

**APPENDIX DATED 10 APRIL 2015**

**THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

This Appendix is issued by Mencast Holdings Ltd. (the “**Company**”). Its purpose is to explain to the Shareholders the rationale for, and to provide information to the Shareholders in relation to, the proposed renewal of the Share Buy-Back Mandate (as defined in this Appendix) to be tabled at the annual general meeting of the Company to be held on 27 April 2015 at 10.00 a.m. at Mencast Auditorium, 42B Penjuru Road, Singapore 609163 (the “**2015 AGM**”). The notice of the 2015 AGM and the proxy form has been, or will be, despatched to Shareholders on the same date as the date of this Appendix.

If you have sold or transferred all your shares in the capital of the Company, you should forward this Appendix immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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



**MENCAST HOLDINGS LTD.**

(Incorporated in Singapore on 30 January 2008)

(Company Registration No. 200802235C)

**APPENDIX TO NOTICE OF ANNUAL GENERAL MEETING**

**IN RELATION TO**

**THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**

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## DEFINITIONS

In this Appendix, the following definitions apply throughout unless otherwise stated:

### General

- “2014 Mandate”** : The general and unconditional mandate granted by the Shareholders to the Directors on 25 April 2014 to exercise all powers of the Company to purchase or otherwise acquire its issued Shares
- “2015 AGM”** : The annual general meeting of the Company to be held on 27 April 2015
- “Appendix”** : This appendix to the Notice of AGM
- “Approval Date”** : Has the meaning ascribed to it in Section 2.3.1 of this Appendix
- “Articles”** : The articles of association of the Company, as amended or modified from time to time
- “Associate”** : (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:  
(i) his immediate family;  
(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and  
(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.00% or more;
- (b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any company which is its subsidiary or holding company or is a subsidiary of any such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.00% or more
- “Associated Company”** : A company in which at least 20.00% but not more than 50.00% of its shares are held by the Company and/or its subsidiaries
- “Average Closing Price”** : Has the meaning ascribed to it in Section 2.3.4 of this Appendix
- “Board” or “Board of Directors”** : The board of directors of the Company
- “CDP”** : The Central Depository (Pte) Limited
- “Company” or “Mencast”** : Mencast Holdings Ltd.
- “Companies Act”** : The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
- “Companies Amendment Act”** : The Companies (Amendment) Act 2005 of Singapore
- “Controlling Shareholder”** : A person who: (i) holds directly or indirectly 15.00% or more of the Company’s issued share capital; or (ii) in fact exercises control over the Company

<b>“Depositor”</b>	: Has the meaning ascribed to it by section 130A of the Companies Act
<b>“Depository Register”</b>	: Has the meaning ascribed to it by section 130A of the Companies Act
<b>“Directors”</b>	: A director of the Company as at the Latest Practicable Date
<b>“EPS”</b>	: Earnings per Share
<b>“FY” or “Financial Year”</b>	: Financial year ending or ended 31 December
<b>“Group”</b>	: The Company and its subsidiaries
<b>“Latest Practicable Date”</b>	: 30 March 2015, being the latest practicable date prior to the date of this Appendix
<b>“Listing Manual”</b>	: The Listing Manual of the SGX-ST, as may be amended, supplemented or modified from time to time
<b>“Mainboard”</b>	: The mainboard of the SGX-ST
<b>“Market Day”</b>	: A day on which the SGX-ST is open for trading in securities
<b>“Maximum Price”</b>	: Has the meaning ascribed to it in Section 2.3.3 of this Appendix
<b>“Notice of AGM”</b>	: Notice of the 2015 AGM dated 10 April 2015
<b>“NTA”</b>	: Net tangible assets
<b>“Off-Market Share Buy-Backs”</b>	: Has the meaning ascribed to it in Section 2.3.3 of this Appendix
<b>“On-Market Share Buy-Backs”</b>	: Has the meaning ascribed to it in Section 2.3.3 of this Appendix
<b>“Relevant Period”</b>	: Has the meaning ascribed to it in section 2.1 of this Appendix
<b>“SGX-ST”</b>	: Singapore Exchange Securities Trading Limited
<b>“Share Buy-Back Mandate”</b>	: The proposed general mandate to authorise the Directors to exercise all the powers of the Company to purchase, on behalf of the Company, Shares in accordance with the terms set out in this Appendix
<b>“Shares”</b>	: Ordinary shares in the capital of the Company
<b>“Share Buy-Backs”</b>	: The purchase of Shares by the Company pursuant to the Share Buy-Back Mandate

- “Shareholders”** : Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose securities accounts such Shares are credited
- “Sim Family Concert Party Group”** : Has the meaning ascribed to it in Section 2.11.3 of this Appendix
- “Substantial Shareholder”** : A person who has an interest or interests in voting Shares in the Company representing not less than 5.00% of all the voting Shares
- “Take-over Code”** : The Singapore Code on Take-overs and Mergers, as amended and modified from time to time
- “Treasury Shares”** : Issued shares of the Company which were (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies and have since purchase, been continuously held by the Company

**Currencies, units and others**

- “S\$”, “SGD” or “\$” and “cents”** : Singapore dollars and cents respectively
- “%” or “per cent.”** : Percentage and per centum

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

Words importing the singular number shall include the plural number where the context admits and vice versa. Words importing the masculine gender shall include the feminine gender where the context admits. Reference to persons shall, where applicable, include corporations.

