

CIRCULAR DATED 5 JULY 2017

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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

If you have sold or transferred all your shares in the capital of Boustead Projects Limited, you should immediately forward this Circular, the notice of Extraordinary General Meeting and the enclosed Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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. The approval in-principle of the SGX-ST for the listing and quotation of the New Shares (as defined in this Circular) is not to be taken as an indication of the merits of the Proposed Scrip Dividend Scheme, the New Shares, Boustead Projects Limited and/or its subsidiaries.



BOUSTEAD PROJECTS LIMITED

(Incorporated in Singapore)

(Company Registration Number: 199603900E)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) THE PROPOSED AMENDMENTS TO THE CONSTITUTION;**
- (2) THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE;**
- (3) THE PROPOSED SCRIP DIVIDEND SCHEME; AND**
- (4) THE PROPOSED GRANT OF AN AWARD UNDER THE BOUSTEAD PROJECTS RESTRICTED SHARE PLAN 2016 TO MR WONG YU WEI, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY**

IMPORTANT DATES AND TIMES:

- | | | |
|--|---|---|
| Last date and time for lodgment of Proxy Form | : | 25 July 2017 at 11.30 a.m. |
| Date and time of Extraordinary General Meeting | : | 27 July 2017 at 11.30 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.30 a.m. on the same day and at the same place) |
| Place of Extraordinary General Meeting | : | Room 300-302, Level 3
Suntec Singapore Convention and Exhibition Centre
1 Raffles Boulevard, Suntec City
Singapore 039593 |

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:-

- “ACRA”** : Accounting and Corporate Regulatory Authority.
- “Approval Date”** : Has the meaning ascribed to it in paragraph 3.2(a) of this Circular.
- “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% or more.
- (b) In relation to a Substantial Shareholder or 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 paragraph 3.2(d)(iii) of this Circular.
- “Award”** : An award of Shares granted under the Boustead Projects RSP 2016.
- “Board”** : The Board of Directors of the Company as at the date of this Circular.
- “Books Closure Date”** : With respect to a Qualifying Dividend, the date and time to be determined by the Directors on which the Register of Members and the transfer books of the Company will be closed for the purpose of determining the entitlements of Shareholders to that Qualifying Dividend.
- “Boustead Projects RSP 2016”** : The Boustead Projects Limited restricted share plan approved by Shareholders at the EGM on 28 July 2016, as may be amended or modified from time to time.
- “CDP”** : The Central Depository (Pte) Limited.
- “Circular”** : This circular to Shareholders dated 5 July 2017.
- “Committee”** : The committee comprising Directors who are duly authorised and appointed by the Board to administer the Boustead Projects RSP 2016.
- “Companies Act”** : Companies Act, Chapter 50 of Singapore, as amended or modified from time to time.
- “Company”** : Boustead Projects Limited.

DEFINITIONS

“Constitution”	: The memorandum and articles of association of the Company currently in force.
“control”	: The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company.
“Controlling Shareholder”	: A person who (a) holds directly or indirectly 15% or more of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the Company (unless the SGX-ST determines that such a person is not a controlling shareholder of the Company); or (b) in fact exercises control over the Company, as defined under the Listing Manual.
“Directors”	: The directors of the Company as at the date of this Circular.
“Dividend”	: A dividend (including any interim, final, special or other dividend) to be paid on the issued ordinary shares of the Company as resolved or proposed by the Directors or by the Company in general meeting.
“EGM”	: Extraordinary General Meeting.
“EPS”	: Earnings per Share.
“Executive Employee”	: A confirmed employee of any entity within the Group fulfilling at least an executive role, selected by the Committee to participate in the Boustead Projects RSP 2016.
“FY”	: Financial year ended 31 March.
“Group”	: The Company and its subsidiaries.
“immediate family”	: In relation to a person, means the person’s spouse, child, adopted child, step-child, sibling and parent.
“Latest Practicable Date”	: 16 June 2017, being the latest practicable date prior to the printing of this Circular.
“Listing Manual”	: The listing manual of the SGX-ST, as amended, modified or supplemented from time to time.
“Listing Rules”	: The listing rules of the SGX-ST as set out in the Listing Manual.
“Market Day”	: A day on which the SGX-ST is open for trading in securities.
“Maximum Price”	: Has the meaning ascribed to it in paragraph 3.2(d)(ii) of this Circular.
“month”	: A calendar month.
“New Shares”	: The new Shares which may be allotted and issued by the Company for the purposes of, in connection with or where contemplated, by the Scrip Dividend Scheme.
“Notice of EGM”	: The notice of EGM as set out in page 46 of this Circular.
“NTA”	: Net tangible assets.
“Off-Market Share Purchase”	: Has the meaning ascribed to it in paragraph 3.2(c)(i)(2) of this Circular.
“On-Market Share Purchase”	: Has the meaning ascribed to it in paragraph 3.2(c)(i)(1) of this Circular.

