

CIRCULAR DATED 6 AUGUST 2018

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Circular is circulated to Shareholders (as defined in this Circular) of XMH Holdings Ltd. ("**Company**") together with the Company's annual report for the financial year ended 30 April 2018 ("**Annual Report**").

The Notice of the Extraordinary General Meeting and a proxy form are enclosed with this Circular. If you have sold all your Shares (as defined in this Circular), you should immediately forward this Circular, together with the accompanying Notice of the Extraordinary General Meeting and proxy form to the purchaser or to the bank, stockbroker or agent through whom the sale was effected for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

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



XMH HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
Company Registration Number 201010562M

**CIRCULAR TO SHAREHOLDERS
IN RELATION TO**

- (1) THE RENEWAL OF THE SHARE BUYBACK MANDATE; AND**
- (2) THE PROPOSED AMENDMENTS TO THE CONSTITUTION**

IMPORTANT DATES AND TIMES:

Last date and time for deposit of Proxy Form	:	21 August 2018 at 11.00 a.m.
Date and time of Extraordinary General Meeting	:	23 August 2018 at 11.00 a.m., or immediately after the conclusion of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place
Place of Extraordinary General Meeting	:	55 Tuas Crescent, #07-01, Singapore 638743

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DEFINITIONS

For the purpose of this Circular, the following definitions have, where appropriate, been used:

“2017 EGM”	:	The extraordinary general meeting of the Company held on 25 August 2017.
“ACRA”	:	The Accounting and Corporate Regulatory Authority of Singapore.
“Act” or “Companies Act”	:	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time.
“AGM”	:	The annual general meeting of the Company.
“Amendment Act”	:	The Companies (Amendment) Act 2014.
“Approval Date”	:	Has the meaning ascribed to it in Section 2.3.1 (<i>Maximum number of Shares</i>) of this Circular.
“Associate”	:	(a) in relation to any Director, CEO, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none">(i) his immediate family;(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.
“Average Closing Price”	:	Has the meaning ascribed to it in Section 2.3.4 (<i>Maximum Purchase Price</i>) of this Circular.
“Board” or “Board of Directors”	:	The Board of Directors of the Company.
“CDP”	:	The Central Depository (Pte) Limited.
“CEO”	:	Chief Executive Officer.
“Circular”	:	This Circular to Shareholders dated 6 August 2018.
“Companies Regulations”	:	Companies Regulations (Rg 1, 1990 Rev Ed) of Singapore.
“Company”	:	XMH Holdings Ltd.
“Constitution”	:	The constitution of the Company, previously known as its memorandum and articles of association of the Company currently in force.

DEFINITIONS

“Controlling Shareholder”	:	A person who: <ul style="list-style-type: none">(a) holds directly or indirectly 15% or more of the total number of issued Shares excluding treasury shares and subsidiary holdings in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or(b) in fact exercises control over the Company.
“Directors”	:	The directors of the Company for the time being.
“EGM”	:	The extraordinary general meeting of the Company to be convened on 23 August 2018, notice of which is given on page 34 of this Circular.
“EPS”	:	Earnings per Share.
“Executive Director”	:	A director who is a full-time employee of the Company and who performs an executive function.
“FY”	:	Financial year of the Company ending or ended 30 April as the case may be.
“Group”	:	The Company and its subsidiaries.
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Circular, being 23 July 2018.
“Listing Manual”	:	The listing rules of the SGX-ST, as amended, supplemented or modified from time to time.
“Listing Rules”	:	The listing rules under the Listing Manual.
“Market Day”	:	A day on which the SGX-ST is open for trading of securities.
“Market Purchase”	:	Has the meaning ascribed to it in Section 2.3.3 (<i>Manner of purchase of Shares</i>) of this Circular.
“Maximum Price”	:	Has the meaning ascribed to it in Section 2.3.4 (<i>Maximum Purchase Price</i>) of this Circular.
“MD”	:	Managing Director.
“Notice of EGM”	:	The notice of EGM set out on page 34 of this Circular.
“NTA”	:	Net tangible assets.
“Off-Market Purchase”	:	Has the meaning ascribed to it in Section 2.3.3 (<i>Manner of purchase of Shares</i>) of this Circular.
“PDPA”	:	Personal Data Protection Act 2012.
“Proposed Amendments to the Constitution”	:	Has the meaning ascribed to it in Section 4.2 (<i>Proposed Amendments</i>) of this Circular.

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“Proxy Form”	:	The proxy form in respect of the EGM as set out in this Circular.
“Relevant Period”	:	The period commencing from the date on which the forthcoming EGM is held and the resolution relating to the Share Buyback Mandate is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier.
“SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, supplemented or modified from time to time.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“Share Buyback”	:	The buyback of Shares by the Company pursuant to the terms of the Share Buyback Mandate.
“Share Buyback Mandate”	:	The mandate to enable the Company to purchase or otherwise acquire its Shares, the terms of which are set out in Section 2.3 (<i>Terms of the Share Buyback Mandate</i>) of this Circular.
“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors who have Shares entered against their names in the Depository Register.
“Share(s)”	:	Ordinary shares in the capital of the Company.
“Substantial Shareholder”	:	A Shareholder who has an interest directly or indirectly in not less than 5% of the total voting shares in the Company.
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers, as the same may be amended or modified from time to time.
“S\$”, “\$” and “cents”	:	Singapore dollars and cents, respectively.
“%” or “per cent”	:	Per centum or percentage.

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA. The terms “**treasury shares**” and “**subsidiary**” shall have the meaning ascribed to it in Sections 4 and 5 of the Companies Act respectively.

The term “**subsidiary holdings**” shall have the same meaning ascribed to it in the Listing Manual, as may be amended or modified from time to time.

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. References to persons shall include corporations.

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

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

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

Any reference to “**you**”, “**your**” and “**yours**” in this Circular is, as the context so determines, to Shareholders.

The headings in this Circular are inserted for convenience only and shall not affect the construction of this Circular.

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LETTER TO SHAREHOLDERS

XMH HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
Company Registration Number 201010562M

Directors:

Tan Tin Yeow	Chairman and Managing Director
Tan Guat Lian	Executive Director
Hong Pian Tee	Lead Independent Director
Chan Heng Toong	Independent Director
Ng Sey Ming	Independent Director

Registered Office:

55 Tuas Crescent, #07-01,
Singapore 638743

6 August 2018

To: The Shareholders of XMH Holdings Ltd.

Dear Shareholder,

1. INTRODUCTION

1.1 EGM

The Board is convening an EGM to be held on 23 August 2018 to seek the approval of Shareholders for:

- (a) the renewal of the Share Buyback Mandate; and
- (b) the Proposed Amendments to the Constitution.

1.2 Purpose of Circular

The purpose of this Circular is to provide Shareholders with the relevant information pertaining to the matters set out in Section 1.1 (*EGM*) of this Circular, and to seek Shareholders' approval for the resolutions in respect thereof to be tabled at the EGM, as set out in the Notice of EGM on page 34 of this Circular.

