitted with ASRS/part three-storey/part four-storey warehouse cum office complex | In 2010, these properties were sold to and leased back from HSBCIT as trustee of Sabana REIT. This warehouse complex is currently being operated by the Group. |
| 30 Tampines Industrial Avenue 3 Singapore 528775 | September 2004 | A two-storey factory for manufacturing organic light-emitting diodes | The Group has divested the property in 2005. |
| 30 Tuas Avenue 10 Singapore 639150 | October 2008 | A seven-storey warehouse cum office complex | The warehouse complex is currently owned and operated by the Group. |

| Property Location | Temporary Occupation Date (“TOP”) | Description of Property | Ownership and Existing Use |
|--|--|--|---|
| 33 and 35 Penjuru Lane Singapore 609200 and 609202 | October 2008 | A chemicals storage warehouse complex comprising three buildings – a four-storey warehouse building, a part single-storey with Very Narrow Aisle racking system, part three storey warehouse building and a single-storey warehouse with mezzanine floor | In 2010, these properties were sold to and leased back from HSBCIT as trustee of Sabana REIT. This warehouse complex is currently being operated by the Group. |
| 18 Gul Drive Singapore 629468 | November 2009 | A two-storey chemical warehouse cum four-storey office | In 2010, this property was sold to and leased back from HSBCIT as trustee of Sabana REIT. This warehouse complex is currently being operated by the Group. |
| 121 Bayan Drive Jurong Island Singapore 627570 | Expected TOP date is end of 2013 | A six-storey chemical warehouse, a one level mezzanine office, a single storey Bromine storage warehouse and ISO-tanks parking yard and ancillary offices | This warehouse complex is currently owned, and will be operated by the Group. |

As regards property investment, the Group has acquired several industrial properties from the secondary market as set out in the table below. As such, the Group has gained experience in lease management in Singapore, the PRC, Thailand, Malaysia and United Arab Emirates. The property investment business has provided a steady income stream for the Group and has good prospects for future expansion.

| Property Location | Year of Acquisition | Description of Property | Ownership and Existing Use |
|-------------------------------------|----------------------------|--|---|
| 146 Gul Circle Singapore 629604 | December 1995 | Two single-storey detached warehouses and a single-storey warehouse with a two-storey ancillary office | Properties are currently owned and operated by the Group. |
| 29 Tanjong Penjuru Singapore 609026 | November 2004 | A single-storey detached warehouse with a mezzanine office | Property is currently owned and operated by the Group. |

| Property Location | Year of Acquisition | Description of Property | Ownership and Existing Use |
|--|---------------------|--|--|
| 30 and 32 Tuas Avenue 8 Singapore 639246 and 639247 | June 2005 | Two factories with an adjoining four-storey purpose built factory for electronics manufacturing, with ancillary offices | In 2010, these properties were sold to and leased back from HSBCIT as trustee of Sabana REIT. The properties are currently being leased out by the Group. |
| 218 Pandan Loop Singapore 128408 | June 2005 | Two separate properties: (a) a double volume single-storey cold storage building for handling and storage of fresh food, with a mezzanine office; and (b) a two-storey office building | In 2010, these properties were sold to and leased back from HSBCIT as trustee of Sabana REIT. The properties are currently being leased out by the Group. |
| 47 Changi South Avenue 2 Singapore 486148 | March 2011 | A four-storey industrial factory with office | Property is currently owned and operated by the Group. |
| 18 Haigang Road, Jiangyin New Harbor City, Jiangsu, PRC, Zipcode 21443 | September 2011 | A single-storey bonded warehouse | Property is currently owned and leased out by the Group. |
| Plot MO0647, Jebel Ali Free Zone, Dubai, United Arab Emirates | October 2011 | A warehouse with office | Property is currently owned and operated by the Group. |
| 507/321, Soi Sathu Pradit 31 (Nakorn Thai Soi 4), Sathu Pradit Rd. Chong Nonsi, Yannawa, Bangkok 10120, Thailand | October 2012 | A seven-storey building (ground floor lobby with 6 floors of office space) | The property is currently owned and operated by the Group. |
| Lorong Palas, off Jalan Ampang, 55100 Kuala Lumpur, Malaysia | August 2013 | A block of 24-storey residential tower comprising 76 units of condominium with 110 units of car parking lots | The property will be owned by the Group's joint venture company and leased by its joint venture partner. |

5.2 The Group intends to undertake the following in respect of the Real Estate Business:

- (a) undertaking property development and redevelopment activities in the residential, hospitality, commercial and industrial sectors;
- (b) undertaking sale and leaseback of property;
- (c) engaging in property management activities, including providing to property owners and/or tenants services such as regular building maintenance and repairs, facilities management and supervision of the performance of service providers and contractors;
- (d) acquiring and holding investments in property related assets, including buying and selling properties and/or acquiring or developing properties and holding such properties for long term investment through collection of rental revenue;
- (e) co-ordinating real estate activities such as marketing of the properties, land acquisitions, project financing and management; and
- (f) investing, acquiring or disposing of, or trade from time to time any such assets, investments and shares/interests in any entity that is in the property investment and/or trading, or property development businesses.

Currently, the Group's intention in the near future is to undertake the Real Estate Business in emerging Asian markets located in Singapore, Malaysia and PRC, due to the geographical proximity and consequent familiarity of these countries to the Group. However, the Group does not plan to restrict the Real Estate Business to any specific markets as each project and investment would be evaluated and assessed by the Board on its own merits.

The Group will continue to manage its existing projects and embark on property development projects only after evaluating each project on their individual merits. In making its assessment of such projects, the Group will consider the cash flow requirements of the Group, growth potential, projected returns and business value enhancements of such projects to the Group, the cost and benefits of a range of options, cash flow impact of the proposed development, relevant market conditions, regulatory and non-regulatory options. The Group will also consider specific factors such as the technical expertise requirements, changing risk premiums, financing and tax considerations before embarking on new projects. The amount of capital which the Group intends to invest in the Real Estate Business would depend on the factors above.

5.3 **Funding**

The sources of funds for new businesses in Real Estate Business will be funded by a mix of internal resources and external financing such as bank borrowings. The funding for a project will be decided on a case-to-case basis, and will be arranged concurrently and/or prior to undertaking a project.

5.4 **Real Estate Business Management Team**

The Group has a strong management team who has the relevant skills and capabilities in relation to the Real Estate Business. The Group has identified the following individuals as part of the Real Estate Business management team:

| S/N | Name | Background Experience/Previous Appointments |
|-----|-----------------------|--|
| 1. | Eric Khua Kian Keong | <p>Mr Eric Khua has more than 20 years of experience in real estate investment, having developed and completed numerous residential and industrial projects in Singapore.</p> <p>He provides and implements key strategies on corporate development for the Group.</p> <p>Academic qualifications include Bachelor of Science in Electrical Engineering and graduated cum laude from the University of the Pacific, USA.</p> |
| 2. | Henry Chua Tiong Hock | <p>Mr Henry Chua has more than 20 years of experience in property development within the Group and has been involved in property development projects of the Group during his tenure.</p> <p>Responsible for the completion of the purchase and development of the Group's first property located at 5 Toh Guan Road East and all property development projects of the Group.</p> <p>Directly involved in all the property management projects undertaken by the Group during his tenure.</p> <p>Currently leading the warehouse development project in Jurong Island.</p> <p>Currently a director of Sabana REIT.</p> |
| 3. | How Oui, Ric | <p>Mr How heads Sabana Property Management Pte. Ltd., the Property Manager of Sabana REIT. Prior to joining SPM, he held various roles in the property and facilities management field, spanning across the industrial, commercial and retail property sectors. His experience in the property and facilities management fields total 15 years.</p> <p>His previous appointments with companies, include City Developments Limited, Keppel FMO Pte. Ltd., CB Richard Ellis Pte. Ltd., Davis Langdon & Seah Pte. Ltd. and Far East Organisation Pte. Ltd.</p> <p>Academic qualifications include a Bachelor of Science (Honours) in Building from the National University of Singapore.</p> |

The management team will also be supported by an internal team who will be assembled on a project basis, comprising finance, operation and project management personnel and a professional team of architects, engineers and project consultants.

