

CIRCULAR DATED 3 APRIL 2019

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

If you are in any doubt about the contents of this circular or the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of Vibrant Group Limited (the “**Company**”) held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as CDP will arrange for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately forward this Circular, the Notice of the Extraordinary General Meeting and the attached proxy form to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer of Shares was effected for onward transmission to the purchaser or the transferee.

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



VIBRANT GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198600061G)

CIRCULAR TO SHAREHOLDERS

in relation to

PROPOSED SALE AND LEASEBACK OF 121 BANYAN DRIVE, SINGAPORE 627570

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	16 April 2019 at 9.30 a.m.
Date and time of Extraordinary General Meeting	:	18 April 2019 at 9.30 a.m.
Place of Extraordinary General Meeting	:	51 Penjuru Road #04-00 Freight Links Express Logisticentre Singapore 609143

This page has been intentionally left blank.

CONTENTS

	Page
1. INTRODUCTION	11
2. SALIENT TERMS OF THE PROPOSED SALE AND LEASEBACK ARRANGEMENT . .	12
3. RATIONALE OF THE PROPOSED SALE AND LEASEBACK ARRANGEMENT . . .	19
4. USE OF PROCEEDS	19
5. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL	20
6. FINANCIAL EFFECTS OF THE PROPOSED SALE AND LEASEBACK ARRANGEMENT	21
7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS	23
8. DIRECTORS' SERVICE CONTRACTS	23
9. DIRECTORS' RECOMMENDATIONS	23
10. EXTRAORDINARY GENERAL MEETING	23
11. ACTIONS TO BE TAKEN BY SHAREHOLDERS	23
12. RESPONSIBILITY STATEMENT BY THE DIRECTORS	24
13. DOCUMENTS AVAILABLE FOR INSPECTION	24
APPENDIX A: SUMMARY OF THE VALUATION REPORT	25
NOTICE OF EXTRAORDINARY GENERAL MEETING	26
PROXY FORM	

DEFINITIONS

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

- “Act”** : The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
- “Aggregate Consideration”** : The Purchase Price
- “Announcement”** : Has the meaning ascribed to it in Section 1.1 of this Circular
- “Balance Purchase Price”** : Has the meaning ascribed to it in Section 2.2.4 of this Circular
- “Bank Waiver Confirmation”** : The written confirmation from United Overseas Bank Limited (“**UOB**”) confirming that it waives any and all breaches or potential breaches of certain covenants, terms, conditions, obligations and undertakings given by the Group to UOB in relation to banking facilities provided by UOB to the Group for the financial year ended 30 April 2018 subject to such conditions as may be imposed by UOB in its sole discretion
- “Board of Directors” or “Board”** : The board of directors of the Company
- “Bridging Loan”** : The Bridging Loan – PCOA (if any) and the Bridging Loan – PC (if any)
- “Bridging Loan – PC”** : Any further borrowings or new indebtedness by the Vendor for:–
- (a) the purpose of repaying any Shareholder’s Loan; or
 - (b) such other purposes in the Vendor’s discretion for a sum not exceeding the aggregate amount of S\$50,000,000.00 from a lender
- “Bridging Loan – PCOA”** : Any further borrowings or new indebtedness by the Vendor for:–
- (a) the purpose of repaying any Shareholder’s Loan; or
 - (b) such other purposes in the Vendor’s discretion for a sum not exceeding the aggregate amount of S\$50,000,000.00 from a lender

DEFINITIONS

“Business Days”	:	A day (other than Saturdays, Sundays or gazetted public holidays) on which commercial banks are open for business in Singapore, Hong Kong, the British Virgin Islands and Luxembourg
“Call Option”	:	The right of the Purchaser, subject to the terms and conditions of the Option Agreement, to accept the Vendor’s offer to sell the Property together with the Mechanical and Electrical Equipment at the Purchase Price, on the Purchase Conditions and subject to the terms and conditions of the Option Agreement
“Call Option Exercise Notice”	:	The notice in the form set out in Schedule 1 of the Option Agreement
“Call Option Exercise Period”	:	The period of five (5) Business Days commencing the day after the Fulfilment Notice Date or such other period as may be agreed in writing between the Parties
“Competent Authorities”	:	Those authorities whose approval/clearance is required by JTC as a condition to the grant of the JTC Approvals and Confirmations
“Completion”	:	The completion of the sale and purchase of the Property together with the Mechanical and Electrical Equipment in accordance with the Purchase Conditions
“Control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
“Controlling Shareholder”	:	A person (including a corporation) who:– (a) holds, directly or indirectly, 15% or more of the total issued voting share capital of the Company; or (b) in fact exercise Control over the Company
“Directors”	:	The directors of the Company for the time being
“EGM”	:	Extraordinary general meeting
“EPS”	:	Earnings per share
“Fulfilment Notice”	:	Has the meaning ascribed to it in Section 2.2.1 of this Circular

DEFINITIONS

- “Fulfilment Notice Date”** : (a) The date of the Fulfilment Notice if the Fulfilment Notice is dated and served by the Vendor on the Purchaser within three (3) Business Days after the Vendor has received the last of (i) the Purchaser Satisfaction Notices in respect of all the JTC Approvals and Confirmations and Bank Waiver Confirmation and (ii) the Vibrant Shareholder Approval; or
- (b) in the event that the Vendor fails to serve on the Purchaser the Fulfilment Notice within three (3) Business Days after the Vendor has received the last of (i) the Purchaser Satisfaction Notices in respect of all the JTC Approvals and Confirmations and Bank Waiver Confirmation and (ii) the Vibrant Shareholder Approval, the date falling three (3) Business Days after the Purchaser is aware that the Vendor has received the last of (1) the Purchaser Satisfaction Notices in respect of all the JTC Approvals and Confirmations and Bank Waiver Confirmation and (2) the Vibrant Shareholder Approval
- “FY2018”** : The financial year ended 30 April 2018
- “GFA”** : Gross floor area
- “Group”** : The Company and its subsidiaries
- “Head Lease”** : The State Lease No. 28371 dated 5 February 2013 and the State Lease No. 28247 dated 12 June 2012, each made between the President of the Republic of Singapore and his successors in office as lessor and JTC as lessee with respect to the Property, and includes all variations, supplements and/or modifications thereto
- “JTC”** : JTC Corporation, a body corporate incorporated under the Jurong Town Corporation Act, Chapter 150 of Singapore and its successors, as amended or modified from time to time
- “JTC Approvals and Confirmations”** : (i) The JTC Sale Approval;
- (ii) the JTC ROFR Waiver Confirmation;
- (iii) the JTC Master Lease Approval;
- (iv) the JTC Wayleave Agreement Novation Consent; and
- (v) the Plot Ratio Confirmation