This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose.

2. THE RENEWAL OF THE SHARE BUYBACK MANDATE

2.1 Background

Any purchase or acquisition of Shares by the Company must be made in accordance with, and in the manner prescribed by the Companies Act, the Listing Manual, the Constitution and such other laws and regulations as may for the time being be applicable.

The renewal of the Share Buyback Mandate was approved by Shareholders in the 2017 EGM and will, unless renewed, expire on the date of the forthcoming AGM, which is scheduled to be held on 23 August 2018.

Accordingly, the Company is seeking Shareholders' approval for a renewal of the Share Buyback Mandate at the EGM to be held immediately after the AGM on 23 August 2018. If the proposed renewal of the Share Buyback Mandate is approved, the Share Buyback Mandate will take effect from the date of the forthcoming EGM and continue in force until

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the date of the next AGM or such date as the next AGM is required by law to be held, unless prior thereto, the Share Buyback is carried out to the full extent mandated or the Share Buyback Mandate is revoked or varied by the Company in a general meeting. The Share Buyback Mandate will be put to Shareholders for renewal at each subsequent AGM or EGM of the Company as the case may be.

The Company's share capital presently comprises only one (1) class of shares, namely, the Shares. As at the Latest Practicable Date, the Company has (i) a total issued and paid-up share capital of 114,512,571 Shares, of which 4,230,950 Shares are held as treasury shares, and (ii) a market capitalisation of S\$27,368,504.

2.2 Rationale for the renewal of the Share Buyback Mandate

The Share Buyback Mandate will give the Company the flexibility to undertake purchases of its issued Shares at any time, subject to market conditions, during the period in which the Share Buyback Mandate is in force.

The Share Buyback Mandate will accord the Company greater flexibility in managing its capital to achieve a more efficient capital structure, and would also allow the Company to enhance its EPS and return on equity on an ongoing basis. Shares purchased or acquired by the Company pursuant to the Share Buyback Mandate can be held as treasury shares.

Furthermore, short-term speculation may at times cause the market price of the Company's Shares to be depressed below the true value of the Company and the Group. The Share Buyback Mandate will provide the Directors with the means to restore investors' confidence and to protect existing shareholders' investments in the Company in a depressed share-price situation through judicious purchases of Shares to enhance the EPS. Shares purchased or acquired by the Company will also enhance the net asset value per Share if the Share purchases and acquisitions are made at a price below the net asset value per Share.

The Directors will act judiciously and will only purchase or acquire Shares pursuant to the Share Buyback Mandate as and when the circumstances permit and only if the Directors are of the view that such purchases are in the best interests of the Company and the Shareholders.

The Directors do not propose to carry out Share Buyback to an extent that would, or in circumstances that might, result in a material adverse effect on the liquidity and/or the orderly trading of the Shares and/or the financial position of the Group, taking into account the working capital requirements of the Company or the gearing levels, which in the opinion of the Directors, are from time to time appropriate for the Company.

2.3 Terms of the Share Buyback Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buyback Mandate are summarised below:

2.3.1 Maximum number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares that may be purchased or acquired by the Company is limited to that number of Shares representing not more than 10% of the issued ordinary share capital of the Company as at the date of the EGM at which the renewal of the Share Buyback Mandate is approved ("**Approval Date**") (unless the Company has effected a reduction of the share capital of the Company in

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accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time).

For illustrative purposes only, on the basis of 110,281,621 issued and paid-up Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, and assuming (a) no further Shares are issued on or prior to the EGM; and (b) no further Shares are purchased or acquired by the Company on or prior to the EGM, exercise in full of the Share Buyback Mandate would result in the purchase or acquisition of 11,028,162 Shares.

2.3.2 Duration of authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the Approval Date, up to the earlier of:

- (a) the date on which the next AGM of the Company is held or required by law to be held;
- (b) the date on which the Share Buyback is carried out to the full extent mandated; or
- (c) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by the Shareholders in a general meeting.

2.3.3 Manner of purchase of Shares

Purchases of Shares may be made by way of:

- (a) on-market purchases (“**Market Purchase**”), transacted on the SGX-ST through the SGX-ST’s trading system or, as the case may be, any other securities exchange on which the Shares may for the time being be listed and quoted, through one (1) or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (b) off-market purchases (“**Off-Market Purchase**”) (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual.

Under the Companies Act, an equal access scheme must satisfy all of the following conditions:

- (a) offers for the purchase or acquisition of issued Shares shall be made to every person who holds issued Shares to purchase or acquire the same percentage of their issued Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers are the same, except that there shall be disregarded:
 - (i) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

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- (ii) (if applicable) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and
- (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed Share Buyback;
- (d) the consequences, if any, of Share Buyback by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the Share Buyback, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (f) details of any Share Buyback made by the Company in the previous 12 months (whether Market Purchase or Off-Market Purchase), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors. However, the purchase price to be paid for a Share as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price (as defined hereinafter),

(“**Maximum Price**”) in either case, excluding related expenses of the purchase.

For the above purpose, “**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five-day period.

2.4 **Status of purchased Shares under the Share Buyback Mandate**

A Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company which are not held as treasury shares.

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2.5 Treasury shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

2.5.1 Maximum holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

2.5.2 Voting and other rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury shares into a different number of treasury shares of a smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.5.3 Disposal and cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employee's share scheme;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister of Finance.

Pursuant to Rules 704(28) of the Listing Manual, the Company will immediately announce any sale, transfer, cancellation and/or use of treasury shares, stating the following:

- (i) date of the sale, transfer, cancellation and/or use;
- (ii) purpose of such sale, transfer, cancellation and/or use;
- (iii) number of treasury shares sold, transferred, cancelled and/or used;
- (iv) the number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (v) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (vi) value of the treasury shares if they are used for a sale or transfer, or cancellation.

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2.6 Sources of funds for Share Buyback

The Companies Act permits the Company to purchase its own Shares out of its capital as well as from its distributable profits, provided that:

- (a) the Company is able to pay its debts in full at the time it purchases the Shares and will be able to pay its debts as they fall due in the normal course of business in the 12 months immediately following the purchase; and
- (b) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the purchase of Shares become less than the value of its liabilities (including contingent liabilities).

Further, for the purposes of determining the value of a contingent liability, the Directors or managers of the Company may take into account the following:

- (a) the likelihood of the contingency occurring; and
- (b) any claim the Company is entitled to make and can reasonably expect to be met to reduce or extinguish the contingent liability.

The Company intends to use mainly internal resources and may from time to time utilise external borrowings and/or a combination of both to finance purchases of Shares pursuant to the Share Buyback Mandate.