The Group plans to leverage on the skills and capabilities of the Real Estate Business management team by drawing on their experience, expertise and analytical ability to make collective and sound decisions on the Real Estate Business.

5.5 **Licences**

The Group is currently in possession of a certificate of factory registration issued by the Ministry of Manpower and a licence from JTC for the right to carry out projects on JTC land. Licenses, permits, certificates, consents or regulatory approvals may also be required during various stages of a property development project and the Group will apply for these at appropriate stages of the project.

5.6 **Risk Factors in relation to the inclusion of the Real Estate Business as part of the Core Business of the Group**

Entry into the Real Estate Business involves a number of risks. The following risk factors are not and do not purport to be an exhaustive list or explanation of all the potential risks associated with the Real Estate Business. There may be additional risks not presently known to the Group 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.

(a) *Risk relating to the Real Estate Business*

Occurrence of any acts of God, war, terrorist attacks and adverse weather conditions may adversely and materially affect the business and operations of the Real Estate Business

Any property owned by the Group is at risk of suffering physical damage caused by fire, floods, earthquakes, other natural disasters, terrorist attacks, war or acts of God. The Group may also be subject to public liability claims including claims arising from the operation of its properties. The Group may suffer material losses in excess of insurance proceeds in relation to its properties and its potential liabilities to third parties. There can be no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise and/or adverse weather conditions will not have a material adverse effect on the operations of the Real Estate Business.

Certain types of risks (such as the risk of war, terrorist acts and losses caused by the outbreak of contagious diseases, contamination or other environmental breaches) may not be covered by insurance policies, or the cost of obtaining insurance coverage may be prohibitively high compared to the level of risk. The Group's existing property insurance policies do not cover acts of God, outbreak of contagious diseases or environmental contamination. Should an uninsured loss or a loss in excess of insured limits occur, the Group could be required to pay compensation and/or write off the capital invested in the affected property and anticipated future revenue from that property. The Group may also be liable to pay any debts or other financial obligation related to that property. Therefore, the Group faces the risk of incurring uninsured losses or material losses in excess of insurance proceeds.

Fluctuations in foreign exchange rates may have a material and adverse effect on the Group's profitability

As the Company's trading and reporting currency is denominated in S\$, any fluctuation in S\$ against the relevant foreign currency may affect the Group's profitability and financial position. For example, any foreign-denominated income which is derived from the Real Estate Business' overseas units may decrease if value of the S\$ appreciates against the relevant foreign currency, adversely affecting the profitability of the Group.

The Group is subject to liquidity risks

The Group's entry into the Real Estate Business may require substantial capital investment or cash outlay. There is no assurance that the Group will have sufficient internal resources to undertake the Real Estate Business. The Group may have to raise capital by issuing equity or debt securities or by external financing from banks or other sources on commercially reasonable terms. In addition, the terms of securing any debt financing may impose restrictions on the Group and may:

- (i) require the Group to dedicate a portion of its cash flow from its operations to repayment of debt, thereby reducing the availability of cash flow for capital expenditure, working capital and other general corporate purposes;
- (ii) restrict the Group's ability to respond swiftly to developments in the Group's businesses and the relevant industries in which they operate; and/or
- (iii) dilute Shareholders' equity interests and may, in the case of a rights issue, require additional capitalisation from Shareholders. Further, any issue of Shares below the prevailing market price will also affect the value of Shares then held by Shareholders. Dilution of Shareholders' equity interests may occur even if Shares are issued at a premium to the market price.

Fluctuations in property prices and performance of the property industry in emerging Asian markets may affect the Group

As the Group intends to develop properties in emerging Asian markets such as Singapore, Malaysia and China, the Company's business is subject to the performance of the property industry in the countries in which the Group operates, where property prices are largely affected by supply and demand of properties. The demand for properties typically follows a cyclical pattern and is generally affected by local and global economic conditions, local market sentiment and expectations, government regulations, competition from other property developers, extent of supply of properties for sales and availability of financing for the purchase of properties.

Despite growth of the regional property market in the past, there is no guarantee that such growth will be sustained in the future. A decline in economy of such country could adversely affect the Group's results of operation and future growth. For example, should real estate market prices suffer downward pressures, the Group may have to postpone the sale of its property development projects to such date when market conditions improve, thereby incurring holding costs, including interest and maintenance costs. Therefore, the Group's earnings and cash flow may be adversely affected. The Group may also have to sell its property development projects at lower prices, which in turn would adversely affect the Group's sales revenue and profit margin. If the Group cannot respond to changes in market conditions more swiftly or effectively than our competitors, our ability to generate revenue, our financial condition and our financial performance will be adversely affected.

Failure to obtain or material delays in obtaining the requisite governmental approvals for our property developments may adversely affect the Group's business and results of operations

The property industry in the countries in which the Group may operate is subject to significant government rules and regulations. In particular, regulatory approvals may be required for, among other things, land and title acquisition or divestment, development planning and design, construction, renovation and asset enhancement, and mortgage financing and refinancing. Such approvals may stipulate, among other things, maximum periods for the commencement of development of land. If the Group fails to obtain the relevant approvals or comply with the applicable laws and regulations, the Group may be subject to penalties, have its licenses or approvals revoked, or lose its right to own, develop or manage its properties, and the Group's business, among other things, any or all of which could have a material and adverse impact on the Group's business, financial condition, results of operations and prospects.

In addition, in the countries in which the Group may operate, such as the PRC, Singapore and Malaysia, in order to develop and complete a property development, a property developer may be required to obtain various permits, licenses, certificates and other approvals from the relevant administrative authorities at various stages of the property development process, including but not limited to, land use rights certificates, planning permits, construction permits, pre-sale permits and certificates or confirmation of completion and acceptance. If the Group fails to obtain relevant permits and licences for the property development business, any proposed investment may not proceed as scheduled, and our business, financial condition, results of operations and prospects may be adversely affected.

Compliance with such laws and regulations may also increase the Group's costs and any significant increase in such compliance costs may adversely affect the Group's operations and financial position.

The Group may not be able to identify or acquire land and/or property at commercially-acceptable prices

The Real Estate Business is highly competitive, with strong competition from established industry participants who may have greater experience and/or financial resources to provide more affordable services or respond more quickly to market trends than the Group. The Company cannot assure Shareholders that the Group will be able to identify and acquire attractive sites and/or property in the future at commercially acceptable prices, or at all.