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

Any reference to a time of day or date in this Appendix is a reference to a time of day or date, as the case may be, in Singapore, unless otherwise stated.

Any discrepancies in this Appendix between the sum of the figures stated and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures which precede them.

**Directors :**

Sim Soon Ngee Glennle (Executive Chairman and Chief Executive Officer)  
Wong Boon Huat (Executive Director)  
Wong Fook Choy Sunny (Lead Independent Director)  
Ho Chew Thim (Independent Director)  
Leow David Ivan (Independent Director)  
Ng Chee Keong (Independent Director)

**Registered Office :**

42E Penjuru Road,  
Mencast Central,  
Singapore 609161

**10 April 2015**

**To: The Shareholders of Mencast Holdings Ltd.**

Dear Sir / Madam,

**THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**

**1. INTRODUCTION**

The purpose of this Appendix is to provide Shareholders with information relating to, and to seek their approval for, the Share Buy-Back Mandate at the 2015 AGM. The notice of the 2015 AGM has been, or will be, despatched to Shareholders on the same date as the date of this Appendix.

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

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

**2. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**

**2.1 Proposed renewal of the Share Buy-Back Mandate**

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

At the extraordinary general meeting of the Company held on 25 April 2014, Shareholders had granted a general and unconditional mandate to the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares, on the terms of that mandate (the "**2014 Mandate**"). The 2014 Mandate will expire on 27 April 2015, being the date of the 2015 AGM. It is proposed that such authority be renewed.

Accordingly, we propose to seek Shareholders' approval at the 2015 AGM for a renewed general and unconditional mandate to be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire its Shares on the terms of such mandate (the "**Share Buy-Back Mandate**"). If approved at the 2015 AGM, the authority conferred by the Share Buy-Back Mandate will continue in force until the date the next AGM is held or is required by law to be held, whichever is earlier (whereupon it will lapse, unless renewed at such meeting) or until it is varied or revoked by the Company in general meeting (if so varied or revoked prior to the date the next AGM is held or is required by law to be held, whichever is earlier) (the "**Relevant Period**").

## 2.2 Rationale for the Share Buy-Back Mandate

The Company proposes to seek Shareholders' approval for the proposed adoption of the Share Buy-Back Mandate to give Directors the flexibility to undertake Share Buy-Backs at any time when circumstances permit, with the objective of increasing Shareholders' value and to improve, inter alia, the return of equity of the Group. A Share Buy-Back made at an appropriate price level is one of the ways through which the return on equity of the Group may be enhanced.

The Directors believe that the Share Buy-Back Mandate provides the Company with a mechanism to facilitate the return of surplus cash over and above the Group's working capital requirements in an expedient and cost-efficient manner. Share Buy-Backs also allow the Directors to exercise control over the Company's share structure and, depending on market conditions, may lead to an enhancement of the EPS and/or NTA per Share. The Directors further believe that Share Buy-Backs may also help to mitigate short-term market volatility and offset the effects of share price speculation.

If and when circumstances permit, the Directors will decide whether to effect the Share Buy-Backs via On-Market Share Buy-Backs (as defined hereinafter) or Off-Market Share Buy-Backs (as defined hereinafter), after taking into account the amount of surplus cash available, the then prevailing market conditions and the most cost-effective and efficient approach.

The Share Buy-Backs will only be undertaken as and when the Directors consider it to be in the best interests of the Company and/or Shareholders. No Share Buy-Backs will be made in circumstances which the Directors believe will have or may have a material adverse effect on the liquidity and the orderly trading of the Shares and the financial condition, working capital requirements and gearing level of the Company and the Group.

## 2.3 Authority and limits of the Share Buy-Back Mandate

The authority and limitations placed on the Share Buy-Backs by the Company under the proposed Share Buy-Back Mandate, if approved at the 2015 AGM, are summarised below:

### 2.3.1 Maximum number of Shares

Only Shares that are issued and fully paid-up may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

The total number of Shares which can be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate during the Relevant Period or within any one financial year of the Company, whichever is the earlier, is limited to that number of Shares representing not more than 10.00% of the total issued ordinary share capital of the Company (ascertained as at the date of the 2015 AGM at which the Share Buy-Back Mandate is approved, 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) (the "**Approval Date**"). For the purposes of calculating the percentage of issued Shares above, any of the Shares which are held as treasury shares will be disregarded.

**Purely for illustrative purposes**, assuming that the Company has 357,090,838 Shares as at the date of the 2015 AGM (being the number of Shares as at the Latest Practicable Date excluding treasury shares and assuming there being no change in the number of Shares on or prior to the date of the 2015 AGM), not more than 35,709,083 Shares (representing 10.00% of the issued share capital of the Company as at that date) may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate during the duration referred to in section 2.3.2 below.