DEFINITIONS

“Overseas Members”	: Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not provided to the Company or CDP, as the case may be, not later than five (5) Market Days prior to the Books Closure Date, addresses in Singapore for the service of notices and documents.
“Proxy Form”	: The proxy form in respect of the EGM as set out in this Circular.
“Price Determination Period”	: The period commencing on the day on which the Shares are first quoted ex-dividend on the SGX-ST after the announcement of the Qualifying Dividend and ending on the Books Closure Date in respect of such Qualifying Dividend, or such other period as the Directors may determine in their discretion.
“Qualifying Dividend”	: A Dividend to which the Scrip Dividend Scheme applies, as determined by the Directors.
“Register of Members”	: Register of members of the Company.
“Relevant Period”	: The period commencing from the date on which the last annual general meeting was held and expiring on the date on which the next annual general meeting is held or is required by law to be held, or the date on which the purchases of Shares under a Share Buy-Back Mandate are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or revoked by resolution of the shareholders of the Company in general meeting.
“Rule 14”	: Has the meaning ascribed to it in paragraph 3.10(a) of this Circular.
“Scrip Dividend Scheme”	: The Boustead Projects Limited Scrip Dividend Scheme, the terms and conditions of which are set out in Appendix B of this Circular, as amended from time to time.
“SFA”	: The Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time.
“SGX-ST”	: Singapore Exchange Securities Trading Limited.
“Share Buy-Back”	: The purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate.
“Share Buy-Back Mandate”	: A general mandate given by Shareholders to authorise the Directors to purchase, on behalf of the Company, Shares in accordance with the terms set out in this Circular, the provisions of the Companies Act (including the rules and regulations promulgated thereunder), and the Listing Rules.
“Shareholders”	: Registered holders for the time being of the Shares (other than CDP), or in the case of Depositors, Depositors who have Shares entered against their name in the Depository Register.
“Shares”	: Ordinary shares in the share capital of the Company.
“SIC”	: Securities Industry Council.
“subsidiary”	: A corporation which is deemed to be a subsidiary of another corporation within the meaning of Section 5 of the Companies Act.
“subsidiary holdings”	: Shares held by subsidiaries of the Company in accordance with the Companies Act.

DEFINITIONS

- “Substantial Shareholder”** : A person (including a corporation) who has an interest in not less than five (5) per cent. of the issued voting shares of the Company.
- “Take-over Code”** : The Singapore Code on Take-overs and Mergers, as amended or modified from time to time.
- “S\$” and “cents”** : Singapore dollars and cents, respectively.
- “%” or “per cent.”** : Percentage or per centum.

The terms **“Depositor”**, **“Depository Register”** and **“Depository Agent”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

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

References to persons shall include corporations.

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

Any reference in this Circular 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 or any statutory modification thereof and used in this Circular shall have the meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated. Any discrepancies in the tables included in this Circular between the listed amounts and the totals are due to rounding; accordingly, figures shown as totals in certain tables may not be an aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

BOUSTEAD PROJECTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199603900E)

Directors:

Mr John Lim Kok Min (*Chairman & Independent Non-Executive Director*)
Mr Wong Yu Wei (Huang Youwei) (*Deputy Chairman & Executive Director*)
Mr Chu Kok Hong @ Choo Kok Hong (*Managing Director & Executive Director*)
Mr Chong Lit Cheong (*Independent Non-Executive Director*)
Dr Tan Khee Giap (*Independent Non-Executive Director*)
Mr James Lim Jit Teng (*Independent Non-Executive Director*)