DEFINITIONS

- “JTC Leases”** : The leases in respect of the Property issued by JTC and registered at the Singapore Land Authority as IE/256481D (in respect of Lot 2970X of Mukim 34) and IE/256527G (in respect of Lot 3010V of Mukim 34) and includes such variations of leases and such leases as amended, modified or supplemented from time to time, and any document which amends, modifies or supplements the same
- “JTC Lease Term”** : (i) In relation to JTC Lease IE/256481D (in respect of Lot 2970X of Mukim 34), the initial leasehold term of 30 years commencing from 8 September 2011 together with a covenant by JTC for the grant of a further term of 29 years 3 months and 22 days commencing on the date immediately following the expiration of the said initial leasehold term which grant shall be subject to the terms and conditions of such JTC Lease; and
- (ii) In relation to JTC Lease IE/256527G (in respect of Lot 3010V of Mukim 34), the initial leasehold term of 29 years 8 months and 9 days commencing from 30 December 2011, together with a covenant by JTC for the grant of a further term of 29 years 3 months and 22 days commencing on the date immediately following the expiration of the said initial leasehold term which grant shall be subject to the terms and conditions of such JTC Lease
- “JTC Master Lease Approval”** : The approval of JTC and where required by JTC, the Competent Authorities to the lease of the Property on Completion by the Purchaser (as landlord) to the Vendor (as tenant) in respect of a lease term of 10 years commencing from and including the date of Completion
- “JTC ROFR Waiver Confirmation”** : JTC’s unconditional written confirmation that JTC does not wish to accept the Vendor’s offer to sell to JTC the Property
- “JTC Sale Approval”** : The approval of JTC and, where required by JTC, the Competent Authorities, to the sale/assignment of the JTC Leases in respect of the Property by the Vendor to the Purchaser
- “JTC Wayleave Agreement”** : The wayleave agreement dated 2 September 2013 issued by JTC to the Vendor and the letter of acceptance dated 13 September 2013 issued by the Vendor to JTC (together with all annexures and schedules referred to therein, including the specimen wayleave deed), and includes such documents as amended, modified or supplemented from time to time

DEFINITIONS

“JTC Wayleave Agreement Novation Consent”	:	(i) JTC’s written consent to the novation of the JTC Wayleave Agreement in respect of Pte Lot A3002432 and Pte Lot A3002433; and (ii) JTC’s written clarification that the Wayleave Term (as defined in the JTC Wayleave Agreement) will be extended for a further wayleave term commencing on the date immediately following the expiration of the initial wayleave term on 7 September 2041 and expiring on the expiry of the JTC Lease Term if the Further Term (as defined in the JTC Leases) is granted on the terms and conditions as set out in the JTC Leases
“Latest Practicable Date”	:	27 March 2019, being the latest practicable date prior to the printing of this Circular
“Lease”	:	Has the meaning ascribed to it in Section 1.1 of this Circular
“Lease Agreement”	:	The lease agreement to be entered into by the Purchaser (as landlord) and the Vendor (as tenant) on Completion in respect of the Property
“Lessee”	:	The Vendor
“Lessor”	:	The Purchaser
“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“Mechanical and Electrical Equipment”	:	The plant, mechanical and electrical equipment, fixtures and fittings located in or on or which otherwise relate to the Property, which includes scrubber systems, a close circuit television monitoring system, mechanical dock levellers, and a racking system fitted to the Property
“Net Proceeds”	:	Has the meaning ascribed to it in Section 4 of this Circular
“Notice of EGM”	:	The notice of the EGM set out on page 26 of this Circular
“NTA”	:	Net tangible assets, being net assets less intangible assets
“Option”	:	The Call Option or the Put Option (as the context may require)

DEFINITIONS

“Option Agreement”	:	The conditional put and call option agreement dated 12 February 2019 entered into between the Vendor and the Purchaser, relating to the sale and purchase of the Property and the Mechanical and Electrical Equipment, as amended or supplemented in writing from time to time by the Parties
“Option Fee”	:	The option fee of S\$1.00
“Parties”	:	The Vendor and the Purchaser and their respective successors and permitted assignees, and “Party” means either of them (as applicable)
“Plot Ratio Confirmation”	:	The written confirmation by each of JTC and Singapore Land Authority that the maximum allowable plot ratio pursuant to the JTC Leases and the Head Lease is 1.52439039654357 (rounded to 1.52)
“Property”	:	The whole of Lot 2970X of Mukim 34 and Lot 3010V of Mukim 34 located at 121 Banyan Drive, Jurong Island, Singapore 627570 together with the Building erected thereon
“Proposed Sale and Leaseback”	:	Has the meaning ascribed to it in Section 1.1 of this Circular
“Proposed Sale and Leaseback Arrangement”	:	Has the meaning ascribed to it in Section 1.1 of this Circular
“Proposed Sale and Leaseback Resolution”	:	The ordinary resolution relating to the Proposed Sale and Leaseback Arrangement in the Notice of EGM
“Proxy Form”	:	The proxy form in respect of the EGM as set out in this Circular
“Purchase Agreement”	:	The binding contract for the sale and purchase of the Property and the Mechanical and Electrical Equipment deemed to be entered into by the Parties on the date of exercise of an Option, subject to and in accordance with the terms and conditions of this Option Agreement, to be constituted by: (a) (in the event of the exercise of the Call Option by the Purchaser) the Purchaser’s acceptance of the Vendor’s offer for the sale of the Property and the Mechanical and Electrical Equipment, by issue of the Call Option Exercise Notice and on the Purchase Conditions; or

DEFINITIONS

	(b)	(in the event of the exercise of the Put Option by the Vendor) the Vendor's acceptance of the Purchaser's offer for the purchase of the Property and the Mechanical and Electrical Equipment, by issue of the Put Option Exercise Notice and on the Purchase Conditions
"Purchase Conditions"	:	The terms and conditions of the Purchase Agreement, as may be modified or supplemented in writing from time to time by the Parties
"Purchase Price"	:	The purchase price of the Property together with the Mechanical and Electrical Equipment, which shall be S\$227,500,000.00
"Purchaser"	:	SGRE Banyan Pte. Ltd.
"Purchaser Satisfaction Notice"	:	Has the meaning ascribed to it in Section 2.2.1 of this Circular
"Put Option"	:	The right of the Vendor, subject to the terms and conditions of this Option Agreement, to accept the Purchaser's offer to purchase the Property together with the Mechanical and Electrical Equipment at the Purchase Price, on the terms of the Purchase Conditions and subject to the terms and conditions of this Option Agreement
"Put Option Exercise Notice"	:	The notice in the form set out in Schedule 2 of the Option Agreement
"Put Option Exercise Period"	:	The period of five (5) Business Days commencing on the day immediately following the expiry of the Call Option Exercise Period or such other period as may be agreed in writing between the Parties
"Replacement Amount"	:	Has the meaning ascribed to it in Section 2.3.2 of this Circular
"SD Guarantees"	:	Has the meaning ascribed to it in Section 2.3.2 of this Circular
"Security Deposit Amounts"	:	Has the meaning ascribed to it in Section 2.3.2 of this Circular
"SFA"	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
"SGRE"	:	Has the meaning ascribed to it in Section 2.1.2 of this Circular