The Group is subject to risks relating to the property investment valuations and decline in property values

Property valuations generally include a subjective determination of certain factors relating to the relevant properties, such as their relative market positioning, their financial and competitive strengths and their physical conditions. There can be no assurance that the assumptions relied on are accurate measures of the market. Valuation by professional valuers of the Group's properties is based on certain assumptions that (i) the properties will be completed or developed as currently proposed and (ii) all regulatory and governmental approvals for the proposals will be or have been obtained, and is not intended to be a prediction of, and may not accurately reflect, the actual values of those assets. Further, the inspection of the Group's properties and other work undertaken in connection with a valuation exercise may not identify all material defects, breaches of contracts, laws and regulations, and other

deficiencies and factors that could affect the valuation of the properties. Unanticipated changes to the socio-political, economic or regulatory environment may affect the assumptions upon which the valuations are based and adversely affect the valuation of the properties and the returns which the Group can realise from these properties.

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

The Group may 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 costs to rectify such defects, materially and adversely affecting the Group's financial position.

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 arising from changes in government policies. In the event of any disruption to the supply of workers, or if costs cannot be controlled, the overall construction costs may increase and the Group's financial performance may be materially and adversely affected.

The Group may be affected by illiquidity of real estate assets

Real estate assets are relatively illiquid in nature. Such illiquidity will affect the Group's ability to realise cash from unsold units at short notice or, in the event of an urgent sale, result in a significant reduction in the selling price of these assets. Under such circumstances, the divestment, realization or return of capital or investment in respect of the Real Estate Business may be adversely affected. This would have an adverse effect on the Group's revenue, profitability and financial performance.

The Group may be unable to generate adequate return on or impairment arising from a fall in value of our investment properties

Property investment (where we engage in renting out some of our properties) is subject to varying degrees of risk. The returns available from any real estate depend to a large degree on the amount of capital appreciation generated, income earned from the rental of the relevant properties as well as the expenses incurred. Our Group's financial position may also be adversely affected by a fall in value of any such property investments. The sales derived from and the values of such property investments may be adversely affected by a number of factors, including but not limited to changes in market condition and rental rates, the ability to collect rent due to bankruptcy or insolvency of tenants or otherwise and the need to periodically repair and re-let space and the costs thereof. In the event that the property investment aspect of our Group's business expands and we are not able to generate adequate returns, our Group's profits and financial position will be adversely affected.

The revenue to be earned from, and the value of, the Group's property, may be adversely affected by a number of factors

The revenue earned from, and the value of, the Group's property, may be adversely affected by a number of factors, including vacancies following the expiry or termination of leases that result in lower occupancy rates which reduces the Group's revenue, inability to collect rent from tenants in a timely manner or at all, rental rebates given to tenants facing market pressure, tenants seeking the protection of bankruptcy or insolvency laws which could result in delays in the receipt of rent payments, inability to collect rental income, or delays in the termination of the tenant's lease or vacating of the premise by the tenant which could hinder or delay the re-letting of the premise in question, local and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for, space for lease, changes in market rental rates and operating expenses for the Group's properties) and inability to arrange for adequate property management and maintenance or to put in place adequate insurance. Such factors may lead to an increase in management expenses or unforeseen capital expenditure. The rights related to the relevant properties may also be restricted by legislative actions, such as revisions to laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment and higher interest rates.

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

The Group is subject to country-specific risks in emerging Asian markets, including political, regulatory, economic risks

The Group will be subject to risks associated with our business activities in emerging Asian markets. The business, earnings, prospects and value of assets that the Group owns and manages may be materially and adversely affected by a variety of conditions and developments in the Asia region, including in each of these countries. Such conditions and developments include:

- (i) inflation, interest rates, and general economic conditions;
- (ii) governmental policies, laws and regulations, particularly those relating to real estate ownership and asset and fund management of real estate, and changes to such policies, laws and regulations and their implementation and interpretation, which could prevent, delay, increase the cost of or otherwise adversely affect our ability to invest in, acquire or divest, operate or manage our investments and our properties;
- (iii) price controls which may impact the price at which we may acquire or divest our interest in properties, or the rental rate which we are able to charge;
- (iv) changes in accounting standards, taxation regulations, corporation laws and regulations relating thereto; and
- (v) the ability of our management to deal with multiple and diverse regulatory regimes.

Such conditions, developments and other risks associated with conducting business in multiple jurisdictions, many of which are outside of our control, may have an adverse effect on the Group's business, financial condition, results of operations and prospects. The specific risks relating to the conduct of the Real Estate Business in the emerging Asian markets are further described below.

(b) *Specific Risks relating to the Real Estate Business in Singapore*

The President of the Republic of Singapore may, as lessor, re-enter the properties upon breach of terms and conditions of the State lease

The Group has entered into several land leases from JTC and each such property is held under a registered State lease issued by the President of the Republic of Singapore as lessor. Each State lease contains terms and conditions commonly found in State leases in Singapore, including the President of the Republic of Singapore's right as lessor to re-enter the property and terminate the lease (without compensation) in the event the lessee fails to observe or perform the terms and conditions of the relevant State lease.

The Group may not be able to extend the terms of the underlying leases of certain properties which contain options to renew

The underlying JTC leases of certain properties contain a covenant by JTC to grant a further term following the expiry of the current lease term subject to the satisfaction of certain conditions, such as there being no breach of any terms and conditions of the underlying JTC leases and that certain fixed investment criteria in respect of the properties are fulfilled. There is no assurance that such conditions for extension will be satisfied or that the Group's tenants while in occupation of the premises will not be in breach of the terms and conditions of the underlying JTC leases or that such breach will be rectified in time or at all. If the Group is not able to extend the lease term of the underlying JTC, the Group will have to surrender such properties to JTC upon expiry of the original lease term. The value of the properties may be substantially reduced upon such surrender and any potential income expected after the extension of the lease term will not be realised.

The property development and construction industries in Singapore are subject to changes in relevant laws and regulations

In Singapore, the property development and construction industries are subject to laws and regulations such as the Building Control Act (Chapter 29 of Singapore), the Housing Developers Act (Chapter 130) and their related subsidiary legislation, which requires property developers or contractors to engage licensed tradesmen, adhere to applicable codes of practice and meet certain financial requirements. Any change to the relevant laws and regulations may affect the business operations and/or financial performance of the Real Estate Business.

The Group's operations are susceptible to macro-economic conditions and the policies of the government in Singapore

As real estate prices in Singapore have risen in recent years, the government has implemented economic policies in an effort to curb excessive price increases and discourage real estate speculation in Singapore.

Since February 2010, the Singapore government has announced multiple rounds of measures aimed at cooling demand in the residential property market. Such measures included introducing and increasing stamp duties payable by buyers and sellers for dispositions of properties, increasing minimum cash payments required of buyers and lowering the loan-to-value limits for housing loans. The measures introduced in 2013 included:

- (i) the increase of the additional buyer's stamp duty, which is imposed on certain groups of buyers, including all foreigners and non-individuals;
- (ii) the lowering of the loan-to-value limit for individuals with at least one (1) outstanding housing loan, as well as to non-individuals such as companies;
- (iii) the increase of the minimum cash payment from 10% to 25% for individuals applying for a second or subsequent housing loan; and
- (iv) the imposition of a total debt servicing ratio framework for property loans granted by financial institutions to individuals.