Notwithstanding the above, while the Share Buy-Back Mandate would authorise a purchase or acquisition of Shares up to the maximum number described in section 2.3.1 during the duration referred to in section 2.3.2, Shareholders should note that purchases or acquisitions of Shares by the Company pursuant to the Share Buy-Back Mandate may not be carried out to the full limit as authorised. In particular, under the Company's S\$200,000,000 multicurrency medium term note programme, the Company had covenanted that for as long as any of the notes remains outstanding, it would ensure that the ratio of the consolidated total debt to the consolidated total equity does not exceed 1.5:1.

### 2.3.2 Duration of authority

Under the Share Buy-Back Mandate, Share Buy-Backs may be made, at any time and from time to time, on and from the date of the 2015 AGM, at which the Share Buy-Back Mandate is approved, up to the earlier of:

- (i) the conclusion of the next AGM or the date by which such AGM is required to be held;
- (ii) the date on which the Share Buy-Backs are carried out to the full extent mandated; or
- (iii) the date on which the authority contained by the Share Buy-Back Mandate is revoked or varied by the Shareholders in general meeting.

The authority conferred on the Directors by the Share Buy-Back Mandate to purchase Shares may be renewed at each annual general meeting or other general meeting of the Company. When seeking the approval of the Shareholders for the renewal of the Share Buy-Back Mandate, the Company is required to disclose details pertaining to any Share Buy-Backs made during the previous 12 months, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Buy-Backs, where relevant, and the total consideration paid for such Share Buy-Backs.

### 2.3.3 Manner of purchases or acquisitions of Shares

Share Buy-Backs may be made by way of:

- (i) on-market purchases through the SGX-ST's ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose ("**On-Market Share Buy-Backs**"); and/or
- (ii) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined in Section 76C of the Companies Act, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual ("**Off-Market Share Buy-Backs**").

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

- (i) offers for the Share Buy-Backs shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them;
- (iii) the terms of all the offers are the same, except that there shall be disregarded:
  - (a) differences in consideration attributable to the fact that offers relate to Shares with different accrued dividend entitlements;
  - (b) (if applicable) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
  - (c) 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 Share Buy-Back, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed Share Buy-Back;
- (iv) the consequences, if any, of Share Buy-Backs by the Company that will arise under the Take-over Code or other applicable take-over rules;



- (v) whether the Share Buy-Back, if made, could affect the listing of the Shares on the Official Listing of SGX-ST;
- (vi) details of any Share Buy-Backs made by the Company in the previous 12 months (whether On-Market Share Buy-Backs or Off-Market Share Buy-Backs), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Buy-Backs, where relevant, and the total consideration paid for such Share Buy-Backs; and
- (vii) 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, commissions, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors.

However, the purchase price to be paid for a Share pursuant to the Share Buy-Backs as determined by the Directors must not exceed:

- (i) in the case of an On-Market Share Buy-Back, 105.00% of the Average Closing Price (as defined hereinafter) of the Shares; and
- (ii) in the case of an Off-Market Share Buy-Back, 120.00% of the Average Closing Price of the Shares,

(the “**Maximum Price**”) in either case, excluding related expenses of the Share Buy-Back.

For the above purposes, the “**Average Closing Price**” means the average of the closing market prices of a Share over the last 5 Market Days, on which transactions in the Shares were recorded, preceding the day of the On-Market Share Buy-Back or, as the case may be, preceding the date of making an announcement by the Company of an offer for an Off-Market Share Buy-Back and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period.

#### 2.4 **Status of purchased Shares under the Share Buy-Back 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 and which are not held as treasury shares.

#### 2.5 **Cancellation of purchased Shares**

Any Share which is purchased or acquired by the Company shall, unless held as treasury shares to the extent permitted under the Companies Act, be deemed to be cancelled immediately on purchase, and all rights and privileges attached to that Share shall expire on cancellation. The total number of Shares will be diminished by such number of Shares purchased or acquired by the Company and which are not held as treasury shares.

Any Shares purchased or acquired by the Company (other than treasury shares held by the Company to the extent permitted by the Companies Act) and cancelled will be automatically de-listed by the SGX-ST and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase.

#### 2.6 **Purchased Shares held as treasury shares**

Under the Companies Act, as amended by the Companies Amendment 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 (i) the Listing Manual, and (ii) the Companies Act, as amended by the Companies Amendment Act, are summarised below:

### 2.6.1 Maximum holdings

The number of Shares held as treasury shares cannot at any time exceed 10.00% of the total number of issued Shares.

In the event that the Company holds more than 10.00% of the total number of its issued Shares as treasury shares, the Company shall cancel or dispose of the excess treasury shares in the manner set out under section 2.6.3 below within 6 months beginning with the day on which that contravention occurs, or such further period as the Registrar of Companies may allow.

### 2.6.2 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 share into treasury shares of a smaller or larger amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

### 2.6.3 Disposal and cancellation

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

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes or pursuant to an employees' share scheme;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may, by order, be prescribed by the Minister of Finance.

### 2.6.4 Reporting obligation under the Listing Manual

Under the Listing Manual, the Company must 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) 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 cancelled.

## 2.7 Source of funds

Previously, any purchase of Shares could only be made out of the Company's distributable profits that are available for payment as dividends. However, the Companies Act, as amended by the Companies Amendment Act, now permits the Company to also purchase its own Shares out of 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).