2.7 Financial effects of the Share Buyback Mandate

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buyback Mandate will depend on, *amongst others*, the aggregate number of Shares purchased or acquired, how the Shares are purchased or acquired, the price paid for such Shares, the amount (if any) borrowed by the Company to fund the purchases and whether the Shares purchased or acquired are held as treasury shares or cancelled. The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 30 April 2018 are based on the following principal assumptions:

- (a) the purchase or acquisition of Shares pursuant to the Share Buyback Mandate had taken place on 1 May 2017 for the purpose of computing the financial effects on the EPS of the Group and the Company;
- (b) the purchase or acquisition of Shares pursuant to the Share Buyback Mandate had taken place on 1 May 2017 for the purpose of computing the financial effects on the Shareholders' equity, NTA per Share and gearing of the Group and the Company; and
- (c) transaction costs incurred for the purchase or acquisition of Shares pursuant to the Share Buyback Mandate are assumed to be insignificant and have been ignored for the purpose of computing the financial effects.

2.7.1 Purchase or acquisition out of capital or profits

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent.

LETTER TO SHAREHOLDERS

Where the consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced but the issued share capital of the Company will be reduced by the value of the Shares purchased. Where the consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) paid by the Company for the purchase or acquisition of the Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

2.7.2 Information as at the Latest Practicable Date

As at the Latest Practicable Date, the issued and paid-up capital of the Company is S\$39,780,419 comprising 110,281,621 Shares (excluding treasury shares and subsidiary holdings).

2.7.3 Financial effects

For illustration purposes only, and on the basis of the assumptions set out below, the financial effects of the:

- (i) acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of purchases made out of capital and held as treasury shares; and
- (ii) acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of purchases made out of capital and cancelled,

on the audited financial statements of the Group and the Company for the financial year ended 30 April 2018 are set out in the sections below.

The financial effects of the acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of purchases made out of profits are similar to that of purchases made out of capital. Therefore, only the financial effects of the acquisition of the Shares pursuant to the Share Buyback Mandate by way of purchases made out of capital are set out in this Circular.

Scenario A: Purchases made entirely out of capital and held as treasury shares

Market Purchase

For illustrative purposes only, in a Market Purchase, assuming that:

- (i) the Maximum Price is S\$0.251, which is 5% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date; and
- (ii) the Company has 110,281,621 Shares as at the date of the EGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares on or prior to the date of the EGM and excluding treasury shares and subsidiary holdings), such that not more than 11,028,162 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

LETTER TO SHAREHOLDERS

the maximum amount of funds required for the purchase of up to 11,028,162 Shares under and during the duration of the Share Buyback Mandate, is approximately S\$2,768,069.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for the financial year ended 30 April 2018 is as follows:

As at 30 April 2018	Group		Company	
	Before the Share Buyback	After the Share Buyback	Before the Share Buyback	After the Share Buyback
Shareholders' Equity (S\$'000)	61,610	58,842	36,413	33,645
NTA (S\$'000)	50,516	47,748	36,413	33,645
Treasury Shares (S\$'000)	(2,791)	(5,559)	(2,791)	(5,559)
Current Assets (S\$'000)	79,271	76,503	3,634	866
Current Liabilities (S\$'000)	53,167	53,167	11,899	11,899
Working Capital (S\$'000)	26,104	23,336	(8,265)	(11,033)
Loans and Borrowings (S\$'000)	73,852	73,852	40,959	40,959
Cash and Short-Term Deposits ⁽¹⁾ (S\$'000)	24,001	21,233	365	(2,403)
Net Loss (S\$'000)	(3,469)	(3,469)	(2,751)	(2,751)
Number of Shares ⁽²⁾	111,281,821	100,253,659	111,281,821	100,253,659
Treasury Shares	3,230,750	14,258,912	3,230,750	14,258,912
Total Shares	114,512,571	114,512,571	114,512,571	114,512,571
Financial Ratios				
NTA per Share (cents)	45.39	47.63	32.72	33.56
Basic LPS (cents) ⁽³⁾	(3.12)	(3.46)	(2.47)	(2.74)
Current Ratio (times) ⁽⁴⁾	1.49	1.44	0.31	0.07
Gearing Ratio (times) ⁽⁵⁾	1.20	1.26	1.12	1.22

Notes:

- (1) Assuming that the Share Buyback is fully funded by internal resources.
- (2) Number of Shares (excludes treasury shares and subsidiary holdings) and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the EGM.
- (3) Basic LPS is computed based on FY2018 net loss attributable to Shareholders divided by the number of Shares.
- (4) Current Ratio equals current assets divided by current liabilities.
- (5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

Off-Market Purchase

For illustrative purposes only, in an Off-Market Purchase, assuming that:

- (i) the Maximum Price is S\$0.287, which is 20% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date; and

LETTER TO SHAREHOLDERS

- (ii) the Company has 110,281,621 Shares as at the date of the EGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares prior to the date of the EGM and excluding treasury shares and subsidiary holdings, such that not more than 11,028,162 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

the maximum amount of funds required for the purchase of up to 11,028,162 Shares under and during the duration of the Share Buyback Mandate, is approximately S\$3,165,083.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for the financial year ended 30 April 2018 is as follows:

As at 30 April 2018	Group		Company	
	Before the Share Buyback	After the Share Buyback	Before the Share Buyback	After the Share Buyback
Shareholders' Equity (S\$'000)	61,610	58,445	36,413	33,248
NTA (S\$'000)	50,516	47,351	36,413	33,248
Treasury Shares (S\$'000)	(2,791)	(5,956)	(2,791)	(5,956)
Current Assets (S\$'000)	79,271	76,106	3,634	469
Current Liabilities (S\$'000)	53,167	53,167	11,899	11,899
Working Capital (S\$'000)	26,104	22,939	(8,265)	(11,430)
Loans and Borrowings (S\$'000)	73,852	73,852	40,959	40,959
Cash and Short-Term Deposits ⁽¹⁾ (S\$'000)	24,001	20,836	365	(2,800)
Net Loss (S\$'000)	(3,469)	(3,469)	(2,751)	(2,751)
Number of Shares ⁽²⁾	111,281,821	100,253,659	111,281,821	100,253,659
Treasury Shares	3,230,750	14,258,912	3,230,750	14,258,912
Total Shares	114,512,571	114,512,571	114,512,571	114,512,571

Financial Ratios

NTA per Share (cents)	45.39	47.23	32.72	33.16
Basic LPS (cents) ⁽³⁾	(3.12)	(3.46)	(2.47)	(2.74)
Current Ratio (times) ⁽⁴⁾	1.49	1.43	0.31	0.04
Gearing Ratio (times) ⁽⁵⁾	1.20	1.26	1.12	1.23

Notes:

- (1) Assuming that the Share Buyback is fully funded by internal resources.
- (2) Number of Shares (excludes treasury shares and subsidiary holdings) and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the EGM.
- (3) Basic LPS is computed based on FY2018 net loss attributable to Shareholders divided by the number of Shares.
- (4) Current Ratio equals current assets divided by current liabilities.
- (5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

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Scenario B: Purchases made entirely out of capital and cancelled

Market Purchase

For illustrative purposes only, in a Market Purchase, assuming that:

- (i) the Maximum Price is S\$0.251, which is 5% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded; and
- (ii) the Company has 110,281,621 Shares as at the date of the EGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares on or prior to the date of the EGM and excluding treasury shares and subsidiary holdings), such that not more than 11,028,162 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

the maximum amount of funds required for the purchase of up to 11,028,162 Shares under and during the duration of the Share Buyback Mandate, is approximately S\$2,768,069.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for the financial year ended 30 April 2018 is as follows:

As at 30 April 2018	Group		Company	
	Before the Share Buyback	After the Share Buyback	Before the Share Buyback	After the Share Buyback
Shareholders' Equity (S\$'000)	61,610	58,842	36,413	33,645
NTA (S\$'000)	50,516	47,748	36,413	33,645
Current Assets (S\$'000)	79,271	76,503	3,634	866
Current Liabilities (S\$'000)	53,167	53,167	11,899	11,899
Working Capital (S\$'000)	26,104	23,336	(8,265)	(11,033)
Loans and Borrowings (S\$'000)	73,852	73,852	40,959	40,959
Cash and Short-Term Deposits ⁽¹⁾ (S\$'000)	24,001	21,233	365	(2,403)
Net Loss (S\$'000)	(3,469)	(3,469)	(2,751)	(2,751)
Number of Shares ⁽²⁾	111,281,821	100,253,659	111,281,821	100,253,659
Treasury Shares	3,230,750	3,230,750	3,230,750	3,230,750
Total Shares	114,512,571	103,484,409	114,512,571	103,484,409
Financial Ratios				
NTA per Share (cents)	45.39	47.63	32.72	33.56
Basic LPS (cents) ⁽³⁾	(3.12)	(3.46)	(2.47)	(2.74)
Current Ratio (times) ⁽⁴⁾	1.49	1.44	0.31	0.07
Gearing Ratio (times) ⁽⁵⁾	1.20	1.26	1.12	1.22

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Notes:

- (1) Assuming that the Share Buyback is fully funded by internal resources.
- (2) Number of Shares (excludes treasury shares and subsidiary holdings) and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the EGM.
- (3) Basic LPS is computed based on FY2018 net loss attributable to Shareholders divided by the number of Shares.
- (4) Current Ratio equals current assets divided by current liabilities.
- (5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

Off-Market Purchase

For illustrative purposes only, in an Off-Market Purchase, assuming that:

- (i) the Maximum Price is S\$0.287 which is 20% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded; and
- (ii) the Company has 110,281,621 Shares as at the date of the EGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares on or prior to the date of the EGM and excluding treasury shares and subsidiary holdings), such that not more than 11,028,162 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

the maximum amount of funds required for the purchase of up to 11,028,162 Shares under and during the duration of the Share Buyback Mandate, is approximately S\$3,165,083.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for the financial year ended 30 April 2018 is as follows:

As at 30 April 2018	Group		Company	
	Before the Share Buyback	After the Share Buyback	Before the Share Buyback	After the Share Buyback
Shareholders' Equity (S\$'000)	61,610	58,445	36,413	33,248
NTA (S\$'000)	50,516	47,351	36,413	33,248
Current Assets (S\$'000)	79,271	76,106	3,634	469
Current Liabilities (S\$'000)	53,167	53,167	11,899	11,899
Working Capital (S\$'000)	26,104	22,939	(8,265)	(11,430)
Loans and Borrowings (S\$'000)	73,852	73,852	40,959	40,959
Cash and Short-Term Deposits ⁽¹⁾ (S\$'000)	24,001	20,836	365	(2,800)
Net Loss (S\$'000)	(3,469)	(3,469)	(2,751)	(2,751)
Number of Shares ⁽²⁾	111,281,821	100,253,659	111,281,821	100,253,659
Treasury Shares	3,230,750	3,230,750	3,230,750	3,230,750
Total Shares	114,512,571	103,484,409	114,512,571	103,484,409
Financial Ratios				
NTA per Share (cents)	45.39	47.23	32.72	33.16
Basic LPS (cents) ⁽³⁾	(3.12)	(3.46)	(2.47)	(2.74)
Current Ratio (times) ⁽⁴⁾	1.49	1.43	0.31	0.04
Gearing Ratio (times) ⁽⁵⁾	1.20	1.26	1.12	1.23

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Notes:

- (1) Assuming that the Share Buyback is fully funded by internal resources.
- (2) Number of Shares (excludes treasury shares and subsidiary holdings) and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the EGM.
- (3) Basic LPS is computed based on FY2018 net loss attributable to Shareholders divided by the number of Shares.
- (4) Current Ratio equals current assets divided by current liabilities.
- (5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

Shareholders should note that the financial effects set out above are for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical audited financial statements for the financial year ended 30 April 2018 and is not necessarily representative of future financial performance.

Although the Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased as treasury shares.

2.8 Reporting Requirements

2.8.1 SGX-ST

The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m.:

- (i) in the case of a market purchase, on the Market Day following the day of purchase or acquisition of any of its shares; and
- (ii) in the case of an off-market purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

Such announcement currently requires the inclusion of details of, *amongst others*, the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable. Such announcement will be made in the form prescribed by the Listing Manual. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company, in a timely fashion, the necessary information which will enable the Company to make the notifications to the SGX-ST.

Under the Listing Manual, immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the “**usage**”). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares comprised in the usage, the number of treasury shares before and after the usage, and the percentage of the number of treasury shares comprised in the usage against the total number of issued Shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage.

2.8.2 ACRA

Within 30 days of the passing of a Shareholders' resolution to approve the purchase or acquisition of Shares by the Company, the Company shall lodge a copy of such resolution with ACRA.

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Within 30 days of a purchase or acquisition of Shares on the SGX-ST or otherwise, the Company shall lodge with ACRA the notice of the purchase in the prescribed form, such notification including, *amongst others*, the details of the purchase, the total number of Shares purchased by the Company, the total number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued ordinary share capital before and after the purchase of Shares, the amount of consideration paid by the Company for the purchase, and whether the Shares were purchased out of the profits or the capital of the Company.

Within 30 days of the cancellation or disposal of Treasury Shares in accordance with the provisions of the Companies Act, the Company shall lodge with ACRA the notice of cancellation or disposal of Treasury Shares in the prescribed form as required by ACRA.

2.9 Take-over obligations

Appendix 2 of the Take-over Code contains the Share Buyback Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

2.9.1 Obligation to make a take-over offer

If, as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a mandatory take-over offer for the Company under Rule 14 of the Take-over Code.

2.9.2 Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons will, *amongst others*, be presumed to be acting in concert:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

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A company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;

- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of (i) the adviser and persons controlling, controlled by or under the same control as the adviser, and (ii) all the funds which the adviser manages on a discretionary basis, where the shareholding of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to the instructions of that individual, companies controlled by any of the above, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

The circumstances under which Shareholders of the Company (including Directors of the Company) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.9.3 Effect of Rule 14 and Appendix 2 of the Take-over Code

- (a) In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors of the Company and persons acting in concert with them will incur an obligation to make a takeover offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% (one per cent) in any period of six (6) months.
- (b) Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors of the Company will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% (one per cent) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the renewal of the Share Buyback Mandate.