Registered Office:

82 Ubi Avenue 4, #07-01
Edward Boustead Centre
Singapore 408832

5 July 2017

To: The Shareholders of Boustead Projects Limited

Dear Sir/Madam,

- (1) THE PROPOSED AMENDMENTS TO THE CONSTITUTION;**
- (2) THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE;**
- (3) THE PROPOSED SCRIP DIVIDEND SCHEME; AND**
- (4) THE PROPOSED GRANT OF AN AWARD UNDER THE BOUSTEAD PROJECTS RESTRICTED SHARE PLAN 2016 TO MR WONG YU WEI, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY**

1. INTRODUCTION

- 1.1 The Directors propose to convene an EGM to be held on 27 July 2017 to seek the approval of Shareholders in relation to the following matters:-
 - (a) the proposed amendments to the Constitution;
 - (b) the proposed renewal of the Share Buy-Back Mandate to authorise the Company to purchase or acquire its Shares;
 - (c) the proposed adoption of the Scrip Dividend Scheme; and
 - (d) the proposed grant of an Award under the Boustead Projects RSP 2016 to Mr Wong Yu Wei, an Associate of a Controlling Shareholder of the Company.
- 1.2 The purpose of this Circular is to provide Shareholders with information relating to, and to seek Shareholders' approval for, the above proposals to be tabled at the EGM. This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than the Shareholders to whom this Circular is despatched to by the Company) or for any other purpose.
- 1.3 The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Circular.

LETTER TO SHAREHOLDERS

2. THE PROPOSED AMENDMENTS TO THE CONSTITUTION

- 2.1 On 22 March 2017, SGX-ST announced amendments to the Listing Rules for the purposes of alignment with certain provisions of the Companies (Amendment) Act 2014, which took effect from 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.
- 2.2 On 31 July 2013, the SGX-ST announced that the Listing Manual would be amended, *inter alia*, to require issuers to conduct the voting of all resolutions put to general meetings by poll, in order to enhance transparency of the voting process and encourage greater shareholder participation, and to require at least one scrutineer to be appointed for each general meeting. These amendments took effect on 1 August 2015. In addition, it was also announced that the Listing Manual would be amended, with effect from 1 January 2014 to require all issuers with a primary listing on the SGX-ST to hold their general meetings in Singapore (unless prohibited by relevant laws and regulations in the jurisdictions of their incorporations) in order to promote more active participation and engagement of shareholders.
- 2.3 The Company is accordingly proposing to amend its Constitution to align it with the prevailing rules of the Listing Manual.
- 2.4 The proposed amendments to the Constitution, struck through for deletions and underlined for insertions, are set out in full in Appendix A of this Circular and are subject to Shareholders' approval by special resolution. If approved by the Shareholders, the proposed amendments will become effective immediately after the EGM.
- 2.5 Summary of Amendments to the Constitution to ensure compliance with the Listing Manual

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

(a) Articles 51, 59 and 60

It is proposed that Article 51 be amended to provide that all general meetings shall be held in Singapore, as set out in Appendix A of this Circular. These changes are in line with Rule 730A(1) of the Listing Manual, which requires all issuers with a primary listing on the SGX-ST to hold their general meetings in Singapore (unless prohibited by relevant laws and regulations in the jurisdiction of their incorporation), in order to promote more active participation and engagement of shareholders. Article 51 is proposed to be further amended to provide that general meetings may be held outside Singapore if so permitted by applicable laws. This additional clarification is in line with Paragraph 2.5 of Practice Note 7.5 of the Listing Manual which states that the SGX-ST recognises that there may be circumstances which call for an issuer to hold its general meetings outside Singapore, and that the SGX-ST is prepared to consider these circumstances on a case-by-case basis.

It is proposed for consequential amendments to be made to Articles 59 and 60 to clarify that where a general meeting is adjourned, the adjourned meeting shall be held at such time and place in Singapore.