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 internal resources and/or external borrowings to finance its Share Buy-Backs.

The Directors will only carry out the share purchases as and when they consider it to be in the best interest of the Company, and in circumstances that they believe would not result in a material adverse effect on the liquidity, financial condition and working capital of the Company and the Group.

## 2.8 Financial effects of the Share Buy-Back Mandate

It is not possible for the Company to realistically calculate or quantify the impact of Share Buy-Backs that may be made pursuant to the Share Buy-Back Mandate as the financial effects on the Company and the Group arising from the Share Buy-Backs will depend on, inter alia, the aggregate number of Shares purchased or acquired, whether the Share Buy-Backs are made by way of On-Market Share Buy-Back or Off-Market Share Buy-Back, the price at which the Share Buy-Backs are made, the amount (if any) borrowed by the Company to fund the Share Buy-Backs and whether the Shares are cancelled or held in treasury.

As at the Latest Practicable Date, the issued and paid-up capital of the Company is S\$72,026,851, comprising 357,090,838 Shares.

**For illustrative purposes only**, the financial effects on the Company and the Group arising from the Share Buy-Backs, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2014 ("FY2014"), are prepared on the assumptions set out below:

- a) the Share Buy-Backs comprised 35,709,083 Shares (representing 10.00% of the 357,090,838 outstanding Shares as at the Latest Practicable Date);
- b) in the case of On-Market Share Buy-Back, the maximum price was S\$0.4053 (being 5.00% above the average of the closing market prices of the Shares for the last five (5) Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date) and accordingly the maximum amount of funds required for effecting such On-Market Share Buy-Back (excluding brokerage, stamp duties, commission, applicable goods, and services tax and other related expenses), would amount to S\$14,472,891;
- c) in the case of Off-Market Share Buy-Back, the maximum price was S\$0.4632 (being 20.00% above the average of the closing market price of the Shares for the last five (5) Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date) and accordingly the maximum amount of funds required for effecting such Off-Market Share Buy-Back (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses), would amount to approximately S\$16,540,447;

- d) the Share Buy-Backs took place on 1 January 2014; and
- e) the Share Buy-Backs were made entirely out of the Company's capital and financed by internal cash and external borrowings of the Group.

**Purchased Shares cancelled**

	<b>Group</b>			<b>Company</b>		
	<b>Before Share Buy-Backs</b>	<b>After Share Buy-Backs</b>		<b>Before Share Buy-Backs</b>	<b>After Share Buy-Backs</b>	
	<b>S\$'000</b>	<b>On-Market Share Buy-Backs S\$'000</b>	<b>Off-Market Share Buy-Backs S\$'000</b>	<b>S\$'000</b>	<b>On-Market Share Buy-Backs S\$'000</b>	<b>Off-Market Share Buy-Backs S\$'000</b>
<b>As at 31 December 2014</b>						
Share capital	72,027	57,554	55,487	72,027	57,554	55,487
Shareholders' fund	126,291	111,696	109,611	68,662	54,067	51,982
NTA	81,111	66,516	64,431	68,662	54,067	51,982
Current assets	115,493	107,898	106,813	85,735	85,735	85,735
Current liabilities	105,784	112,784	113,784	57,194	71,789	73,874
Cash & cash equivalents	19,686	12,091	11,006	259	259	259
Total borrowings	170,726	177,726	178,726	49,617	49,617	49,617
Net profit attributable to Equity holders of the Company for FY2014	17,460	17,338	17,320	4,311	4,189	4,171
Number of Shares as at 31 December 2014 ('000)	357,091	321,382	321,382	357,091	321,382	321,382
Weighted average number of Shares as at 31 December 2014 ('000)						
- Basic	345,320	309,611	309,611	345,320	309,611	309,611
- Diluted	345,378	309,669	309,669	345,378	309,669	309,669
<b>Financial Ratios</b>						
NTA per Share (cents) <sup>(1)</sup>	22.71	20.70	20.00	19.23	16.82	16.17
Gross gearing (times) <sup>(2)</sup>	1.32	1.55	1.58	0.72	0.92	0.95
Current ratio (times) <sup>(3)</sup>	1.09	0.96	0.94	1.50	1.19	1.16
Earnings per Share (cents) <sup>(4)</sup>						
- Basic	5.06	5.60	5.59	1.25	1.35	1.35
- Diluted	5.06	5.60	5.59	1.25	1.35	1.35

**Notes:**

- (1) "NTA per Share" represents NTA divided by the number of Shares as at 31 December 2014.
- (2) "Gross gearing" represents total borrowings divided by total equity.
- (3) "Current ratio" represents current assets divided by current liabilities.
- (4) EPS represents net profit attributable to equity holders of the Company for FY2014 respectively divided by the weighted average number of Shares for FY2014.