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2.9.4 No obligation to make a general offer

- (a) Our Chairman and MD, Mr. Tan Tin Yeow and our Executive Director, Ms. Tan Guat Lian, are siblings (hereinafter collectively referred to as the “**Tan Siblings**”).
- (b) The Tan Siblings together with Mr. Tan Seng Hee are the children of Mr. Tan Tum Beng, the founder of the Group. As at the Latest Practicable Date, Mr. Tan Tum Beng and Mr. Tan Seng Hee are not employed by any Group company.
- (c) As at the Latest Practicable Date, Mr. Tan Tum Beng, Mr. Tan Seng Hee and the Tan Siblings (collectively, the “**Parties**”) as a concert group hold an aggregate of 62,955,988 Shares, constituting 57.09% of the voting rights in the Company.
- (d) Assuming that:
- (i) the Company undertakes Share Buyback under the Share Buyback Mandate up to the maximum of 10% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) as permitted by the Share Buyback Mandate;
 - (ii) there is no change in the Parties’ shareholdings in the Company between the Latest Practicable Date and the date of the EGM;
 - (iii) no new Shares are issued following the Shareholders’ approval of the renewal of the Share Buyback Mandate at the EGM; and
 - (iv) the Parties do not sell or otherwise dispose of their shareholdings in the Company,

the voting rights of the Parties as at the date of the EGM and after Share Buyback of 10% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) pursuant to the Share Buyback Mandate, are as follows:

Parties	Number of Shares	Voting rights in the Company (%)	
		Before the Share Buyback	After the Share Buyback
Tan Tin Yeow	44,857,500	40.68	45.19
Tan Guat Lian	6,569,744	5.96	6.62
Sub-total	51,427,244	46.64	51.81
Tan Seng Hee	2,814,250	2.55	2.84
Tan Tum Beng	8,714,494	7.90	8.78
Total	62,955,988	57.09	63.43

As the Parties as a concert group hold an aggregate of 62,955,988 Shares, constituting over 50% of the voting rights in the Company, purchases or acquisition of Shares by the Company pursuant to the Share Buyback Mandate will result in an increase in the aggregate voting rights of the Parties, but will not result in any of the Parties incurring an obligation to make a mandatory take-over offer under Rule 14 of the Take-over Code.

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In the event the Company undertakes Share Buyback within the Relevant Period of the maximum of 10% of the issued share capital of the Company as permitted by the Share Buyback Mandate, it is not expected that the shareholdings and/or voting rights of any of the other Shareholders will be increased to 30% or more, thereby triggering a requirement for any Shareholder to make a general offer to the other Shareholders under Rule 14 of the Take-over Code.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

2.10 Listing Rules

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buyback Mandate at any time after a price-sensitive development has occurred or has been the subject of a decision until the price-sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchase and/or Off-Market Purchase during the following periods and at all times in compliance with Rule 1207(19) of the Listing Manual:

- (a) one (1) month immediately preceding the announcement of the Company’s annual results; and
- (b) two (2) weeks immediately preceding the announcement of the Company’s results for each of the first three (3) quarters of its financial year.

The Company is required under Rule 723 of the Listing Manual to ensure that at least 10% of its issued shares excluding treasury shares must be held by public shareholders. The “public”, as defined under the Listing Manual, are persons other than the directors, CEO, substantial shareholders or controlling shareholders of the company and its subsidiaries, as well as the associates of such persons.

Based on the Register of Directors’ shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, approximately 25,506,865 Shares, representing 23.1% of the total number of issued Shares, are in the hands of the public.

As at the Latest Practicable Date and assuming the Company undertakes purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Buyback Mandate, the number of Shares in the hands of the public would be reduced to 14,478,703 Shares, representing 14.6% of the reduced total number of issued Shares of the Company. Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Buyback Mandate without affecting the listing status of the Shares on the SGX-ST.

The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Buyback Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

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2.11 Interested Persons

The Company is prohibited from knowingly buying Shares on the SGX-ST from an interested person, that is, a Director, the CEO of the Company or Substantial Shareholder of the Company or any of their associates, and an interested person is prohibited from knowingly selling his Shares to the Company.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

3.1 Directors' and Substantial Shareholders' Interests

As at the Latest Practicable Date, the interests of the Directors in the Shares, as extracted from the Register of Directors' shareholdings, and the interest of Substantial Shareholder(s), as extracted from the Register of Substantial Shareholders, are as follows:

Name	Number of Shares			
	Direct Interest	%	Deemed Interest	%
Directors				
Tan Tin Yeow ⁽¹⁾	44,857,500	40.68	–	–
Tan Guat Lian ⁽¹⁾	6,569,744	5.96	22,500	0.02
Hong Pian Tee	651,750	0.59	–	–
Chan Heng Toong	125,000	0.11	–	–
Ng Sey Ming	125,000	0.11	–	–
Substantial Shareholder(s) (Other than Directors)				
Tan Tum Beng	8,714,494	7.90	–	–
Credence Capital Fund II (Cayman) Limited	20,917,018	18.97	–	–
Total	81,960,506	74.32	22,500	0.02

Note:

- (1) The Tan Siblings together with Mr. Tan Seng Hee had on 29 June 2010 entered into a deed of undertaking (“**Deed of Undertaking**”) whereby each of them agreed to first offer any Shares which he/she would like to sell (“**Selling Party**”) to the other parties in equal proportions (as nearly as possible). In the event the other parties decline or is deemed to decline the offer, the Selling Party shall be entitled to sell the Shares to any third party at a price which is not lower than the price offered to the other parties, subject to the terms and conditions set out in the Deed of Undertaking. The obligations of the parties to the Deed of Undertaking will continue to apply as long as they remain as shareholders of the Company, unless otherwise agreed to in writing by the parties thereto. As at the Latest Practicable Date, Mr. Tan Seng Hee has an interest in 2,814,250 Shares in the Company representing approximately 2.55% of the total issued share capital (excluding any treasury shares held by the Company and subsidiary holdings).

Save as disclosed above, none of the Directors and Substantial Shareholders or their respective Associates has any interest, direct or indirect, in the renewal of the Share Buyback Mandate.

3.2 Shares purchased by the Company in the 12 months preceding the Latest Practicable Date

The Company has purchased or acquired 1,000,200 Shares during the 12-month period preceding the Latest Practicable Date.

3.3 Limits on shareholdings

The Company does not have any limits on the shareholding of any Shareholder.

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3.4 Shareholders' approval

For the reasons set out above, the Company is proposing to seek the approval of Shareholders for the renewal of the Share Buyback Mandate, which will be proposed as an Ordinary Resolution ("**Resolution 1**") at the EGM.