The Singapore government may introduce further measures and may continue to adjust interest rates, tax rates and other economic policies or impose other regulations or restrictions that may have an adverse effect on the property market in Singapore. Any such policy changes may adversely affect the Group's business, financial condition, results of operations and prospects.

The Group's properties or any part of them may be acquired compulsorily

The Land Acquisition Act (Chapter 152 of Singapore) gives the Singapore Government the power to acquire any land in Singapore:

- (i) for any public purpose;
- (ii) for any work or an undertaking which is of public benefit or of public utility or in public interest; or
- (iii) for any residential, commercial or industrial purposes.

In such event, compensation to be awarded would be:

- (A) the market value of the property as at the date of the publication in the Government Gazette of the notification of the likely acquisition of the land (provided that within six (6) months from the date of publication, a declaration of intention to acquire is made by publication in the Government Gazette); or
- (B) the market value of the property as at the date of publication in the Government Gazette of the declaration of intention to acquire.

In such event, the market value of a property (or part thereof) which is acquired by the Singapore Government may be less than the price which the Group paid for the property.

The Group is susceptible to a downturn in the Singapore real estate market

The Group is exposed to the risk of a downturn in conditions for the Singapore real estate market specifically and the Singapore economy in general. Singapore faces competition for business and direct investment from other Asian countries (amongst others, India, Indonesia, Thailand, Vietnam and the Philippines) where the cost of operating a business and rental rates may be substantially lower than that in Singapore. This competition may adversely affect the Group's financial condition and results of operations. The Group cannot be assured that prospective tenants will not relocate to locations outside of Singapore, which could have an adverse effect on the Group's financial condition and distributable income.

(c) *Specific Risks relating to the Real Estate Business in the PRC*

The Group may not be able to identify or acquire land use rights and/or property at commercially-acceptable prices

In the PRC, the supply of land use rights is controlled by government authorities, and the Group's ability to acquire land use rights and their corresponding acquisition costs will be affected by government policies toward supply, development and pricing of land use rights. The PRC central and local government introduced regulations that require government departments and agencies to grant state-owned land use rights for residential and commercial property development by public tender, auction or listing-for-sale. The Group believes that such regulations may contribute to an increase in the acquisition costs to property developers throughout China.

Inability to identify and acquire attractive new sites at commercially acceptable prices could impair our ability to compete with other property developers and materially and adversely affect our ability to grow our business and maintain our profitability.

The Group is subject to various government regulations and penalties

Under the PRC laws, where a developer fails to comply with or develop land according to the terms of the land grant contract (including those relating to payment of fees, land use or the time for commencement and completion of the development of the land), the relevant government authority may give a warning to or impose a penalty on the developer or forfeit the land use rights granted to the developer. There is no assurance that circumstances leading to a possible breach of terms of the land grant contract, e.g. delay in the payment of the land grant fees or delay in the commencement of the development of the land for more than two (2) years since the stipulated date of commencement in the land grant contract that may lead to the forfeiture of land use rights, will not arise or forfeiture action may not be taken by the relevant authority in the future. Therefore, if the Group is affected by circumstances which would cause us to breach the terms of the land grant contract and our land use rights are forfeited or penalties are imposed by the government, our Group's business and prospects will be adversely affected.

The Group is subject to resettlement costs

Resettlement costs and negotiations may add costs and/or cause delays to the Group's development projects. The Group may purchase land from both the PRC government and private entities. Where occupied land is obtained from the PRC government, resettlement costs are usually included in the land premium payable. On the other hand, where occupied land is obtained from private entities, we will have to compensate owners and residents for the costs of resettlement, calculated in accordance with

formulae prescribed by the relevant PRC authorities. There is no assurance that the relevant PRC authorities will not change its compensation formulae, which may result in increased costs for property. Further, in practice, the resettlement costs are subject to negotiations with the owners and residents occupying the land plot and there is no assurance that those owners and residents will be agreeable to the resettlement costs calculated in accordance with the prescribed formulae, which may result in further increased costs for property.

There is a lack of readily available, reliable and updated information on property market conditions in the PRC generally

Although the Group intends to explore opportunities for property investments in the PRC, the Group does not have a substantial presence or base in such jurisdiction, in particular in the municipal cities and provinces where property developments for the potential property investments may be located. Currently, reliable and up-to-date information is generally not readily available in the PRC and in the relevant municipal cities and provinces on the amount and nature of property development and investment activities, the demand for such development, the supply of new properties being developed or the availability of land and buildings suitable for development and investment. Consequently, our investment and business decisions may not always be based on accurate, complete and timely information. Inaccurate information may adversely affect our decisions on the property investments, which could materially and adversely affect our business and financial conditions.

The Group's ability to sell our properties is partly affected by our customers' ability to procure bank mortgages

As significant number of our customers rely on mortgages to fund their purchases. Without mortgage financing, some of our prospective customers would not be able to purchase our properties. There are a number of factors affecting the market for and availability of such mortgages in China which could make it more difficult for us to sell our properties to our customers. These factors include the following:

- (i) increases in interest rates will increase the cost to our customers of funding property purchases through mortgages. Any increases in interest rates will adversely affect the affordability and attractiveness of mortgage financing to potential purchasers of our properties. Our cost of borrowing would also increase as a result of interest rate increases, which would, in turn, adversely affect our results of operations;
- (ii) the PRC Government may also increase the down payment requirements, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unavailable or unattractive to potential property purchasers. Under current PRC laws and regulations, purchasers of their first self-used residential properties must pay at least 30% of the purchase price as down payment before they can finance their purchases through mortgages although there is a very limited exception that the first self-used residential property purchaser of a unit with a gross floor area of less than 90 sq.m may pay only 20% of the purchase price as down payment. On 16 January 2011, the General Office of the State Council issued the Notice on Issues Concerning Further Properly Regulating and Controlling the Real Estate Market, which further increased the minimum down-payment ratio for second residential properties from 50.0% to 60.0%. The State Council also required mortgage banks to strictly adhere to the policy of charging mortgage interest rates for second residential properties at no less than 110.0% of the corresponding People's Bank of China ("**PBOC**")

benchmark lending rate. The State Council also authorised its branches to raise the down-payment ratio and mortgage interest rate for second residential properties in light of objectives and policies of local governments. For commercial property buyers, the minimum down payment for commercial property buyers is 50% of the purchase price, with minimum mortgage loan interest rates at 110% of the relevant PBOC benchmark lending interest rate and maximum maturities of no more than 10 years; and

- (iii) the availability of mortgage funds to purchasers in a timely manner. In particular, the PBOC Notice on Regulating Financing Business of Housing issued by the PBOC on 19 June 2001 states that banks may not provide mortgages to purchasers entering into pre-sale agreements for properties under construction until substantial construction of the building in which such property is located is completed. Substantial construction work means, for a non-high-rise building, completion of the general structure of the building, and, for a high-rise building, two-thirds of the total investment having been made. Therefore, this would result in some of our customers not having sufficient access to funds to fund their purchase of the property. As a result, our inability to obtain sufficient pre-sale deposits may affect the Group's ability to finance the construction of its properties.