**Purchased Shares held as treasury shares**

	<b>Group</b>			<b>Company</b>		
	<b>Before Share Buy-Backs</b>	<b>After Share Buy-Backs</b>		<b>Before Share Buy-Backs</b>	<b>After Share Buy-Backs</b>	
	<b>S\$'000</b>	<b>On-Market Share Buy-Backs S\$'000</b>	<b>Off-Market Share Buy-Backs S\$'000</b>	<b>S\$'000</b>	<b>On-Market Share Buy-Backs S\$'000</b>	<b>Off-Market Share Buy-Backs S\$'000</b>
<b>As at 31 December 2014</b>						
Share capital	72,220	72,220	72,220	72,220	72,220	72,220
Treasury shares	(193)	(14,666)	(16,733)	(193)	(14,666)	(16,733)
Shareholders' fund	126,291	111,696	109,611	68,662	54,067	51,982
NTA	81,111	66,516	64,431	68,662	54,067	51,982
Current assets	115,493	107,898	106,813	85,735	85,735	85,735
Current liabilities	105,784	112,784	113,784	57,194	71,789	73,874
Cash & cash equivalents	19,686	12,091	11,006	259	259	259
Total borrowings	170,726	177,726	178,726	49,617	49,617	49,617
Net profit attributable to Equity holders of the Company for FY2014	17,460	17,338	17,320	4,311	4,189	4,171
Number of Shares as at 31 December 2014 ('000)	357,091	321,382	321,382	357,091	321,382	321,382

## Purchased Shares held as treasury shares

	Group			Company		
	Before Share Buy-Backs	After Share Buy-Backs		Before Share Buy-Backs	After Share Buy-Backs	
	S\$'000	On-Market Share Buy-Backs S\$'000	Off-Market Share Buy-Backs S\$'000	S\$'000	On-Market Share Buy-Backs S\$'000	Off-Market Share Buy-Backs S\$'000
Weighted average number of Shares as at 31 December 2014 ('000)						
– Basic	345,320	309,611	309,611	345,320	309,611	309,611
– Diluted	345,378	309,669	309,669	345,378	309,669	309,669

### Financial Ratios

NTA per Share (cents) <sup>(1)</sup>	22.71	20.70	20.05	19.23	16.82	16.17
Gross gearing (times) <sup>(2)</sup>	1.32	1.55	1.58	0.72	0.92	0.95
Current ratio (times) <sup>(3)</sup>	1.09	0.96	0.94	1.50	1.19	1.16
Earnings per Share (cents) <sup>(4)</sup>						
– Basic	5.06	5.60	5.59	1.25	1.35	1.35
– Diluted	5.06	5.60	5.59	1.25	1.35	1.35

#### Notes:

- (1) "NTA per Share" represents NTA divided by the number of Shares as at 31 December 2014.
- (2) "Gross gearing" represents total borrowings divided by total equity.
- (3) "Current ratio" represents current assets divided by current liabilities.
- (4) EPS represents net profit attributable to equity holders of the Company for FY2014 respectively divided by the weighted average number of Shares for FY2014.

The Directors do not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Company and the Group. The Share Buy-Backs will only be effected after taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements of the Group) and non-financial factors (such as market conditions and performance of the Shares).

**Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on the audited financial statements of the Company and the Group for FY2014 and is not necessarily representative of the future financial performance of the Company and the Group. Although the Share Buy-Back Mandate would authorise the Company to purchase up to 10.00% of the Company's issued Shares as at the date the Share Buy-Back Mandate is obtained, the Company may not necessarily buy back or be able to buy back 10.00% of the issued Shares in full (as further detailed under Section 2.3.1 of this Appendix).**

## 2.9 Listing Manual

- 2.9.1 Under the Listing Manual, a listed company may only purchase shares by way of a market acquisition at a price which is not more than 5.00% above the average closing market price. The term 'average closing market price' is defined as the average of the closing market price of shares over the last 5 market days, on which transactions in the shares were recorded, before the day on which purchases are made. The Maximum Price for a Share in relation to market purchases by the Company, referred to in Section 2.3.4 of this Appendix, conforms to this restriction.

- 2.9.2 Further, 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., (a) in the case of a market purchase, on the Market Day following the day of purchase or acquisition of any of its shares; and (b) 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 should be made in compliance with Appendix 8.3.1 of the Listing Manual and currently requires the inclusion of details of the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable.
- 2.9.3 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 issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Buy-Back 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, in line with Rule 1207(19)(c) of the Listing Manual, the Company will not purchase or acquire any Shares pursuant to the proposed Share Buy-Back Mandate during the period commencing two weeks and one month immediately preceding the announcement of the Company’s interim results and the annual (full-year) results, respectively.
- 2.9.4 The Listing Manual requires a listed company to ensure that at least 10.00% of any class of its listed securities must be held by public shareholders. As at the Latest Practicable Date, approximately 40.30% of the issued share capital of the Company is held in the hands of the public. Assuming that the Company repurchased the maximum of 10.00% of its issued share capital as at the Latest Practicable Date from members of the public by way of a market purchase, the percentage of Shares held by the public would be approximately 33.67%.

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 Share Buy-Backs up to the full 10.00% limit pursuant to the Share Buy-Back Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading. The Directors will ensure that any Share Buy-Back, if undertaken by the Company pursuant to the Share Buy-Back Mandate, will not affect orderly trading of the Company’s shares and its listing status.