DEFINITIONS

“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	The registered holders of the Shares as set out in the register of members of the Company, except where the registered depositor is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors whose securities accounts are credited with the Shares
“Shareholder’s Loan”	:	The shareholder’s loans granted by the Company to the Vendor from time to time
“Shares”	:	Ordinary shares in the capital of the Company
“Target Date”	:	The date falling three (3) months from the date of the Option Agreement or such other date as may be mutually agreed between the Parties
“Term”	:	Has the meaning ascribed to it in Section 2.3 of this Circular
“Upfront Capex Payment”	:	The non-refundable amount of S\$17,131,535 to be discounted from the Purchase Price, being an unconditional payment from the Vendor to the Purchaser in respect of certain capital expenditure (which the Purchaser may (but shall not be obliged to) decide to carry out at a later date, which for the avoidance of doubt shall not include capital expenditure which is the Vendor’s responsibility under the Lease Agreement) in relation to the Property. The non-refundable amount of S\$17,131,535 is the summation of six (6) months’ rent from the seventh month to the twelfth month for the fifth year (\$8,194,489), and six (6) months from the seventh month to the twelfth month for the tenth year (\$8,937,046)
“Valuation Report”	:	Has the meaning ascribed to it in Section 2.2.4 of this Circular
“Vendor”	:	LTH Logistics (Singapore) Pte Ltd
“Vibrant Shareholder Approval”	:	Has the meaning ascribed to it in Section 2.2.1 of this Circular
“S\$” and “cents”	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
“%” or “per cent.”	:	Percentage or per centum

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore or any statutory modification thereof, as the case may be.

DEFINITIONS

The terms “**subsidiaries**”, “**substantial shareholder**” and “**relevant intermediary**” shall have the meanings ascribed to them respectively in the Act.

Except where specifically defined, the terms “**we**”, “**us**” and “**our**” in this Circular refer to the Group.

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

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

Any discrepancies in the figures included in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

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

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

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date unless otherwise stated.

LETTER TO SHAREHOLDERS

VIBRANT GROUP LIMITED

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

Directors:

Mr. Khua Hock Su
Mr. Eric Khua Kian Keong
Mr. Henry Chua Tiong Hock
Mr. Sebastian Tan Cher Liang
Mr. Derek Loh Eu Tse

Registered Office:

51 Penjuru Road #04-00
Freight Links Express
Logisticentre
Singapore 609143

Date: 3 April 2019

To: The Shareholders of Vibrant Group Limited

Dear Sir/Madam

PROPOSED SALE AND LEASEBACK OF 121 BANYAN DRIVE, SINGAPORE 627570

1. INTRODUCTION

1.1 Summary of Approvals Sought

On 12 February 2019, the Company (and together with its subsidiaries, the “**Group**”) announced (the “**Announcement**”) that:-

- (i) its subsidiary, LTH Logistics (Singapore) Pte Ltd (the “**Vendor**”) had on 12 February 2019 entered into a conditional put and call option agreement (the “**Option Agreement**”) with SGRE Banyan Pte. Ltd. (the “**Purchaser**”) for the proposed sale and leaseback (collectively, the “**Proposed Sale and Leaseback**”) of the property located at 121 Banyan Drive, Singapore 627570 (the “**Property**”) and the mechanical and electrical equipment relating thereto for an aggregate consideration of S\$227,500,000.00 (the “**Aggregate Consideration**”); and
- (ii) on Completion, the Vendor (the “**Lessee**”) and the Purchaser (the “**Lessor**”) shall enter into a lease agreement (the “**Lease Arrangement**”), pursuant to which the Lessee will lease the total GFA of the Property for a term of 10 years (the “**Lease**”),

(collectively, the “**Proposed Sale and Leaseback Arrangement**”).

Under the Option Agreement, in consideration of the Option Fee, the Vendor has been granted the right to require the Purchaser to purchase the Property together with the Mechanical and Electrical Equipment (the “**Put Option**”) and the Purchaser has been granted the right to require the Vendor to sell the Property together with the Mechanical and Electrical Equipment to the Purchaser (the “**Call Option**”). Pursuant to the terms of the Option Agreement, the Vendor and the Purchaser (the “**Parties**”, and each a “**Party**”) are deemed to have entered into the Purchase Agreement for the sale and purchase of the Property together with the Mechanical and Electrical Equipment at the Purchase Price on the terms of the Purchase Conditions on the day the Call Option is exercised by the Purchaser, or on the day the Put Option is exercised by the Vendor (as the case may be).

Please refer to Section 2 of this Circular for further details on the Proposed Sale and Leaseback Arrangement.

By approving the Proposed Sale and Leaseback Arrangement, the Shareholders are deemed to have specifically approved the Proposed Sale and Leaseback, the Lease, the Proposed Sale and Leaseback Arrangement and the entry into all agreements in connection therewith (including but not limited to the Lease), and all ancillary agreements contemplated thereby or incidental thereto.

1.2 Requirement for Shareholders' Approval

As the relative figures computed pursuant to Rule 1006(a) and Rule 1006(c) of the Listing Manual exceed 20%, the Proposed Sale and Leaseback Arrangement is classified as a major transaction, and pursuant to Rule 1014(2) of the Listing Manual, must be made conditional upon approval by shareholders in general meeting.

The purpose of this Circular is to provide Shareholders with relevant information pertaining to, and to seek Shareholders' approval for, the Proposed Sale and Leaseback Arrangement at the EGM to be held on 18 April 2019, notice of which is set out on page 26 of this Circular.

The Put Option or the Call Option may only be exercised after the Shareholders' approval has been obtained at the EGM.

2. SALIENT TERMS OF THE PROPOSED SALE AND LEASEBACK ARRANGEMENT

2.1 Background

2.1.1 Information on the Vendor

The Company holds 4,215,150 out of 8,265,000 issued and fully paid-up shares in the Vendor, representing 51.0% of the total issued and fully paid-up shares in the Vendor as at the date of this Circular. The other shareholder is Mr Lim Song Wang who holds 4,049,850 out of 8,265,000 issued and fully paid-up shares in the Vendor, representing 49.0% of the total issued and fully paid-up shares in the Vendor as at the date of this Circular. Mr Lim Song Wang is also a director of the Vendor.

The Vendor is the Company's dedicated chemical logistics and distribution company that handles both hazardous and non-hazardous chemical and its derivatives in Singapore and Malaysia.