The PRC Government has implemented property control measures in relation to the PRC property market

Increasing speculation in the PRC property market has resulted in rapid increases in property prices. To discourage speculation in the PRC property market, the PRC Government has, among other things, implemented the control measures below. On 7 January 2010, the State Council issued the Notice of the State Council Office Regarding the Promotion of Stable and Healthy Development of the Property Market which requires the local governments at all levels to strengthen the real estate credit risk management, to rectify the property market, and to intensify its efforts to promote the healthy development of the property market through supporting reasonable housing consumption, curbing speculative investment and increasing effective supply.

The State Council required banks in cities with significant property price increases to stop lending to buyers of third residential properties. Banks can also suspend mortgage lending to non-local residents who cannot provide local tax returns or proof of social security contributions for more than one (1) year. The State Council also authorised local governments to restrict the number of properties that an individual can buy.

Although various control measures are intended to promote more balanced property developments in the long-term, these measures could adversely affect the development and sales of the properties. In addition, there is no assurance that the PRC Government will not introduce additional measures from time to time to regulate the growth of the PRC property market. The continuation of the existing measures and the introduction of any new measures may materially and adversely affect the Group's business, financial condition and results of operations.

The Group is subject to extensive PRC regulatory control on foreign investment in the real estate sector

The PRC Government has promulgated a number of regulations and rules regulating foreign investment in the real estate sector. Pursuant to the Circular of the General Affairs Department of State Administration of Foreign Exchange on the Distribution of the List of the First Group of Foreign Invested Real Estate Projects which have filed with the Ministry of Commerce (Hui Zhong Fa [2007] 130), a FIE in real estate business is

not allowed to borrow foreign debt with effect from 1 June 2007 and an FIE in real estate business approved by the General Office of the Ministry of Commerce of the PRC (the “**MOC**”) after 1 June 2007 must complete filing with the MOC before it is allowed to convert the foreign currency registered capital into RMB. Further, pursuant to the Circular on Strengthening Administration of Approval and Filing of Foreign Investment in Real Estate Industry (Shang Ban Zi Han [2010] No. 1542) issued by the MOC on 22 November 2010, real estate enterprises funded by foreign capital are not permitted to purchase and resell real properties in the PRC that are either completed or under construction for arbitrage purposes. There can be no assurance that the PRC Government will not deem any transaction of real properties or any transfer of equity in real estate companies as arbitrage through transaction of real estate. The regulation is believed to be aimed at controlling inflow of foreign capital by curtailing the practices of reselling properties for arbitrage purposes adopted by some foreign investors, which is an indication that the PRC Government has been imposing stricter policies on foreign investment in the real estate industry.

There is also no assurance that the PRC Government will not implement additional restrictions on foreign investment in the real estate industry and purchases and sales of real estate properties by foreign investors.

Inadequate financing for our land acquisition or property developments

One of the major factors which can affect our ability to acquire land and to complete the property developments as planned is the adequacy of financing. Our Group intends to finance the property development projects mainly from pre-sale proceeds, borrowings from third parties (including financial institutions) and internal financing. The PRC government has taken a variety of policy initiatives in the financial sector to further tighten lending procedures for real estate developers. The PBOC issued the Circular on Further Strengthening the Management of Loans for Property Business on 5 June 2003 which:

- (i) restricts PRC commercial banks from advancing loans to fund the payment of land premium;
- (ii) restricts PRC commercial banks from granting loans for the development of luxury residential properties such as villas; and
- (iii) restricts property developers from using borrowings obtained from any local bank to fund property developments outside the region.

On 27 September 2007, PBOC and the China Banking Regulatory Commission jointly issued a Notice on Strengthening Commodity Real Estate Credit Financing Administration which stated that commercial banks should not provide loans to real estate projects unless the relevant developer have paid at least 35% of the investment amount of the relevant projects with its own capital. In addition, PBOC raised the benchmark one-year lending rate several times and the rate as at the Latest Practicable Date is 6%. We cannot assure you that PBOC will not further raise lending rates in the future which may affect our business, financial condition and results of operations as a result of these adjustments. These initiatives may limit our flexibility and ability to use bank loans to finance our property developments and therefore may require us to maintain a relatively high level of internally sourced cash. As a result, we may not have adequate resources to fund land acquisitions or property developments or to service our financing obligations.

Failure to obtain the necessary qualification certificates

In accordance with the “Regulations on Administration of Urban Real Estate Development” (the “**Development Regulations**”), property developers in the PRC are required to obtain the relevant class of qualification certificates for the development of certain types and sizes of properties. The Development Regulations provide that when a property developer engages in the development and sale of real estate without any qualification certificate or beyond the scope of its qualification, it will be ordered to rectify the non-compliance within a time limit set by the real estate development authorities of the local government on or above the county level and in the meantime a fine ranging from RMB50,000 to RMB100,000 may also be imposed. If the property developer fails to rectify the non-compliance within the time limit, its business licence may be revoked by the Administration for Industry and Commerce. Should we fail to obtain or renew the requisite qualification certificates or rectify any non-compliance, our business operations will be adversely affected.

We have to guarantee the mortgage repayments of purchasers of our properties in line with market practice in the PRC

In line with the consumer banking practices in the PRC, we are required to provide guarantees to these banks in respect of any funding offered by PRC banks to the purchasers of property, if the relevant building ownership certificates for these units have not been issued. Our guarantees for each of these units are released once the relevant building ownership certificates are issued and given to the relevant mortgagee banks, as the mortgages are then secured against the issued legal titles to the properties. During the period of guarantee, if a purchaser defaults on a loan, we have to pay the repayment instalments on both the principal and the interest due and outstanding from the purchaser to the relevant mortgagee bank under the loan. In line with industry practice, our Group will rely on the credit checks conducted by the mortgagee banks on prospective purchasers. Should there be substantial defaults on the loans during the period of the guarantee and we do not manage to re-sell these properties or re-sell them at prices that are above the loan amounts repaid, our Group’s financial condition and results of operations will be materially and adversely affected. To date, we have not entered into arrangements with any banks in the PRC to provide funding and no outstanding guarantees in respect of mortgages provided to our customers.

We are subject to risks in relation to our pre-sales policies

The practice of pre-sales is widely adopted in the PRC property market industry. In line with industry practice, we intend to pre-sell most of our properties 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 our pre-sold properties to purchasers, we may be liable for potential losses that purchasers may suffer as a result. Failure or delay in delivery could be caused by delays in fitting out works, shortage in labour, adverse weather conditions and natural disasters. There is no guarantee that these losses will not exceed the purchase price paid in respect of the pre-sold units. 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 compensation for late delivery.

On 5 August 2005, PBOC recommended in a report entitled “2004 Real Estate Financing Report” that the practice of pre-selling uncompleted properties be discontinued, on the grounds that it creates significant market risks and transactional irregularities. While the recommendation has not been adopted by any PRC

governmental authority and has no mandatory effect, we cannot assure you that the PRC governmental authority will not ban or impose material limitations on the practice of pre-selling of uncompleted properties in the future. Future implementation of any restrictions on our ability to pre-sell our properties, including any requirements to increase the amount of up-front expenditure, would extend the time required for recovery of our capital outlay and would force us to seek alternative means to finance the various stages of our property developments. This, in turn, could have a material and adverse effect on our business, cash flow, financial condition and results of operations.