- 2.9.5 The Directors will ensure that the Share Buy-Backs will not have any effect on the listing of the Company’s securities including the Shares listed on the SGX-ST. Rule 723 of the Listing manual requires at least 10.00% of any class of a company’s listed securities to be held by the public at all times.

**Although the Share Buy-Back Mandate would authorise the Company to purchase up to 10.00% of the Company’s issued Shares as at the date the Share Buy-Back Mandate is obtained, the Company may not necessarily buy back or be able to buy back 10.00% of the issued Shares in full (as further detailed under Section 2.3.1 of this Appendix).**

## **2.10 Tax implications**

Section 10J of the Income Tax Act, Chapter 134, of Singapore stipulates that when a company buys back its own shares from a shareholder using funds other than contributed capital of the company, the payment by the company shall be deemed to be a dividend paid by the company to the shareholder.

Since the Companies (Amendment) Act has come into operation, purchases of Shares made by the Company may be paid out of the Company’s capital or profits so long as the Company is solvent. Where the Company purchases its Shares out of contributed capital, it shall not be regarded as having paid a dividend to Shareholders.

**Shareholders who are in doubt as to their respective tax positions or the tax implications of the Share Buy-Backs by the Company or who may be subject to tax whether in or outside in Singapore should consult their own professional advisers.**

## **2.11 Take-over Code implications arising from Share Buy-Backs**

Appendix 2 of the Take-over Code contains the Share Buy-Back 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:

### 2.11.1 Obligation to make a take-over offer

If, as a result of Share Buy-Backs, 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 the Take-over Code. If such increase results in the change of 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 take-over offer for the Company under Rule 14 of the Take-over Code.

### 2.11.2 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, inter alia, be presumed to be acting in concert:

- (a) 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);
- (b) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, and any company whose associated companies include any of the above companies. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20.00% but not more than 50.00% of the voting rights of the first-mentioned company;
- (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 in respect of the investment account which such person manages on a discretionary basis;
- (e) a financial or other professional adviser, with its clients in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and 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 10.00% 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 them, which is subject to an offer where they 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 his instructions and 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 (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a Share Buy-Back by the Company are set out in Appendix 2 of the Take-over Code.

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

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors 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 30.00% or more, or, if such Shareholder holds between 30.00% and 50.00% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1.00% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the proposed renewal of the Share Buy-Back Mandate.



With regard to Directors and persons acting in concert with them, 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 30.00% or more, or if the voting rights of such Directors and their concert parties fall between 30.00% and 50.00% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1.00% in any period of 6 months, such Directors and persons acting in concert with them will be exempted from the requirement to make a take-over offer under Rule 14 of the Take-over Code, subject to the following conditions:

- (a) this Appendix to contain advice to the effect that by voting for the proposed renewal of the Share Buy-Back Mandate, Shareholders are waiving their right to a general offer at the required price from Directors and parties acting in concert with them who, as a result of the Company buying back its shares, would increase their voting rights to 30.00% or more, or, if they together hold between 30.00% and 50.00% of the Company's voting rights, would increase their voting rights by more than 1.00% in any period of 6 months; and the names of such Directors and persons acting in concert with them, their voting rights at the time of the resolution and after the proposed Buy-Back to be disclosed in this same Appendix;
- (b) the resolution to authorise the proposed renewal of the Share Buy-Back Mandate to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the proposed renewal of the Share Buy-Back Mandate
- (c) Directors and/or persons acting in concert with them to abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the proposed renewal of the Share Buy-Back Mandate;
- (d) within 7 days after the passing of the resolution to authorise the proposed renewal of the Share Buy-Back Mandate, each of the Directors to submit to the Council a duly signed form as prescribed by the Council;
- (e) Directors and/or persons acting in concert with them not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the Share Buy-Back proposal is imminent and the earlier of:-

- the date on which the authority of the proposed renewal of the Share Buy-Back Mandate expires; and
- the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Buy-Back, would cause their aggregate voting rights to increase to 30.00% or more; and

- (f) Directors and/or persons acting in concert with them, together holding between 30.00% and 50.00% of the Company's voting rights, not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the Share Buy-Back proposal is imminent and the earlier of:-
  - the date on which the authority of the proposed renewal of the Share Buy-Back Mandate expires; and
  - the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Buy-Back, would cause their aggregate voting rights to increase by more than 1.00% in the preceding 6 months.

It follows that where the aggregate voting rights held by a Director and persons acting in concert with him increase by more than 1.00% solely as a result of the Share Buy-Back and none of them has acquired any Shares during the relevant period defined above, then such Director and/or persons acting in concert with him would be eligible for Council's exemption from the requirement to make a general offer under Rule 14, or where such exemption had been granted, would continue to enjoy the exemption.