4. PROPOSED AMENDMENTS TO THE CONSTITUTION

4.1 Background and Rationale

The Amendment Act, which was passed in Parliament on 8 October 2014 and took effect in two (2) phases on 1 July 2015 and 3 January 2016 respectively, introduced wide-ranging changes to the Companies Act previously in force. Amongst others, the changes aim to reduce the regulatory burden on companies, provide for greater business flexibility and improve the corporate governance landscape in Singapore.

On 22 March 2017, SGX-ST announced amendments to the Listing Rules for the purposes of alignment with certain provisions of the Amendment Act, which took effect on 31 March 2017. These amendments were introduced to *inter alia* enable listed companies to undertake electronic communications with its shareholders, provided the issuer has obtained consent, whether express, deemed or implied, from the relevant shareholder.

4.2 Proposed Amendments

The Company is accordingly proposing to amend its Constitution to take into account the changes to the Companies Act introduced under the Amendment Act and align it with the prevailing rules of the Listing Manual, in compliance with Rule 730(2) of the Listing Manual. In addition, the Company is taking this opportunity to include new provisions to address the personal data protection regime in Singapore.

The proposed amendments to the Constitution, struck through for deletions and underlined for insertions, are set out in full in the APPENDIX of this Circular ("**Proposed Amendments to the Constitution**") and are subject to Shareholders' approval by special resolution. If approved by the Shareholders, the proposed amendments will become effective immediately after the EGM.

4.3 Summary of the Proposed Amendments to the Constitution

The following is a summary of the proposed amendments to the Constitution, and should be read in conjunction with the APPENDIX of this Circular.

4.3.1 Regulation 140 of the Constitution

It is proposed that Regulation 140, which relates to the service of notices to Shareholders, be amended to provide for the electronic transmission of documents (including notices, circulars and annual reports) following the introduction of simplified procedures for the sending of documents electronically pursuant to Part IV of Chapter 12 of the Listing Manual and Section 387C of the Companies Act and subject to the prevailing Listing Rules, as set out in the APPENDIX of this Circular. Companies can, subject to certain statutory safeguards, make use of these simplified procedures where a Shareholder has given express, implied or deemed consent for the company to do so in accordance with the Constitution of the Company. The Company regards express consent as being given where a Shareholder gives notice in writing to the Company that he consents to having documents transmitted to him via electronic communications.

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The relevant provisions of the Listing Manual

Rule 1209(1) of the Listing Manual provides that there is deemed consent (“**Deemed Consent**”) from a shareholder where:

- (a) the Articles of Association or other constituent document of the issuer:
 - (i) provides for the use of electronic communications;
 - (ii) specifies the manner in which electronic communications is to be used; and
 - (iii) specifies that the shareholder will be given an opportunity to elect within a specified period of time, whether to receive such document by way of electronic communications or as a physical copy; and
- (b) the issuer has separately notified the shareholder directly in writing on at least one occasion of the following:
 - (i) that the shareholder has a right to elect, within a time specified in the notice from the issuer, whether to receive documents in either electronic or physical copies;
 - (ii) that if the shareholder does not make an election, documents will be sent to the shareholder by way of electronic communications;
 - (iii) the manner in which electronic communications will be used is the manner specified in the Articles of Association or other constituent document of the issuer;
 - (iv) that the election is a standing election, but that the shareholder may make a fresh election at any time; and
 - (v) until the shareholder makes a fresh election, the election that is conveyed to the issuer last in time prevails over all previous elections as the shareholder’s valid and subsisting election in relation to all documents to be sent.

Rule 1209(2) of the Listing Manual provides that a shareholder has given implied consent (“**Implied Consent**”) where the Articles of Association or other constituent document of the issuer:

- (a) provides for the use of electronic communications;
- (b) specifies the manner in which electronic communications is to be used; and
- (c) provides that the shareholder shall agree to receive such document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such document.

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However, Rule 1210 of the Listing Manual provides that an issuer is still required to send certain documents to shareholders by way of physical copies if express consent from shareholders is not obtained. Such documents are as follows:

- (a) forms or acceptance letters that shareholders may be required to physically complete;
- (b) notice of meetings, excluding circulars or letters referred in that notice;
- (c) notices and documents relating to take-over offers and rights issues; and
- (d) notices under Rules 1211 and 1212 of the Listing Manual.

Rule 1211 of the Listing Manual also provides that when an issuer uses electronic communications to send a document to a shareholder, the issuer shall inform the shareholder as soon as practicable of how to request a physical copy of that document from the issuer. The issuer shall provide a physical copy of that document upon such request.

Rule 1212 of the Listing manual provides that if the issuer uses website publication as the form of electronic communications, the issuer shall separately provide a physical notification to shareholders notifying of the following:

- (a) the publication of the document on the website;
- (b) if the document is not available on the website on the date of notification, the date on which it will be available;
- (c) the address of the website;
- (d) the place on the website where the document may be accessed; and
- (e) how to access the document.

The relevant provision of the Act

Under Section 387C of the Act, regulations may be made to exclude any notice or document or any class of notices or documents from the application of Section 387C of the Act, provide for safeguards for the use of electronic communications under Section 387C of the Act, and provide that a shareholder who is deemed to have consented to receive notices or documents by way of electronic communications may make a fresh election to receive such notice or document as a physical copy and the manner in which the fresh election may be made. Certain safeguards for the use of the deemed consent and implied consent regimes are prescribed under Regulation 89C of the Companies Regulations. Regulation 89D of the Companies Regulations provides that notices and documents relating to any take-over offer of the company and any rights issue by the company are excluded from the application of Section 387C of the Act.

Proposed amendments to Regulation 140

The amended Regulation 140 provides *inter alia* that:

- (a) notices and documents may be sent to Shareholders using electronic communications either to a Shareholder's current address (which may be an email address) or by making it available on a website;

LETTER TO SHAREHOLDERS

- (b) in relation to Deemed Consent, the Directors may decide to give Shareholders an opportunity to elect to opt out of receiving such document by way of electronic communications, and a Shareholder is deemed to have consented to receive such document by way of electronic communications if he was given such an opportunity but failed to opt out within the specified time, unless otherwise provided under the Listing Rules and/or applicable laws. Any election or deemed election by a Shareholder is a standing election but the Shareholder may make a fresh election to receive such document as a physical copy at any time. Until the Shareholder makes a fresh election, the election or deemed election that was last in time shall prevail;
- (c) in relation to Implied Consent, a Shareholder who has not given express consent may nonetheless be implied to have agreed to receive such document by way of electronic communications and shall not have a right to elect to receive a physical copy of such document, unless otherwise provided under the Listing Rules and/or applicable laws; and
- (d) the delivery or service of documents by electronic means shall not apply to certain prescribed documents (e.g. any notice or document relating to any take-over offer or rights issue of the Company).

The amended Regulation 140 additionally provides for when service is effected in the case of documents sent by electronic communications. In particular, where a document is made available on a website, it is deemed served on the date on which the document is first made available on the website, unless otherwise provided under the Companies Act, Listing Rules and/or other applicable regulations or procedures. The amendments to Regulation 140 will enable greater efficiency and cost savings in the transmission of documents from the Company to the Shareholders. The Company will comply with the requirements of the Companies Act and the Listing Manual if and when it decides to transmit notices and documents electronically to its Shareholders.