2.1.2 Information on the Purchaser

SGRE Banyan Pte. Ltd. ("**SGRE**"), which was introduced to the Company by CBRE Pte. Ltd., is a private limited company incorporated in the Republic of Singapore, having its registered office address at 9 Raffles Place, #18-01, Republic Plaza, Singapore 048619. SGRE is an investment holding company. SGRE's sole shareholder is SGRE Jurong Limited, a company incorporated in the British Virgin Islands. The ultimate beneficiary of SGRE is the fund INVESCO REAL ESTATE ASIA FUND FCP-SIF. The directors of SGRE are Mr. Wong Ping Kam and Mr. Ong Sze Ann.

There is no connection (including business relationship) amongst the Company, the Directors and the substantial shareholders of the Company with the Purchaser, the Purchaser's directors and the substantial shareholders of the Purchaser.

2.1.3 Information on the Property

The Property comprises of two (2) plots of land with a 6-storey ramp-up warehouse facility with ancillary offices, two (2) blocks of single storey warehouse and open yard within Jurong Island, currently utilised by the Vendor for its logistics business, with a GFA of approximately 65,764 square metres and a site area of approximately 43,142 square metres.

The Property is a leasehold property with the following tenures:-

- (i) in relation to JTC Lease IE/256481D (in respect of Lot 2970X of Mukim 34), a leasehold interest for a term of 30 years commencing from 8 September 2011, and a further term of 29 years 3 months and 22 days to be granted by JTC on the terms and conditions of such JTC Lease; and
- (ii) in relation to JTC Lease IE/256527G (in respect of Lot 3010V of Mukim 34), a leasehold interest for a term of 29 years 8 months and 9 days commencing from 30 December 2011, and a further term of 29 years 3 months and 22 days to be granted by JTC on the terms and conditions of such JTC Lease,

as at the date of this Circular.

2.2 Key Terms of the Option Agreement and the Purchase Agreement

2.2.1 Conditions Precedent

The Vendor shall obtain the following by the Target Date:-

- (a) the JTC Sale Approval, the JTC Master Lease Approval and the JTC Wayleave Agreement Novation Consent on terms satisfactory to the Purchaser;
- (b) the JTC ROFR Waiver Confirmation on terms satisfactory to the Purchaser;
- (c) the Plot Ratio Confirmation on terms satisfactory to the Purchaser;
- (d) approval of the shareholders of the Company for the transactions contemplated under the Option Agreement and the Purchase Agreement ("**Vibrant Shareholder Approval**"); and
- (e) the Bank Waiver Confirmation on terms satisfactory to the Purchaser.

After the Vendor has received any of the JTC Approvals and Confirmations and the Bank Waiver Confirmation, the Vendor shall give written notice to the Purchaser together with copies of such JTC Approval and Confirmation or the Bank Waiver Confirmation received (as applicable), for the Purchaser's consideration.

Where each of the JTC Approvals and Confirmations and the Bank Waiver Confirmation is satisfactory to the Purchaser, the Purchaser shall give written notice to the Vendor that such JTC Approval and Confirmation or the Bank Waiver Confirmation (as applicable) is satisfactory to the Purchaser (each a "**Purchaser Satisfaction Notice**"). Each JTC Approval and Confirmation and Bank Waiver Confirmation shall only be considered obtained if the Purchaser issues a Purchaser Satisfaction Notice in respect of that JTC Approval and Confirmation or Bank Waiver Confirmation (as applicable).

Once the Vendor receives the last of (i) the Purchaser Satisfaction Notice in respect of all the JTC Approvals and Confirmations and the Bank Waiver Confirmation and (ii) the Vibrant Shareholder Approval, the Vendor shall give written notice (“**Fulfilment Notice**”) to the Purchaser.

2.2.2 Call Option

In respect of the Call Option:–

- (a) the Purchaser shall be entitled to exercise the Call Option only during the Call Option Exercise Period and the Purchaser may not serve the Call Option Exercise Notice on the Vendor unless the JTC Approvals and Confirmations and the Bank Waiver Confirmation have been obtained and Purchaser Satisfaction Notices have been issued in respect thereof or waived by the Purchaser in writing and the Vibrant Shareholder Approval has been obtained;
- (b) to exercise the Call Option, the Purchaser must deliver to the Vendor the duly signed and dated Call Option Exercise Notice during the Call Option Exercise Period;
- (c) upon the delivery to the Vendor of the duly signed and dated Call Option Exercise Notice, the Vendor and the Purchaser shall be deemed to have entered into the Purchase Agreement for the sale and purchase of the Property together with the Mechanical and Electrical Equipment at the Purchase Price on the terms of the Purchase Conditions.

2.2.3 Put Option

In respect of the Put Option:–

- (a) the Vendor shall be entitled to exercise the Put Option only during the Put Option Exercise Period, and the Vendor may not serve the Put Option Exercise Notice on the Purchaser:–
 - (i) if the Purchaser has already served the Call Option Exercise Notice on the Vendor during the Call Option Exercise Period;
 - (ii) unless the JTC Approvals and Confirmations and the Bank Waiver Confirmation have been obtained and the Purchaser Satisfaction Notices have been issued in respect thereof or waived by the Purchaser in writing and the Vibrant Shareholder Approval has been obtained;or
 - (iii) (notwithstanding that the Purchase Agreement is not operative until exercise of an Option) if as at the date of the delivery of the Put Option Exercise Notice, there is a breach in relation to any of the warranties set out in the Purchase Conditions and such breach has not been rectified by the Vendor or waived in writing by the Purchaser;
- (b) to exercise the Put Option, the Vendor must deliver to the Purchaser the duly signed and dated Put Option Exercise Notice during the Put Option Exercise Period;

- (c) upon the delivery to the Purchaser of the duly signed and dated Put Option Exercise Notice, the Vendor and the Purchaser shall be deemed to have entered into the Purchase Agreement for the sale and purchase of the Property together with the Mechanical and Electrical Equipment at the Purchase Price on the terms of the Purchase Conditions.

The date of Completion will be the date falling two (2) weeks from the date of the Call Option Exercise Notice or, the date of the Put Option Exercise Notice, or such later date as the Parties may mutually agree.

2.2.4 Aggregate Consideration

The Aggregate Consideration for the Proposed Sale and Leaseback Arrangement is S\$227,500,000.00, which was arrived at on a willing-buyer and willing-seller basis, and on an arm's length basis, taking into account the following:-

- (a) the independent valuation that CBRE Pte. Ltd. provided in its valuation report dated 15 October 2018 (the "**Valuation Report**") of the Property (which includes the Mechanical and Electrical Equipment) that the market value of the Property is S\$210,000,000.00, which was arrived at using the capitalisation and discounted cashflow method;
- (b) the Proposed Sale and Leaseback Arrangement; and
- (c) the Upfront Capex Payment.