Foreign-Exchange Control Restrictions in the PRC in relation to revenues generated by PRC operations

The Group would be subject to the rules and regulations of China on currency conversion. In China, the State Administration for Foreign Exchange (“SAFE”) regulates the conversion of the RMB into foreign currencies and *vice versa*. Currently, FIEs are required to apply to SAFE for “Foreign Exchange Registration Certificates for FIEs”. With such registration certifications, FIEs are allowed to open foreign currency accounts including the “basic account” and “capital account”. Currently, conversion within the scope of the “basic account” (e.g. remittance of foreign currencies for payment of dividends, etc.) can be effected without requiring the approval of SAFE. However, conversion of currency in the “capital account” (e.g. for capital items such as direct investments, loans, securities, etc.) still requires the approval of SAFE.

Under the Regulation for Foreign Exchange Controls of the PRC Regulation, conversion of RMB into foreign currencies for the use of recurring items, including the distribution of dividends and profits to foreign investors of FIEs is permissible and FIEs are permitted to remit foreign currencies from their foreign currency bank accounts in China upon presentation of board resolutions that authorise the distribution of profits or dividends and subject to other requirements being satisfied, and conversion of RMB into foreign currencies for capital items, such as repatriation of capital, repayment of loans and for securities investment, is still under control. The Group cannot provide any assurance that the regulatory authorities in China will not impose further restrictions on the convertibility of the RMB, which may affect the ability of the Group to distribute dividends to its Shareholders.

(d) *Specific Risks relating to the Real Estate Business in Malaysia*

The Group may be unable to obtain relevant approvals from the Malaysian state authorities.

Certain types of land in Malaysia require the approval of the state authorities prior to any acquisition, transfer or disposal of interests in land or any creation of a lease or a charge over the land. Some of the Malaysian state authorities have on previous occasions rejected applications for approval to transfer land. In the event that we wish to realise our investments in Malaysia which require such approvals, by transferring or disposing the same, we cannot assure you that we will be able to obtain the necessary approvals to do so, in a timely manner or at all. If such an event occurs, the value of our investment in these assets and our business, financial condition, results of operations and prospects may be adversely affected.

The Group is subject to compulsory land acquisition by the government.

Under the Land Acquisition Act 1960, the Malaysia State Authority has the power to acquire any land, whether in whole or in part, which is needed:

- (i) for any public purpose;
- (ii) by any person or corporation for any purpose which in the opinion of the Malaysia State Authority is beneficial to the economic development of Malaysia or any part thereof or to the public generally or any class of the public; or
- (iii) for the purposes of mining or for residential, agricultural, commercial, industrial or recreational purposes or any combination of such purposes.

The Group cannot guarantee that it will not experience any compulsory acquisition of land in the future.

Political, economic and social developments in Malaysia may adversely affect the Group

The Group's business, prospects, financial condition and results of operations may be adversely affected by political, economic and social developments in Malaysia. Other political and economic uncertainties include but are not limited to the risks of war, terrorism, riots, expropriation, nationalism, renegotiations or nullification of existing contracts and changes in interest rates, foreign exchange rates, methods of taxation and import duties and restrictions. Any change in Government policy, changes to senior positions within the Government and parliament, or any political instability in Malaysia that may arise from these changes may have a material adverse effect on the Group.

We may be subject to foreign exchange transaction risks

The value of the S\$ against the RM may fluctuate and be affected by, amongst other factors, changes in the political, social and economic conditions in Malaysia. Any significant revaluation of the RM may have an adverse effect on our business, financial condition, results of operations and prospects.

For example, some of our materials for construction and development and capital expenditures for future expansion programs will be denominated in, and may be financed in, foreign currencies. Any future appreciation in the RM against the S\$ would increase our cost of materials and the cost of our capital expenditures in RM terms and could have an adverse effect on our business, financial condition, results of operations and prospects.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as expressly stated below, none of the Directors or Substantial Shareholders of the Company have any direct or indirect interest in the Financial Services Business and Real Estate Business proposed to be included as part of the core business of the Group as at the Latest Practicable Date.

- (a) Mr Eric Khua Kian Keong has direct interests of 1.87% in SACOFF.

(b) Mr Eric Khua Kian Keong also has:

- (i) direct interests in 12,988,000 units in Sabana REIT (representing approximately 1.88% of the units in Sabana REIT);
- (ii) deemed interests in 9,083,000 units in Sabana REIT (representing approximately 1.32% of the units in Sabana REIT) held by the Company;
- (iii) deemed interests in 38,352,000 units in Sabana REIT (representing approximately 5.56% of the units in Sabana REIT) held by SEPL, a wholly-owned subsidiary of the Company; and
- (iv) deemed interests in 8,723,095 units in Sabana REIT (representing approximately 1.26% of the units in Sabana REIT) held by SREIM, which is a wholly-owned subsidiary of SIPL, itself 51% owned by the Company.

(c) Mr Khua Hock Su has direct interests in 1,229,000 units in Sabana REIT (representing approximately 0.18% in Sabana REIT) and deemed interests 56,158,095 units in Sabana REIT (representing approximately 8.14% in Sabana REIT).

Based on the Existing Articles of Association, no Director shall vote as a Director in respect of any contract or arrangement in which he has directly or indirectly a personal material interest, although he shall be counted in the quorum present at the meeting.

Mr Eric Khua Kian Keong and Mr Khua Hock Su are of the view that they each do not have a personal material interest in the Financial Services Business and Real Estate Business proposed to be included as part of the core business of the Group due to the following reasons:

- (A) in the case of Mr Eric Khua Kian Keong, his interest in the Financial Services Business is only limited to that of holding shares in SACOFF and Sabana REIT as disclosed in paragraph 6(a) and 6(b) above;
- (B) their interest in the Real Estate Business is only limited to that of holding shares in Sabana REIT as disclosed in paragraph 6(b) and 6(c) above;
- (C) they are not involved, directly or indirectly, in the management of SACOFF and/or Sabana REIT; and
- (D) the Group's investment in SACOFF and involvement in asset management services via its participation in SREIM only forms part of the Financial Services Business to be undertaken by the Group in the future.

Accordingly, Mr Eric Khua Kian Keong and Mr Khua Hock Su will not abstain from voting on the proposed inclusion of the Financial Services Business and Real Estate Business as part of the core business of the Group.

The Board is of the opinion that it is appropriate to allow Mr Eric Khua Kian Keong and Mr Khua Hock Su to vote on the proposed inclusion of the Financial Services Business and Real Estate Business as part of the core business of the Group on the basis that they do not have a personal material interest in the Financial Services Business and the Real Estate Business.