4.3.2 New Regulation 148 of the Constitution

In general, under the PDPA, an organisation can only collect, use or disclose the personal data of an individual with the individual's consent, and for a reasonable purpose which the organisation has made known to the individual. The new Regulation 148 has been added in the Constitution to specify, *inter alia*, the purposes for which the Company and/or its agents and service providers can collect, use and disclose personal data of Shareholders and their appointed proxies or representatives. The new Regulation 148 has been inserted to allow the Company to fulfil the requirements of the PDPA and allow it to use the personal data of the Shareholders for the purposes stated in Regulation 148, as required in the Company's operations. Given the Company's changing Shareholders due to its listed status, the ability to automatically bind the Shareholders to these uses of their personal data through the new Regulation 148 would also enable Shareholders to be informed and aware of the purposes for which their personal data may be used.

4.4 Shareholders' approval

For the reasons set out above, the Company is proposing to seek the approval of Shareholders for the renewal of the Proposed Amendments to Constitution, which will be proposed as a Special Resolution ("**Resolution 2**") at the EGM.

LETTER TO SHAREHOLDERS

5. DIRECTORS' RECOMMENDATIONS

5.1 Proposed renewal of the Share Buyback Mandate

Save that the Tan Siblings have abstained from making any recommendation in respect of the proposed renewal of the Share Buyback Mandate, the Directors are of the opinion that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company. Accordingly, they recommend that the Shareholders vote in favour of the Resolution 1.

5.2 Proposed Amendments to the Constitution

Having considered the rationale and the information relating to the Proposed Amendments to the Constitution, the Directors are of the opinion that the Proposed Amendments to the Constitution would be beneficial to, and are in the interests of, the Company and accordingly recommend that Shareholders vote in favour of the Special Resolution.

6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 34 of this Circular, will be held at 55 Tuas Crescent, #07-01, Singapore 638743 on 23 August 2018 at 11.00 a.m. (or immediately after the conclusion of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any modifications, the Ordinary Resolutions set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

7.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy or proxies to attend and vote on their behalf should complete, sign and return the Proxy Form attached to the Notice of EGM in accordance with the instructions printed therein as soon as possible and, in any event, so as to arrive at the registered office of Company at 55 Tuas Crescent, #07-01, Singapore 638743, not later than 48 hours before the time fixed for the EGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes in place of the proxy if he finds that he is able to do so.

7.2 When Depositor regarded as Shareholder

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 maintained by CDP pursuant to Section 81SJ of the SFA at least 72 hours before the EGM.

8. INSPECTION OF DOCUMENTS

A copy of the following documents may be inspected at the registered office of the Company at 55 Tuas Crescent, #07-01, Singapore 638743, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Annual Report of the Company for the financial year ended 30 April 2018; and
- (b) the Constitution.

LETTER TO SHAREHOLDERS

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of the preparation of this Circular) 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 (i) the renewal of the Share Buyback Mandate; (ii) Proposed Amendments to the Constitution, and (iii) 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 in any material respect.

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

Yours faithfully
For and on behalf of the Board of Directors of
XMH HOLDINGS LTD.

Mr. Tan Tin Yeow
Chairman and Managing Director

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APPENDIX

The Proposed Amendments to the Constitution of the Company are set out below. It is proposed that the following Regulations of the Constitution be amended and/or inserted in the following manner where text in strikethrough indicates deletions from and underlined text indicates additions to the Constitution of the Company.

“

NOTICES

140. (A) *Any notice or document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid cover addressed to such Member at his Singapore registered address appearing in the Register of Members or (as the case may be) the Depository Register, or (if he has no registered address within Singapore) to the address, if any, within Singapore supplied by him to the Company, or (as the case may be) CDP as his address for the service of notices, or by delivering it to such address as aforesaid. Where any notice or other document is served or delivered by post, service or delivery shall be deemed to have been served at the time the envelope or cover containing the same is posted, and in proving such service or delivery, it shall be sufficient to prove that such envelope or cover was properly addressed, stamped and posted.*
- (B) *Without prejudice to the foregoing provisions of Regulation 140(A) and subject to the Act, the listing rules of the Designated Stock Exchange and/or other applicable regulations or procedures, Any notice of meeting or other document required or permitted to be given, sent or served under the Act, the listing rules of the Designated Stock Exchange, Constitution of the Company or these Regulations may be given, sent or served by the Company using electronic communications; in accordance with the Act. Any notice given, sent or served using electronic communication (as the case may be) shall be deemed to have been duly given, sent or served upon transmission of the electronic communication to the current address of such person or as otherwise provided under the Act and/or other applicable regulations or procedures.*
- (a) to the current address of such person (which may be an email address); or*
- (b) by making it available on a website prescribed by the Company from time to time,*
- in accordance with the provisions of this these Regulations, the Act, the listing rules of the Designated Stock Exchange and/or other applicable regulations or procedures.*
- (C) *Express Consent: For the purposes of Regulation 140(B) above, the Company may send such notice or document by way of such electronic communications to a Member, if there is express consent from that Member*

APPENDIX

- (D) Deemed Consent: For the purposes of Regulation 140(B) above, the Directors may, at their discretion, give a Member an opportunity to elect within a specified period of time whether to receive such notice or document by way of electronic communications or as a physical copy, and such Member shall be deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document, unless otherwise provided under the Act, the listing rules of the Designated Stock Exchange and/or other applicable regulations or procedures. Any election or deemed election by a Member pursuant to this Regulation 140(D) is a standing election but the Member may make a fresh election at any time, provided that until the Member makes a fresh election, the election or deemed election that is conveyed to the Company last in time prevails over all previous elections as that Member's valid and subsisting election in relation to all notices or documents to be sent.
- (E) Implied Consent: For the purposes of Regulation 140(B) above, a Member shall be implied to have agreed to receive such notice or document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such notice or document, unless otherwise provided under the Act, the listing rules of the Designated Stock Exchange and/or other applicable regulations or procedures.
- (F) Regulations 140(B), (C), (D) and (E) above shall not apply to such notice or documents which are excluded from being given, sent or served by electronic communications or means pursuant to the Act, the listing rules of the Designated Stock Exchange and/or other applicable regulations or procedures, unless permitted by the Act, the listing rules of the Designated Stock Exchange and/or other applicable regulations or procedures.
- (G) Where a notice or document is sent by electronic communications, the Company shall inform the Member as soon as practicable of the mode by which the Member may request a physical copy of that notice or document from the Company. The Company shall provide a physical copy of that notice or document upon such request.
- (H) Where the Company uses website publication as the form of electronic communications, the Company shall separately provide a physical notification to Members notifying of the following:
- (a) the publication of the document on the website;
 - (b) if the document is not available on the website on the date of notification, the date on which it will be available;
 - (c) the address of the website;
 - (d) the place on the website where the document may be accessed; and
 - (e) how to access the document.
- (I) Where a notice or document is given, sent or served by electronic communications:

APPENDIX

- (a) to the current address of a person pursuant to Regulation 140(B)(a), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under the Act, the listing rules of the Designated Stock Exchange and/or other applicable regulations or procedures; or
- (b) by making it available on a website pursuant to Regulation 140(B)(b), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, or unless otherwise provided under the Act, the listing rules of the Designated Stock Exchange and/or other applicable regulations or procedures.