The Aggregate Consideration will be fully satisfied in cash in the following manner:-

- (a) the Option Fee payable by the Purchaser to the Vendor on the date of the Option Agreement; and
- (b) on Completion:-
 - (i) the Vendor shall pay to the Purchaser the Upfront Capex Payment;
 - (ii) the balance Purchase Price after deduction of the Upfront Capex Payment, shall be S\$210,368,465.00 (the "**Balance Purchase Price**"); and
 - (iii) the Balance Purchase Price after deduction of:-
 - (A) the Option Fee and deduction of other amounts permitted under the Purchase Agreement;
 - (B) an amount equivalent to the Shareholder's Loan outstanding on the date of Completion being S\$27,188,246.00; and
 - (C) an amount equivalent to the Bridging Loan(s) (if any) outstanding on the date of Completion,

shall be paid by the Purchaser to the Vendor.

2.3 Key Terms of the Lease Agreement

On Completion, the Lessee and the Lessor shall enter into a Lease Agreement, pursuant to which the Lessee will lease 100 per cent. of the total GFA of the Property for a term of 10 years commencing from Completion (the “Term”).

2.3.1 Rental Payment

The Lessee is required to pay rent to the Lessor on a monthly basis. The total rent payable by the Lessee in respect of the Property per annum for each year of the term, and per month shall be as set out below.

Year	Total Rent (S\$) per annum (excluding GST)	Monthly Rent (S\$) (excluding GST)
First Year	15,290,236.51	1,274,186.38
Second Year	15,557,815.65	1,296,484.64
Third Year	15,830,077.42	1,319,173.12
Fourth Year	16,107,103.78	1,342,258.65
Fifth Year ⁽¹⁾	8,194,489.05	1,365,748.17
Sixth Year	16,675,785.21	1,389,648.77
Seventh Year	16,967,611.45	1,413,967.62
Eighth Year	17,264,544.65	1,438,712.05
Ninth Year	17,566,674.19	1,463,889.52
Tenth Year ⁽²⁾	8,937,045.59	1,489,507.58
Total	148,391,383.50	

Notes:

- (1) No rent is payable by the Lessee for a period of six (6) months from the seventh month to the twelfth month for the fifth year.
- (2) No rent is payable by the Lessee for a period of six (6) months from the seventh month to the twelfth month for the tenth year.

The rental payments set out in the table above was derived after taking into account that the Property was constructed with unique building specifications, with not many similar warehouses constructed for the same purpose and similar specifications as the Property on Jurong Island.

In this regard, the Company first considered the average market rental payments set out in various research reports for industrial properties in Singapore. The average market rental payments stated in the various research reports was in the range of S\$1.85 per square foot per month to S\$1.98 per square foot per month.

In the Lease, the rental payment for the first year is S\$1.88 per square foot per month, which is computed based on rental payment of S\$1.80 per square foot per month and property tax of S\$0.08 per square foot per month. Thus, the rental payment for the first year is within the average market rental payments for industrial properties in Singapore.

The rental payment from the second year to the tenth year is based on an annual increase of 1.75%, which is lower than the average inflation rate of 2.5% per annum in Singapore for the past decade.

2.3.2 Security Deposit

The Lessee is required to pay and maintain with the Lessor, for the duration of each year of the Lease, a security deposit as stipulated in the table below (the “**Security Deposit Amounts**”). The Security Deposit Amounts are on normal commercial terms, are in the Company’s interests, and are determined based on the monthly rental payments.

Year	Equivalent number of months of rental payment	Security Deposit Amount (S\$)
First Year	24	30,848,053
Second Year	24	30,848,053
Third Year	18	24,163,080
Fourth Year	18	24,163,080
Fifth Year	18	24,163,080
Sixth Year	12	16,969,314
Seventh Year	12	16,969,314
Eighth Year	12	16,969,314
Ninth Year	6	8,783,337
Tenth Year	3	4,468,522

The Lessee is required to pay to the Lessor an amount equal to the amount applied by the Lessor, if any default by the Lessee of the Lease occurs, towards making good any loss or damage sustained by the Lessor as a result of that default and any expense incurred by the Lessor in making good the loss and the damage (the “**Replacement Amount**”).

The Lessee would furnish, in lieu of the cash payment for the Security Deposit Amounts, bank or insurance guarantees (each a “**SD Guarantee**”) in respect of the Security Deposit Amounts and/or the Replacement Amount.

The Lessee will furnish in total five (5) SD Guarantees, which will be executed by the Lessee in favour of the Lessor on Completion. The amount that each of the five (5) SD Guarantees will guarantee, and the expiry date of each of the five (5) SD Guarantees is set out in the table below.

SD Guarantee	Amount	Expiry Date of SD Guarantee
SD Guarantee 1	S\$6,684,973 ⁽¹⁾	End of the second year of the Lease
SD Guarantee 2	S\$7,193,766 ⁽²⁾	End of the fifth year of the Lease
SD Guarantee 3	S\$8,185,977 ⁽³⁾	End of the eighth year of the Lease
SD Guarantee 4	S\$4,314,815 ⁽⁴⁾	End of the ninth year of the Lease
SD Guarantee 5	S\$4,468,522 ⁽⁵⁾	End of the tenth year of the Lease
Total Amount	S\$30,848,053	

Notes:-

- (1) This is the difference between the Security Deposit Amount required for the first year of the Lease, and the Security Deposit Amount required for the third year of the Lease (i.e., S\$30,848,053 minus S\$24,163,080).
- (2) This is the difference between the Security Deposit Amount required for the third year of the Lease, and the Security Deposit Amount required for the sixth year of the Lease (i.e., S\$24,163,080 minus S\$16,969,314).
- (3) This is the difference between the Security Deposit Amount required for the sixth year of the Lease, and the Security Deposit Amount required for the ninth year of the Lease (i.e., S\$16,969,314 minus S\$8,783,337).
- (4) This is the difference between the Security Deposit Amount required for the ninth year of the Lease, and the Security Deposit Amount required for the tenth year of the Lease (i.e., S\$8,783,337 minus S\$4,468,522).
- (5) This is the Security Deposit Amount required for the tenth year of the Lease.

The purpose of the Security Deposit Amounts is to protect the Lessor's interests. The Security Deposits Amounts may be used to pay for any damage to the Property or non-payment of monthly rent by the Lessee during the Term.

Should the Lease be terminated prematurely, the Company has minimal exposure, as (i) the Company will have a surplus when the Security Deposit Amounts are deducted from the Net Proceeds, (ii) the Security Deposit Amounts that the Lessee is required to pay and maintain with the Lessor is on a reducing basis (as set out in the table above, by the tenth year of the Lease, the Lessee is only required to pay and maintain S\$4,468,522 with the Lessor), and (iii) the Lessor is contractually required to return to the Lessee the originals of the SD Guarantees after the end of the Lease.

If any event or circumstance occurs that may affect the Lessor's performance of its obligations under the Lease, the Lessee will consult its professional advisers on the appropriate course of action to take with respect to the Security Deposit Amounts, and the rights that the Lessee will have.