- (d) By virtue of Section 7 of Companies Act, Mr Eric Khua Kian Keong, Mr Khua Hock Su, Mr Vincent Khua Kian Ann, Mr Khua Kian Hua, Vibrant Capital Pte. Ltd. ("**Vibrant**"), and Lian Hup Holdings Pte. Ltd. ("**Lian Hup**") are deemed to be interested in the subsidiaries of the Company.
- (e) The interests of Directors and Substantial Shareholders of the Company as at the Latest Practicable Date, as recorded in the Company's Register of Directors' Shareholdings and the Register of Substantial Shareholders respectively are set out below:

| <u>Directors</u> | Direct Interest | | Deemed Interest | |
|-------------------------|-------------------------|----------|-------------------------|----------|
| | Number of Shares | % | Number of Shares | % |
| Khua Hock Su | – | – | 1,278,100,115 | 52.6911 |
| Eric Khua Kian Keong | 61,511,552 | 2.5359 | 1,278,071,425 | 52.6899 |
| Henry Chua Tiong Hock | 3,824,320 | 0.1577 | – | – |
| Thomas Woo Sai Meng | 296,746 | 0.0122 | – | – |

| <u>Substantial Shareholders</u> | Direct Interest | | Deemed Interest | |
|--|-------------------------|----------|-------------------------|----------|
| | Number of Shares | % | Number of Shares | % |
| Vibrant Capital Pte. Ltd. | 1,278,071,425 | 52.6899 | Nil | – |
| Eric Khua Kian Keong ⁽¹⁾ | 61,511,552 | 2.5359 | 1,278,071,425 | 52.6899 |
| Lian Hup Holdings Pte. Ltd. ⁽²⁾ | Nil | – | 1,278,071,425 | 52.6899 |
| Khua Hock Su ⁽³⁾ | Nil | – | 1,278,100,115 | 52.6911 |
| Vincent Khua Kian Ann ⁽⁴⁾ | Nil | – | 1,278,071,425 | 52.6899 |
| Khua Kian Hua ⁽⁴⁾ | Nil | – | 1,278,071,425 | 52.6899 |

Notes:

- (1) Mr Eric Khua Kian Keong is deemed to be interested in 1,278,071,425 Shares held by Vibrant by virtue of his controlling interest in Vibrant.
- (2) Lian Hup is deemed to be interested in 1,278,071,425 Shares held by Vibrant by virtue of Lian Hup's shareholding interest in Vibrant.
- (3) Mr Khua Hock Su is deemed to be interested in a total of 1,278,100,115 Shares, of which 1,278,071,425 Shares are held by Vibrant by virtue of his shareholding interests in Lian Hup and 28,690 Shares are held directly by his wife, Madam Lee Siew Geok.
- (4) Mr Vincent Khua Kian Ann and Mr Khua Kian Hua are deemed to be interested in 1,278,071,425 Shares held by Vibrant by virtue of their respective shareholding interests in Lian Hup.

7. PROPOSED CHANGE OF NAME OF THE COMPANY

- 7.1 To reflect the Group's new core business activities and in line with the inclusion of the Financial Services Business and Real Estate Business as part of its core business, the Board proposes to change the name of the Company from "Freight Links Express Holdings Limited" to "Vibrant Group Limited" (the "**Proposed Name Change**").

The Proposed Name Change will serve to align the Company's name with the corporate strategy of the Group in including the Financial Services Business and Real Estate Business as part of the core business of the Group. In view of the growing activities beyond purely the Freight and Logistics Business, the Directors consider it appropriate to change the name of the Company to provide a clearer identity and to reflect more accurately its diversified business profile moving forward. The Proposed Name Change will not affect any of the Shareholders' rights or the Group's daily business operations and financial standing.

- 7.2 An application has been made to the ACRA for the reservation of the name "Vibrant Group Limited" and the reservation has been approved. Such reservation is valid until 31 December 2013. The Proposed Name Change will be proposed as a special resolution at the EGM and is subject to Shareholders' approval. After obtaining Shareholders' approval, the Company will submit all relevant documentation to ACRA to register its change of name. Upon such registration by ACRA, the Company will, with effect from the date of issue of the certificate of incorporation on the change of name from ACRA, change its name to "Vibrant Group Limited". The name "Vibrant Group Limited" shall replace "Freight Links Express Holdings Limited", wherever the latter name appears in the Company's Existing Memorandum of Association and Existing Articles of Association. The Company will make an announcement on SGXNET when its change of name takes effect.
- 7.3 Shareholders should note that, notwithstanding the Proposed Name Change, the legal status of the Company will not be affected and the existing Shares will continue to be traded on the Mainboard of the SGX-ST. The Company will not be recalling or reissuing existing share certificates, which will continue to be *prima facie* evidence of legal title to the Shares. No further action will be required on the part of Shareholders.

8. PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY

- 8.1 The Company adopted the Existing Memorandum of Association and the Existing Articles of Association on 10 July 1995 (as amended on 28 June 2004 and 31 August 2010), in connection with the conversion of the Company to a public company and subsequent listing on SGX-ST SESDAQ.
- 8.2 Prior to the Companies (Amendment) Act 2004 coming into force on 1 April 2004, it was a requirement that the memorandum of association of every company contain an objects clause. The objects clause will generally define the business and set out the activities the company intends and is empowered to carry out. To ensure that a company is empowered to engage in a wide range of businesses and activities, objects clauses were often drafted as widely as possible.

The Companies (Amendment) Act 2004 amended Section 22(1) of the Companies Act such that it is no longer necessary to state the objects of the company within its memorandum. In accordance with Section 23(1) of the Companies Act, subject to the provisions of the Companies Act, any other written law and its memorandum and articles of association, a company has full capacity and powers to carry on or undertake any business or activity, do any act or enter into any transaction and for these purposes, has full rights, powers and privileges.

Whilst the objects clauses in the Existing Memorandum of Association are sufficiently wide to confer full capacity and power on the Company to carry on or undertake any business or activity, for purposes of simplification of the objects clauses, the Directors propose to delete Clause 3 of the Existing Memorandum of Association in its entirety and to substitute it with the following:

“3. Subject to the provisions of the Companies Act, Chapter 50 of Singapore, and any other written law and the Memorandum and Articles of Association, the Company has:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of paragraph (a) above, full rights, powers and privileges.”

8.3 The Directors also propose, subject to the Shareholders’ approval in accordance with paragraph 7.2 of this Circular, to update the Existing Memorandum of Association and the Existing Articles of Association to reflect the Proposed Name Change. Upon the change of the name of the Company to “Vibrant Group Limited” in accordance with paragraph 7.2 of this Circular, the name “Freight Links Express Holdings Limited” will be substituted with “Vibrant Group Limited” wherever the name “Freight Links Express Holdings Limited” appears in the Existing Memorandum of Association and the Existing Articles of Association.

9. DIRECTORS’ RECOMMENDATION

The Directors are of the opinion that the proposed inclusion of the Financial Services Business and Real Estate Business as part of the core business of the Group, the proposed change of name of the Company, and the proposed amendments to the Existing Memorandum of Association and Existing Articles of Association are in the best interests of the Company. Accordingly, they recommend that the Shareholders vote in favour of the resolutions set out in the notice of EGM on pages 42 to 44 of this Circular.

10. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 42 to 44 of this Circular, will be held on 25 November 2013 at 9.30 a.m. at 51 Penjuru Road, #04-00 Freight Links Express Logisticcentre, Singapore 609143, for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolution and special resolutions set out in the said notice of EGM on pages 42 to 44 of this Circular.

11. ACTION TO BE TAKEN BY SHAREHOLDERS

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote at the EGM on his behalf, he should complete, sign and return the attached Proxy Form 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 later 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 so wishes.

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

12. 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 inclusion of the Financial Services Business and the Real Estate Business as part of the core business of the Group, the proposed change of name of the Company, the proposed amendments to the Existing Memorandum of Association and Existing Articles of Association of the Company and 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 these sources and/or reproduced in this Circular in its proper form and context.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 51 Penjuru Road, #04-00 Freight Links Express Logisticcentre, Singapore 609143, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Existing Memorandum of Association and the Existing Articles of Association of the Company; and
- (b) the annual report of the Company for FY2013.