As at the Latest Practicable Date, the aggregate shareholdings and voting rights of the Directors, Substantial Shareholders and their concert parties and in the event of Share Buy-Backs up to the maximum of 10.00% of the issued share capital of the Company as permitted by the proposed renewal of the Share Buy-Back Mandate are as follows:

	Percentage of Shares and voting rights as at the Latest Practicable Date <sup>(3)</sup>			Percentage of Shares and voting rights after the maximum Share Buy-Backs permitted under the Share Buy-Back Mandate <sup>(4)</sup>		
	Direct Interest	Deemed Interest	Total Interest	Direct Interest	Deemed Interest	Total Interest
	Number of Shares	Number of Shares	%	Number of Shares	Number of Shares	%
<b>Directors</b>						
Sim Soon Ngee Glendle <sup>(1)</sup>	75,600,000	70,734,800	40.98	75,600,000	70,734,800	45.53
Wong Boon Huat	28,005,306	-	7.84	28,005,306	-	8.71
Wong Fook Choy Sunny	150,000	-	0.04	150,000	-	0.05
Ng Chee Keong	-	-	-	-	-	-
Ho Chew Thim Raymond	150,000	-	0.04	150,000	-	0.05
Leow David Ivan	6,012,000	-	1.68	6,012,000	-	1.87
<b>Substantial Shareholders</b>						
Chua Kim Choo <sup>(1)</sup>	41,716,800	104,618,000	40.98	41,716,800	104,618,000	45.53
Sim Wei Wei <sup>(1)</sup>	14,664,000	131,670,800	40.98	14,664,000	131,670,800	45.53
Sim Soon Ying <sup>(1)</sup>	14,354,000	131,980,800	40.98	14,354,000	131,980,800	45.53
Gay Chee Cheong <sup>(2)</sup>	23,358,000	9,175,000	9.11	23,358,000	9,175,000	10.12
Chua Siok Lan <sup>(2)</sup>	9,000,000	23,533,000	9.11	9,000,000	23,533,000	10.12
Ni Wei Ming <sup>(2)</sup>	175,000	32,358,000	9.11	175,000	32,358,000	10.12

**Notes:**

- (1) Sim Soon Ngee Glendle is deemed interested in the shares held by Chua Kim Choo, Ms Sim Wei Wei and Sim Soon Ying. Sim Soon Ngee Glendle is the son of Chua Kim Choo and the brother of Sim Wei Wei and Sim Soon Ying.
- (2) Gay Chee Cheong is deemed interested in the shares held by Chua Siok Lan and Ni Wei Ming. Gay Chee Cheong is the husband of Chua Siok Lan and father of Ni Wei Ming.
- (3) Based on 357,090,838 issued Shares as at the Latest Practicable Date.
- (4) The above is based on the assumption that the Share Buy-Backs by the Company will be cancelled immediately.

**Sim Family Concert Party Group**

Under the Take-over Code, an individual, his close relatives, his related trusts, and any person who is accustomed to act according to the instructions and companies controlled by any of the above is presumed to be acting in concert. Based on the shareholdings of Mr Sim Soon Ngee and his family, including Chua Kim Choo, Sim Wei Wei and Sim Soon Ying (the "**Sim Family Concert Party Group**"), as set out above, in the event that the Company undertakes Share Buy-Backs under the proposed renewal of the Share Buy-Back Mandate up to the maximum of 10.00% of the issued share capital of the Company, the shareholdings and voting rights of the Sim Family Concert Party Group will increase from 40.98% to 45.53%. Under the Take-over Code, in the event that the aggregate shareholding and voting rights of the Sim Family Concert Party Group increase by more than 1.00% within a 6-month period as a result of a Share Buy-Back by the Company, the Sim Family Concert Party Group will be exempted from making a take-over offer under Rule 14.1(b) as long as the relevant conditions under Section 2.11.3 of this Appendix are satisfied.

It should be noted that approving the proposed renewal of the Share Buy-Back Mandate will constitute a waiver by the Shareholders in respect of their right to a general offer by the Sim Family Concert Party Group at the required price, if a Share Buy-Back by the Company results in the aggregate shareholding of the Sim Family Concert Party Group to increase in accordance with the proportions stipulated under Rule 14 of the Take-over Code.

Shareholders are advised to consult their professional advisers and/or the Council and/or the relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any Share Buy-Backs or acquisitions by the Company pursuant to the proposed renewal of the Share Buy-Back Mandate.

Although the Share Buy-Back Mandate would authorise the Company to purchase up to 10.00% of the Company's issued Shares as at the date the Share Buy-Back Mandate is obtained, the Company may not necessarily buy back or be able to buy back 10.00% of the issued Shares in full (as further detailed under Section 2.3.1 of this Appendix).

## 2.12 Reporting requirements

Within 30 days of the passing of a Shareholders' resolution to approve or renew the Share Buy-Back Mandate, the Company shall lodge a copy of such resolution with ACRA. The Company shall also lodge a notice with ACRA within 30 days of a Share Buy-Back. Such notification is to include details such as the date of the Share Buy-Back; the number of Shares purchased or acquired by the Company; the number of Shares cancelled; the number of Shares held as treasury shares; the Company's issued share capital before the Share Buy-Back; the amount of consideration paid by our Company for the Share Buy-Back, whether the Shares were purchased out of profits or the capital of the Company and such other particulars that might be prescribed.