2.3.3 Other Key Terms

Other key terms of the Lease Agreement include:-

- (a) If the Lessee requires a further lease of the Property, the Lessee shall notify the Lessor in writing not less than 21 months before the expiry date of the Term.
- (b) Where the Lessor intends to sell the Property or the Lessor's parent company intends to sell the shares in the Lessor, the Lessor shall inform the Lessee. The Lessee has two (2) weeks from the Lessor's notification to inform the Lessor that it is interested in purchasing the Property or the shares in the Lessor, following which the Lessor and the Lessee will enter into discussions on the terms and conditions for the sale and purchase of the Property or the shares in the Lessor.
- (c) If the Property is acquired by any relevant authority, or a notice, order or gazette notification is issued, made or published in respect of the intended or actual acquisition of the Property by any relevant authority, the Lessor may terminate the Lease by giving written notice to the Lessee.

- (d) If JTC, at any time before the expiry of the JTC Lease Term:–
 - (i) terminates the lease granted to the Lessor under the JTC Lease, and in connection therewith, gives notice in writing thereof to the Lessor;
 - (ii) notifies the Lessor of the revocation of its consent to the sublease of the Property by the Lessor to the Lessee; or
 - (iii) becomes entitled to and re-enters the Property or any part thereof in the name of the whole,

the Term and the Lease will end without affecting the rights of the Lessor against the Lessee for any previous default by the Lessee arising out of or in connection with this Lease, and without JTC or the Lessor (provided that the termination is not due to any act, omission or default of the Lessor) being liable for any inconvenience, loss, damage, cost, expense or compensation in connection with the termination of the Lease.

- (e) The Lessee shall furnish a corporate guarantee issued by the Company to the Lessor to secure all obligations of the Lessee under the Lease.
- (f) The Lessee must, at the Lessee's cost and expense, maintain and repair the Property.

3. RATIONALE OF THE PROPOSED SALE AND LEASEBACK ARRANGEMENT

The Proposed Sale and Leaseback Arrangement will enable the Group to realise the fair value of its investments in the Property, while enabling the Group, through the leaseback arrangement, to enjoy long term use of the Property for its existing operations.

4. USE OF PROCEEDS

The Group expects to receive net proceeds of approximately S\$208,625,965.00 (after deducting from the Aggregate Consideration the Upfront Capex Payment and estimated expenses of approximately S\$1,742,500.00 from the Proposed Sale and Leaseback Arrangement) (the "**Net Proceeds**"). The Net Proceeds does not include the Security Deposit Amounts. The estimated expenses of approximately S\$1,742,500.00 from the Proposed Sale and Leaseback Arrangement is made up of a commission of S\$1,592,500.00 (which was derived based on 0.7% of the Purchase Price, and payable to CBRE Pte. Ltd.), and professional fees of S\$150,000.00.

The Upfront Capex Payment is not generally market practice. However, the Directors are of the opinion that the Upfront Capex Payment is on normal commercial terms, and in the Company's interest as, in exchange for the Upfront Capex Payment, the Lessor agrees that:–

- (a) no rent is payable by the Lessee for a period of six (6) months from the seventh month to the twelfth month for the fifth year; and
- (b) no rent is payable by the Lessee for a period of six (6) months from the seventh month to the twelfth month for the tenth year.

The Group intends to utilise the Net Proceeds to reduce debt, expand its main businesses, and for working capital, more specifically set out in the table below.

Utilisation of net proceeds breakdown	Amount	Percentage of net proceeds
Repayment of Bank borrowings secured over the Property	S\$94,000,000	45.06%
Working capital and repayment of other bank borrowings	S\$114,625,965	54.94%
Total	S\$208,625,965	100%

5. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

5.1 Major Transaction

Rule 1014 of the Listing Manual provides that where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20%, the transaction is classified as a major transaction, and requires the approval of the Shareholders.

5.2 Relative Figures

The relative figures in relation to the Proposed Sale and Leaseback Arrangement, computed on the applicable bases set out in Rule 1006 of the Listing Manual are as follows.

Listing Rule	Bases of calculation	Relative Figures based on the announced unaudited consolidated accounts of the Group for the first half year ended 31 October 2018	Relative Figures based on the announced unaudited consolidated accounts of the Group for the third quarter ended 31 January 2019
1006(a)	The net asset value of the assets to be disposed of ⁽¹⁾ , compared with the Group's net asset value of S\$301,135,000 (Q2 FY2019), S\$309,551,000 (Q3 FY2019)	39.7%	38.4%
1006(b)	The net profits attributable to the assets disposed of ⁽²⁾ , compared with the Group's net profits of S\$14,017,000 ⁽³⁾ /S\$27,168,000 ⁽³⁾	5.5%	2.1%
1006(c)	The aggregate value of the consideration received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	106.8% ⁽⁴⁾	115.6% ⁽⁵⁾

Listing Rule	Bases of calculation	Relative Figures based on the announced unaudited consolidated accounts of the Group for the first half year ended 31 October 2018	Relative Figures based on the announced unaudited consolidated accounts of the Group for the third quarter ended 31 January 2019
1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	n.a.	n.a.
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	n.a.	n.a.

As the relative figures computed pursuant to Rule 1006(a) and Rule 1006(c) of the Listing Manual exceed 20%, the Proposed Sale and Leaseback Arrangement constitutes a "major transaction" pursuant to Rule 1014(2) of the Listing Manual, and requires the approval of the Shareholders.

Notes:

- (1) The net asset value attributable to the assets disposed of under the Proposed Sale and Leaseback Arrangement is S\$119,551,349 as at 31 October 2018, S\$118,903,067 as at 31 January 2019.
- (2) The net profits attributable to the assets disposed of under the Proposed Sale and Leaseback Arrangement for the period 1 May 2018 to 31 October 2018 is S\$764,557, and for the period 1 May 2018 to 31 January 2019 is S\$580,679, which was computed based on the profits before inter-company interest expenses over the GFA of the assets disposed against the total GFA managed by the Vendor.
- (3) The unaudited net profits of the Group for the period 1 May 2018 to 31 October 2018 is S\$14,017,000, and for the period 1 May 2018 to 31 January 2019 is S\$27,168,000.
- (4) Calculated based on the portion of the consideration the Company is entitled to (i.e. approximately S\$107,287,917, being 51% of the Balance Purchase Price) and market capitalisation of approximately S\$100,411,241. The Company's market capitalisation is determined by multiplying the number of ordinary shares (the "Shares") in issue (692,491,317) excluding treasury shares by volume weighted average price of S\$0.145 per Share on 11 February 2019, being the full market day immediately preceding the signing of the Option Agreement.
- (5) Calculated based on the portion of the consideration the Company is entitled to (i.e. approximately S\$107,287,917, being 51% of the Balance Purchase Price) and market capitalisation of approximately S\$92,793,836. The Company's market capitalisation is determined by multiplying the number of ordinary shares in issue (692,491,317) excluding treasury shares by volume weighted average price of S\$0.134 per Share on 27 March 2019.