Yours faithfully
For and on behalf of the Board

Eric Khua Kian Keong
Executive Director and CEO
Freight Links Express Holdings Limited

FREIGHT LINKS EXPRESS HOLDINGS LIMITED

(Company Registration Number: 198600061G)

(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Freight Links Express Holdings Limited (the “**Company**”) will be held on 25 November 2013 at 9.30 a.m. at 51 Penjuru Road, #04-00 Freight Links Express Logisticentre, Singapore 609143, for the purpose of considering and, if thought fit, passing (with or without modification) the following ordinary resolutions and special resolutions:

ORDINARY RESOLUTIONS:

1. PROPOSED INCLUSION OF THE FINANCIAL SERVICES BUSINESS AS PART OF THE CORE BUSINESS OF THE GROUP

Resolved that:

- (a) approval be and is hereby given, for the proposed inclusion of the Financial Services Business (as defined in the circular to Shareholders dated 23 October 2013 (the “**Circular**”)) as part of the core business of the Company and its subsidiaries (collectively, the “**Group**”), and pursuant thereto, for the Group to carry on the businesses undertaken or to be undertaken subsequent to the inclusion of the Financial Services Business as part of the core business of the Group, and all other businesses reasonably incidental or ancillary thereto; and
- (b) the Directors (or any one of them) be and is/are hereby authorised and empowered to complete and to do all such acts and things, and to approve, amend, modify, supplement and execute such documents, as they or he may consider necessary, desirable or expedient in connection with any of the aforesaid transactions or to give effect to any of the aforesaid transactions and/or to give effect to the approvals given by this Resolution, and generally to do all such things as he deems necessary or expedient for all the foregoing purposes.

2. PROPOSED INCLUSION OF THE REAL ESTATE BUSINESS AS PART OF THE CORE BUSINESS OF THE GROUP

Resolved that:

- (a) approval be and is hereby given, for the proposed inclusion of the Real Estate Business (as defined in the Circular) as part of the core business of the Group, and pursuant thereto, for the Group to carry on the businesses undertaken or to be undertaken subsequent to the inclusion of the Real Estate Business as part of the core business of the Group, and all other businesses reasonably incidental or ancillary thereto; and
- (b) the Directors (or any one of them) be and is/are hereby authorised and empowered to complete and to do all such acts and things, and to approve, amend, modify, supplement and execute such documents, as they or he may consider necessary, desirable or expedient in connection with any of the aforesaid transactions or to give effect to any of the aforesaid transactions and/or to give effect to the approvals given by this Resolution, and generally to do all such things as he deems necessary or expedient for all the foregoing purposes.

SPECIAL RESOLUTIONS:

3. PROPOSED CHANGE OF NAME OF THE COMPANY AND CONSEQUENTIAL AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

Resolved that:

- (a) the name of the Company be changed to “Vibrant Group Limited” (the “**Proposed Name Change**”) and that the name “Freight Links Express Holdings Limited” be substituted with “Vibrant Group Limited” wherever the name “Freight Links Express Holdings Limited” appears in the Existing Memorandum of Association and the Existing Articles of Association; and
- (b) the Directors (or any one of them) be and is/are hereby authorised and empowered to complete and to do all such acts and things, and to approve, amend, modify, supplement and execute such documents, as they or he may consider necessary, desirable or expedient in connection with any of the aforesaid transactions or to give effect to any of the aforesaid transactions and/or to give effect to the approvals given by this Resolution, and generally to do all such things as he deems necessary or expedient for all the foregoing purposes.

4. PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

Resolved that:

- (a) the Existing Memorandum of Association be amended in the manner set out in paragraph 8.2 and 8.3 of the Circular (the “**Proposed Memorandum Amendments**”); and
- (b) the Directors (or any one of them) be and is/are hereby authorised and empowered to complete and to do all such acts and things, and to approve, amend, modify, supplement and execute such documents, as they or he may consider necessary, desirable or expedient in connection with any of the aforesaid transactions or to give effect to any of the aforesaid transactions and/or to give effect to the approvals given by this Resolution, and generally to do all such things as he deems necessary or expedient for all the foregoing purposes.

All capitalised terms in this Notice which are not defined herein shall have the same meaning ascribed to them in the Circular.

By Order of the Board

Ms Dorothy Ho / Ms Nancy Quek
Company Secretaries
23 October 2013

Notes:

- (a) A member entitled to attend and vote at the EGM is entitled to appoint one or two proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (b) Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
- (c) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
- (d) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 51 Penjuru Road, #04-00 Freight Links Express Logisticentre, Singapore 609143, not less than 48 hours before the time for holding the EGM.

FREIGHT LINKS EXPRESS HOLDINGS LIMITED (“Company”)

(Company Registration Number: 198600061G)
(Incorporated in the Republic of Singapore)

PROXY FORM

EXTRAORDINARY GENERAL MEETING

IMPORTANT

1. For investors who have used their CPF monies to buy shares in the Company, 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 an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the timeframe specified to enable them to vote on their behalf.

*I/We _____ (Name), NRIC/Passport No. _____
of _____ (Address)
being a *member/members of the Company hereby appoint:

| Name | Address | NRIC/Passport Number | Proportion of Shareholdings (%) |
|------|---------|-------------------------|---------------------------------------|
| | | | |

and/or (delete as appropriate)

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

or failing him/her, 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 meeting of the Company to be held on 25 November 2013 at 9.30 a.m. at 51 Penjuru Road, #04-00 Freight Links Express Logisticcentre, Singapore 609143 and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the resolutions 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, as he/they will on any other matter arising at the EGM.

| | To be used on a show of hands | | To be used in the event of a poll | |
|---|----------------------------------|----------|--------------------------------------|---------------------------------|
| | For* | Against* | Number of Votes for** | Number of Votes against** |
| Ordinary Resolutions | | | | |
| To approve the proposed inclusion of the Financial Services Business as part of the core business of the Group | | | | |
| To approve the proposed inclusion of the Real Estate Business as part of the core business of the Group | | | | |
| Special Resolutions | | | | |
| To approve the Proposed Name Change and the consequential amendments to the Memorandum and Articles of Association of the Company | | | | |
| To approve the Proposed Memorandum Amendments | | | | |

* Please indicate your vote “For” or “Against” with a “X” within the box provided.

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

Dated this _____ day of _____ 2013

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

Signature(s) of Shareholder(s) or
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES BELOW

NOTES:

1. A member of the Company ("**Member**") entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. A proxy need not be a Member.
2. Where a Member appoints two (2) proxies, he shall specify the proportion of his shareholding in the Company (expressed as a percentage of the whole) to be represented by each such proxy.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney 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 duly authorised officer.
4. 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) ("**Companies Act**").
5. The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the Company's registered office at 51 Penjuru Road, #04-00 Freight Links Express Logisticcentre, Singapore 609143, not less than 48 hours before the time set for the EGM.
6. A Member should insert the total number of ordinary shares of the Company ("**Shares**") held. If the Member has Shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act), he should insert the number of Shares. If the Member has Shares registered in his name in the Register of Members of the Company, he should insert the number of Shares. If the Member has Shares entered against his name in the Depository Register and Shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of Shares. If no number is inserted, this Proxy Form will be deemed to relate to all the Shares held by the Member.
7. 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 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.
8. A depositor shall not be regarded as a Member entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the time set for the EGM.