## 3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of Directors and Substantial Shareholders in the Shares as recorded in the Register of Directors' Shareholdings and Register of Members, respectively, as at the Latest Practicable Date, are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
<b>Directors</b>						
Sim Soon Ngee Glendle <sup>(1)</sup>	75,600,000	21.17	70,734,800	19.81	146,334,800	40.98
Wong Boon Huat	28,005,306	7.84	-	-	28,005,306	7.84
Wong Fook Choy Sunny	150,000	0.04	-	-	150,000	0.04
Ng Chee Keong	-	-	-	-	-	-
Ho Chew Thim Raymond	150,000	0.04	-	-	150,000	0.04
Leow David Ivan	6,012,000	1.68	-	-	6,012,000	1.68
<b>Substantial Shareholders</b>						
Chua Kim Choo <sup>(1)</sup>	41,716,800	11.68	104,618,000	29.30	146,334,800	40.98
Sim Wei Wei <sup>(1)</sup>	14,664,000	4.11	131,670,800	36.87	146,334,800	40.98
Sim Soon Ying <sup>(1)</sup>	14,354,000	4.02	131,980,800	36.96	146,334,800	40.98
Gay Chee Cheong <sup>(2)</sup>	23,358,000	6.54	9,175,000	2.57	32,533,000	9.11
Chua Siok Lan <sup>(2)</sup>	9,000,000	2.52	23,533,000	6.59	32,533,000	9.11
Ni Wei Ming <sup>(2)</sup>	175,000	0.05	32,358,000	9.06	32,533,000	9.11

### Notes:

(1) Sim Soon Ngee Glendle is deemed interested in the shares held by Chua Kim Choo, Ms Sim Wei Wei and Sim Soon Ying. Sim Soon Ngee Glendle is the son of Chua Kim Choo and the brother of Sim Wei Wei and Sim Soon Ying.

(2) Gay Chee Cheong is deemed interested in the shares held by Chua Siok Lan and Ni Wei Ming. Gay Chee Cheong is the husband of Chua Siok Lan and father of Ni Wei Ming.

#### **4. DETAILS OF SHARE BUY-BACKS PURSUANT TO A SHARE BUY-BACK MANDATE**

The Company had purchased 299,000 Shares by way of On-Market Share Buy-Backs during the last 12 months immediately preceding the Latest Practicable Date. The purchase price per Share for such Share Buy-Backs was approximately S\$0.454. Accordingly, the total consideration paid by the Company for such Share Buy-Backs was approximately S\$135,746.

#### **5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

As at the Latest Practicable Date, save as disclosed in this Appendix, none of the Directors and Controlling Shareholders has any interest, direct or indirect, in the Share Buy-Back Mandate.

#### **6. LIMITS ON SHAREHOLDING**

The Company does not have any limits on the shareholdings of the Shareholders.

#### **7. ANNUAL GENERAL MEETING**

The 2015 AGM, notice of which has been, or will be, despatched to Shareholders on the same date as the date of this Appendix will be held on 27 April 2015 at 10.00 a.m. at Mencast Auditorium, 42B Penjuru Road, Singapore 609163 for the purpose of considering and, if thought fit, passing, with or without modification, the resolutions set out in the notice of the 2015 AGM.

Pursuant to Section 2.11.3(b) of this Appendix, the voting on the ordinary resolution relating to the proposed renewal of the Share Buy-Back Mandate at the 2015 AGM will be taken by way of poll.

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

Shareholders who are unable to attend the 2015 AGM and wish to appoint a proxy to attend and vote at the 2015 AGM on their behalf will find attached to the notice of the 2015 AGM, a proxy form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company at 42E Penjuru Road, Mencast Central, Singapore 609161, not later than 48 hours before the time fixed for holding the 2015 AGM.

The completion and return of a proxy form by a Shareholder does not preclude him from attending and voting in person at the 2015 AGM if he so wishes. A Depositor shall not be regarded as a member of the Company entitled to attend the 2015 AGM and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the 2015 AGM.

The Sim Family Concert Party Group will abstain, and will ensure that their respective associates will abstain, from voting on the ordinary resolution in respect of the proposed renewal of the Share Buy-Back Mandate at the forthcoming 2015 AGM. They will also not be accepting nomination as proxies or otherwise for voting at the 2015 AGM in respect of the aforesaid ordinary resolution unless specific instructions have been given in the proxy instrument on how the shareholders wish their votes to be cast for the ordinary resolution.

#### **9. DIRECTORS' RECOMMENDATION**

Having considered the rationale and information relating to the proposed renewal of the Share Buy-Back Mandate, the Directors (save for Mr Sim Soon Ngee Glennle who has abstained from making any recommendations) are of the opinion that the proposed renewal of the Share Buy-Back Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the proposed renewal of the Share Buy-Back Mandate at the 2015 AGM.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of Share Buy-Back Mandate, the Company and its Subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in the Appendix 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 Appendix in its proper form and context.

## **11. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents may be inspected at the registered office of the Company at 42E Penjuru Road, Mencast Central, Singapore 609161, during normal business hours from the date of this Appendix up to and including the date of the 2015 AGM:

- (i) the Memorandum and the Articles of Association of the Company; and
- (ii) the annual report of the Company for FY2014.

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

Sim Soon Ngee Glennle  
Executive Chairman and Chief Executive Officer