6. FINANCIAL EFFECTS OF THE PROPOSED SALE AND LEASEBACK ARRANGEMENT

6.1 The financial effects of the Proposed Sale and Leaseback Arrangement on the Group as set out below are based on the Group's audited consolidated accounts for its most recently completed FY2018 and are presented for illustration purposes only, they will not reflect the future financial position of the Group after the Proposed Sale and Leaseback Arrangement has taken place.

6.2 Share Capital

The Proposed Sale and Leaseback Arrangement will not have any effect on the issued and paid up share capital of the Company.

6.3 NTA

For illustrative purposes only and assuming Completion had taken place at the end of FY2018, the estimated financial effects of the Proposed Sale and Leaseback Arrangement on the audited consolidated NTA of the Group are summarised below.

	Before the Proposed Sale and Leaseback Arrangement	After the Proposed Sale and Leaseback Arrangement
NTA ⁽¹⁾ (S\$'000)	208,203	220,293
Number of shares ⁽²⁾ ('000)	692,763	692,763
NTA per share (cents)	30.05	31.80

Notes:

(1) Based on total assets less total liabilities and intangible assets of the Group as at 30 April 2018.

(2) Based on total number of issued shares excluding treasury shares as at 30 April 2018.

6.4 EPS

For illustrative purposes only and assuming Completion had taken place at the beginning of FY2018, the estimated financial effects of the Proposed Sale and Leaseback Arrangement on the audited consolidated earnings per share of the Group are summarised below.

	Before the Proposed Sale and Leaseback Arrangement	After the Proposed Sale and Leaseback Arrangement
Profit after tax (S\$'000)	(88,688)	(77,958)
Weighted average number of Shares ⁽³⁾ ('000)	677,700	677,700
EPS (cents)	(13.09)	(11.50)

Note:

(3) Based on total number of issued shares excluding treasury shares as at 30 April 2018.

6.5 Others

Based on the audited consolidated accounts of the Group for FY2018:—

- (i) the net asset value of the Property (including plant & equipment) is approximately S\$119,551,349;
- (ii) the book value of the Mechanical and Electrical Equipment is approximately \$1,764,740;
- (iii) the gain on the Proposed Sale and Leaseback is approximately S\$23,706,151; and
- (iv) the excess of the net proceeds over the net asset value of the Property is approximately S\$89,074,616.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the Latest Practicable Date, none of the Directors and the Controlling Shareholders of the Company have any interest or are deemed to be interested, whether directly or indirectly, in the Proposed Sale and Leaseback Arrangement (save through their respective shareholdings in the Company). None of the Directors and the Controlling Shareholders of the Company is related to the Purchaser.

8. DIRECTORS' SERVICE CONTRACTS

No person will be appointed to the Board of Directors of the Company in connection with the Proposed Sale and Leaseback Arrangement and no service contracts in relation thereto will be entered into by the Company.

9. DIRECTORS' RECOMMENDATIONS

The Directors are of the opinion that the Proposed Sale and Leaseback Arrangement will have a positive material impact to the Company's financials, given the Company is entitled to approximately S\$107,287,917 (being 51% of the Balance Purchase Price), notwithstanding the Upfront Capex Payment and the Security Deposit Amounts. The Directors are also of the opinion that the working capital presently available to the Company is sufficient to meet its present requirements, even if the Proposed Sale and Leaseback Arrangement does not occur.

Having considered and reviewed, *inter alia*, the terms, rationale and benefits of the Proposed Sale and Leaseback Arrangement, the Directors are of the opinion that the Proposed Sale and Leaseback Arrangement are in the Company's best interests, and recommend that Shareholders vote in favour of the Proposed Sale and Leaseback Resolution set out in the Notice of EGM.

10. EXTRAORDINARY GENERAL MEETING

The EGM, the notice of which is given on page 26 of this Circular, will be held at 51 Penjuru Road, #04-00, Freight Links Express Logisticentre, Singapore 609143 on 18 April 2019 at 9.30 a.m., for the purpose of considering and, if thought fit, passing with or without any modifications, the Proposed Sale and Leaseback Resolution set out in the Notice of EGM.

11. ACTIONS TO BE TAKEN BY SHAREHOLDERS

11.1 Appointment of Proxies. If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote 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 reach the registered office of the Company at 51 Penjuru Road, #04-00, Freight Links Express Logisticentre, Singapore 609143 not later than 48 hours before the time appointed for the EGM. Completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM if he so wishes. An appointment of a proxy or proxies shall be deemed to be revoked if a Shareholder attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the EGM.

11.2 When Depositor regarded as Shareholder. A Depositor shall not be regarded as a Shareholder 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. RESPONSIBILITY STATEMENT BY THE DIRECTORS

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 Sale and Leaseback Arrangement, the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

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

13. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection 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 falling three (3) months after the date of this Circular:–

- (a) the Constitution of the Company;
- (b) the Annual Report 2018;
- (c) the Option Agreement (which includes the form of the Purchase Agreement);
- (d) the Lease Agreement; and
- (e) the Valuation Report, a summary of which is set out in Appendix A of this Circular.

Yours faithfully

For and on behalf of the Board of Directors of
Vibrant Group Limited

Eric Khua Kian Keong
Executive Director and Chief Executive Officer
Singapore
3 April 2019