PERSONAL DATA

148. (A) A Member who is a natural person is deemed to have consented to the collection, use and disclosure of his personal data (whether such personal data is provided by that Member or is collected through a third party) by the Company (or its agents or service providers) from time to time for any of the following purposes:
- (a) implementation and administration of any corporate action by the Company (or its agents or service providers);
 - (b) internal analysis and/or market research by the Company (or its agents or service providers);
 - (c) investor relations communications by the Company (or its agents or service providers);
 - (d) administration by the Company (or its agents or service providers) of that Member's holding of shares in the capital of the Company;
 - (e) implementation and administration of any service provided by the Company (or its agents or service providers) to its Members to receive notices of meetings, annual reports and other shareholder communications and/or for proxy appointment, whether by electronic means or otherwise;
 - (f) processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for any General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to any General Meeting (including any adjournment thereof);
 - (g) implementation and administration of, and compliance with, any provision of these Regulations;
 - (h) compliance with any applicable laws, listing rules of the Stock Exchange, take-over rules, regulations and/or guidelines; and
 - (i) purposes which are reasonably related to any of the above purpose.

APPENDIX

- (B) Any Member who appoints a proxy and/or representative for any General Meeting and/or any adjournment thereof is deemed to have warranted that where such Member discloses the personal data of such proxy and/or representative to the Company (or its agents or service providers), that Member has obtained the prior consent of such proxy and/or representative for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy and/or representative for the purposes specified in Regulation 148(A)(f), and is deemed to have agreed to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such Member's breach of warranty."

NOTICE OF EXTRAORDINARY GENERAL MEETING



XMH HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
Company Registration Number 201010562M

All capitalised terms in the Resolutions below and defined in the Circular shall, unless otherwise defined in this Notice, bear the respective meanings ascribed thereto in the Circular.

NOTICE IS HEREBY GIVEN that an **EXTRAORDINARY GENERAL MEETING** (“**EGM**”) of XMH Holdings Ltd. (“**Company**”) will be convened at 55 Tuas Crescent, #07-01, Singapore 638743 on Thursday, 23 August 2018 at 11.00 a.m. (or immediately after the conclusion or adjournment of the Annual General Meeting (“**AGM**”) of the Company to be held at 10.00 a.m. on the same day and at the same venue), for the purpose of considering and, if thought fit, passing with or without any modifications the following Resolutions:

ORDINARY RESOLUTION

THE RENEWAL OF THE SHARE BUYBACK MANDATE

That:

- (a) for the purposes of the Companies Act, Chapter 50 of Singapore (“**Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the ordinary shares in the capital of the Company (“**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) market purchases (each a “**Market Purchase**”) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); and/or
 - (ii) off-market purchases (each an “**Off-Market Purchase**”) effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors of the Company as they consider fit, which schemes shall satisfy all the conditions prescribed by the Companies Act, and otherwise in accordance with all other provisions of the Companies Act and listing rules of the SGX-ST as may for the time being be applicable,

and is hereby authorised and approved generally and unconditionally (“**Share Buyback Mandate**”);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next AGM of the Company is held or required by law to be held;
 - (ii) the date on which the Share Buyback is carried out to the full extent mandated; or
 - (iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked;

NOTICE OF EXTRAORDINARY GENERAL MEETING

(c) in this Resolution:

“Prescribed Limit” means 10% of the issued ordinary share capital of the Company as at the date of passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time);

“Relevant Period” means the period commencing from the date on which the forthcoming EGM is held and the resolution relating to the Share Buyback Mandate is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier; and

“Maximum Price” in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase: 105% of the Average Closing Price;
- (ii) in the case of an Off-Market Purchase: 120% of the Average Closing Price, where:

“Average Closing Price” means the average of the closing market prices of a Share over the last five market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five-day period; and

(d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

SPECIAL RESOLUTION

THE PROPOSED AMENDMENTS TO THE CONSTITUTION

That:

- (a) the Constitution of the Company be and is hereby amended in the manner described in the Appendix of the Circular; and
- (b) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he/she may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Special Resolution.

BY ORDER OF THE BOARD
XMH HOLDINGS LTD.

Tan Tin Yeow
Chairman and Managing Director
6 August 2018

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. A member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the Extraordinary General Meeting ("**Meeting**") is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. A Relevant Intermediary* may appoint more than two (2) proxies, 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).
3. Where a member of the Company appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies.
4. If the member is a corporation, the instrument appointing the proxy must be executed under seal or the hand of its duly authorized officer or attorney.
5. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 55 Tuas Crescent #07-01 Singapore 638743 not less than 48 hours before the time appointed for holding the Meeting.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) 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; or
- (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), 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 these shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal data privacy:

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) 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 member's breach of warranty.

PROXY FORM



XMH HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
Company Registration Number 201010562M

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We*, _____ (Name) _____ (NRIC/Passport No./Co. Registration No.)

of _____ (address)

being a member/members* of **XMH HOLDINGS LTD.** ("Company"), hereby appoint:

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

and/or (delete as appropriate)

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

as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the Extraordinary General Meeting ("**Meeting**") of the Company to be held at 55 Tuas Crescent, #07-01, Singapore 638743 on Thursday, 23 August 2018 at 11.00 a.m. (or immediately after the Annual General Meeting to be held on the same day at 10.00 a.m.) and at any adjournment thereof. I/We* direct my/our* proxy/proxies* to vote for or against the Resolutions to be proposed at the Meeting as hereunder indicated. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies* will vote or abstain from voting at his/her* discretion.

No.	Resolutions relating to:	No. of votes 'For'***	No. of votes 'Against'***
Ordinary Resolution			
1	To approve the renewal of the Share Buyback Mandate		
Special Resolution			
2	To approve the Proposed Amendment to the Constitution		

* Delete where inapplicable

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

Dated this _____ day of _____ 2018

Total Number of Shares Held in:

(a) CDP Register	
(b) Register of Members	

Signature(s) of Members and/or Corporation's
Common Seal

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM



PROXY FORM

NOTES

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company who is not a Relevant Intermediary* entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member who is not a Relevant Intermediary* appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A member who is a Relevant Intermediary* may appoint more than two proxies, 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).
5. Subject to note 9, completion and return of this instrument appointing a proxy 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 deposited at the Registered Office of the Company at 55 Tuas Crescent #07-01 Singapore 638743 not less than forty-eight (48) hours before the time appointed for the Meeting.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
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 Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
9. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) 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; or
- (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), 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.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) 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 representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 6 August 2018.

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