APPENDIX A: SUMMARY OF THE VALUATION REPORT

Valuation & Advisory Services

CBRE

Valuation Certificate

Property:	121 Banyan Drive Singapore 627570	
Client:	LTH Logistics (Singapore) Pte Ltd	
Purpose:	Divestment	
Interest Valued:	Lot 2970X - Leasehold for a term of 30 years commencing from 8 Sept 2011 with an option for a further term of 29 years, 3 months and 22 days. Lot 3010V - Leasehold for a term of 29 years, 8 months and 9 days commencing from 30-12-2011 with an option for a further term of 29 years, 3 months and 22 days.	
Basis of Valuation:	Market Value subject to execution of the proposed leaseback arrangement	
Registered Owner:	LTH Logistics (Singapore) Pte Ltd	
Land Area:	43,142.8 square metres	
Town Planning:	"Business 2" with a plot ratio of 1.5. We understand that the existing plot ratio of the Property is 1.524 (gross).	
Brief Description:	A 6-storey ramp-up warehouse (for dangerous / non DG goods) with mezzanine office, 2 blocks of single-storey warehouse and large ISO tank open yard. Loading and unloading bays with dock levellers are provided within the property.	
Tenancy Profile:	The Property will be leased back to LTH Logistics (Singapore) Pte. Ltd., immediately following the date of settlement, for a term of 10 years. We assume that the lease commenced at the date of valuation.	
Lease Condition:	The Head Lease is subject to fixed annual rental escalations of 1.75%. The contracted rent for Year 1 is S\$15,290,237 per annum. The Tenant will be responsible for all expenses associated with operating and maintaining the property in good working and lettable condition including but not limited to outgoings, maintenance and repair, insurance, cleaning, security, etc. as well as all capital works including but not limited to the building elements, equipment and services therein during the Lease Term and the prevailing property taxes payable for the premises.	
Land Premium:	A total upfront land premium (comprising both upfront land premium and Additional Land Premium (the "ALP")) of approximately SGD 14,250,000.0 (including applicable stamp duty) will be payable to JTC upon Completion. The Purchaser will bear the land premium up to SGD 14,250,000.0 (including applicable stamp duty) and any excess amount will get adjusted as a reduction in Purchase Price (the "Land Premium Payment Arrangement").	
Upfront Capital Expenditure:	A non-refundable upfront capex adjustment of SGD 17,131,535.00 is payable to the Purchaser to provide for future capital expenditure requirements prior to completion in the SPA.	
Annual Value:	\$6,269,600.0 (borne by Head Lessee)	
GFA (sqm):	65,764.4	
Valuation Approaches:	Capitalisation Approach & Discounted Cash Flow Analysis	
Date of Valuation:	15 October 2018	
Assessed Value:	\$210,000,000 (Two Hundred Ten Million Dollars)	This valuation is exclusive of GST.
Analysis:		
Capitalisation Rate:	5.75%	
Terminal Cap:	6.00%	
IRR (10 years):	7.75%	
Value psm of GFA:	\$3,193	
Assumptions, Disclaimers, Limitations & Qualifications	<i>This valuation report is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this report which are made in conjunction with those included within the Assumptions, Qualifications, Limitations & Disclaimers section located within this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.</i>	

Prepared By: CBRE Pte Ltd



Per: Chia Hui Hoon BSc (Est. Mgt) Hons MSISV
Appraiser's License No. AD041-2006555E
Senior Director - Valuation & Advisory Services



Per: James Crawford AAPI MRCS
Registered Valuer
Executive Director - Valuation & Advisory Services

VIBRANT GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198600061G)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**”) of **VIBRANT GROUP LIMITED** (the “**Company**”) will be held at 51 Penjuru Road, #04-00, Freight Links Express Logisticentre, Singapore 609143 on 18 April 2019 at 9.30 a.m. for the purpose of considering, and if thought fit, passing with or without modifications, the following resolution:–

ORDINARY RESOLUTION

PROPOSED SALE AND LEASEBACK OF 121 BANYAN DRIVE, SINGAPORE 627570

- (a) That approval be and is hereby given for the Proposed Sale and Leaseback Arrangement (as described in the circular to shareholders of the Company dated 3 April 2019 (the “**Shareholders’ Circular**”)), which involves:–
- (i) the sale of the property located at 121 Banyan Drive, Singapore 627570 and the mechanical and electrical equipment relating thereto from the Vendor (as defined in the Shareholders’ Circular) to the Purchaser (as defined in the Shareholders’ Circular); and
 - (ii) the Vendor and the Purchaser entering into the Lease Agreement (as defined in the Shareholders’ Circular).
- (b) That approval be and is hereby given for the Directors of the Company and each of them be and is hereby authorised to take any and all steps and to do and/or procure to be done any and all acts and things (including without limitation, to approve, sign and execute all such documents which they in their absolute discretion consider to be necessary, and to exercise such discretion as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may consider necessary, desirable or expedient in order to implement, finalise and give full effect to this Ordinary Resolution and the Proposed Sale and Leaseback Arrangement and/or the matters contemplated herein.

BY ORDER OF THE BOARD

Dorothy Ho
Company Secretary
Singapore, 3 April 2019

Notes:

1. A member of the Company (other than a Relevant Intermediary) (as defined in Note 2 below) entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Such proxy need not be a member of the Company and where there are two (2) proxies, the number of shares to be represented by each proxy must be stated.
2. A member who is a Relevant Intermediary entitled to attend and vote at the EGM is entitled to appoint more than two (2) proxies to attend and vote in his/her stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member. Where such Member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.
 4. The instrument or form appointing a proxy or proxies, duly executed, must be deposited at the Company's registered office at 51 Penjuru Road, #04-00, Freight Links Express Logistcentre, Singapore 609143, not less than forty-eight (48) hours before the time appointed for holding the EGM.

PERSONAL DATA PRIVACY:

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

This page has been intentionally left blank.

VIBRANT GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198600061G)

PROXY FORM EXTRAORDINARY GENERAL MEETING

IMPORTANT:

1. Relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 of Singapore may appoint more than two (2) proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For SRS investors who have used their SRS monies to buy Vibrant Group Limited shares, this form of proxy is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS investors should contact their respective agent banks if they have any queries regarding their appointment as proxies.
3. By submitting an instrument appointing a proxy(ies) and/or representative(s), a member accepts and agrees to the personal data privacy terms set out in the Notes to this Proxy Form.

*I/We _____ (Name) _____ (NRIC/Passport Number)
of _____ (Address)
being a member/members of Vibrant Group Limited (the “**Company**”), hereby appoint:

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

and/or (delete as appropriate)

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

or failing him/them, the Chairman of the Extraordinary General Meeting (“**EGM**”) as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the EGM of the Company to be held 51 Penjuru Road, #04-00, Freight Links Express Logisticentre, Singapore 609143 on 18 April 2019 at 9.30 a.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolution proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her discretion, as he/they may on any other matter arising at the EGM.

(Please indicate your vote “For” or “Against” with a tick [✓] within the box provided)

	No. Of Votes For*	No. Of Votes Against*
Ordinary Resolution To approve the Proposed Sale and Leaseback of 121 Banyan Drive, Singapore 627570		

*If you wish to exercise all your votes “For” or “Against” the relevant resolution, please tick [✓] within the relevant box. Alternatively, if you wish to exercise your votes for both “For” and “Against” the relevant resolution, please indicate the number of Shares in the boxes provided.

Dated this _____ day of _____ 2019

Total number of Shares held	No. of Shares
(a) CDP Register	
(b) Register of Members	

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

* Delete where inapplicable

Important: Please read notes overleaf



Notes to Proxy Form

1. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that 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, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
2.
 - (a) A member (otherwise than a relevant intermediary) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a member of the Company.
4. An instrument appointing a proxy must be deposited at 51 Penjuru Road, #04-00, Freight Links Express Logisticcentre, Singapore 609143 not less than 48 hours before the time for holding the Meeting or any adjournment thereof.
5. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointer or by 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 authorized officer.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. 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 of the Company, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
9. The Company shall be entitled to reject an instrument appointing a proxy or proxies 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 (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject an instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

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