(b) Articles 63, 64, 65, 66

It is proposed that Article 63 be amended to provide that if required by the Listing Manual, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by the SGX-ST), as set out in Appendix A of this Circular. These changes are in line with Rule 730A(2) of the Listing Manual, which requires issuers to conduct the voting of all resolutions put to general meetings by poll, in order to enhance transparency of the voting process and encourage greater shareholder participation. Article 63 has also been amended to provide that at least one scrutineer will be appointed for each general meeting, in accordance with the Listing Rules, who

LETTER TO SHAREHOLDERS

shall be independent of the persons undertaking the polling process. This amendment is in line with Rule 730A(3) of the Listing Manual.

It is proposed for consequential amendments to be made to Articles 64, 65 and 66 to provide that these are subject to Article 63 which imposes the requirement that all resolutions at general meetings be voted by poll.

(c) Article 75

It is proposed that Article 75 be amended to clarify that: -

- (a) a Shareholder who has deposited an instrument appointing a proxy to vote on his behalf at a general meeting shall not be precluded from attending and voting in person at that general meeting; and
- (b) any such appointment of the proxy concerned shall be deemed to be revoked upon the attendance of the Shareholder appointing the proxy at the relevant general meeting.

These clarifications are in line with Paragraph 3.3 of Practice Note 7.5 of the Listing Manual which provides that if a shareholder submits a proxy form and subsequently attends the meeting in person and votes, the appointment of the proxy should be revoked, and that there must be sufficient systems or processes in place at the meeting to identify and cancel the appointment of the proxy at the point when the shareholder attends the meeting.

(d) Article 142

It is proposed that Article 142 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, as set out in Appendix A 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.

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;

LETTER TO SHAREHOLDERS

- (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.

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.

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Under Section 387C of the Companies Act, regulations may be made to exclude any notice or document or any class of notices or documents from the application of Section 387C, provide for safeguards for the use of electronic communications under Section 387C, 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 Companies Act.

The amended Article 142 provides *inter alia* that:

- (a) 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;
- (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 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 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 Article 142 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 Article 142 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.

3. THE PROPOSED RENEWAL OF SHARE BUY-BACK MANDATE

3.1 Rationale for the Proposed Renewal of the Share Buy-Back Mandate

It is a requirement under the Companies Act that a company which wishes to purchase or otherwise acquire its own shares should obtain the approval of its shareholders to do so at a general meeting of its shareholders. It is also a requirement under the Listing Manual that an issuer which wishes to purchase its own shares has to obtain approval from its shareholders to do so at a general meeting of its shareholders. In this regard, the approval for the adoption of the Share Buy-Back Mandate was previously granted by the Shareholders at an EGM held on 28 July 2016.

LETTER TO SHAREHOLDERS

The Share Buy-Back Mandate will provide the Directors with the ability to enhance Shareholders' value by providing them with the flexibility to purchase or acquire Shares as and when they are of the view that this would be in the best interests of the Company. In addition, the Share Buy-Back Mandate will allow the Directors to improve the return on equity and will, depending on the market conditions, lead to an enhancement of the EPS and the NTA per Share of the Company. The Share Buy-Back Mandate will also allow the Directors to exercise greater control over the Company's share capital structure and dividend payout.

The Share Buy-Back Mandate would give the Company a relatively expedient and cost effective mechanism to facilitate the return of surplus cash reserves over and above its ordinary capital requirements. The Directors are also of the view that the Share Buy-Back Mandate will provide them with the means to mitigate short-term volatility in the price of the Shares, offset the effects of short-term speculation and bolster the confidence of investors and Shareholders.

The Share Buy-back Mandate will enable the Directors to utilise the Shares which are purchased or acquired thereunder and held as treasury shares to be sold for cash, transferred as consideration for the acquisition of shares in or assets of another company or assets of a person, or issued to employees as a form of compensation, which may be less dilutive than if new Shares were issued for this purpose.

The Company will only purchase or acquire Shares as and when the circumstances permit and provided that it will be beneficial to the Company and Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate may not be carried out to the full limit as authorised. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position of the Company as a whole and/or affect the listing status of the Company on the SGX-ST.

It should be noted that there is no assurance that the proposed Share Buy-Back Mandate will achieve the desired effect, nor is there assurance that such effect (if achieved) can be sustained in the longer term.

3.2 Authority and Limitations

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the proposed Share Buy-Back Mandate, if approved, are set out below:

(a) Maximum Number of Shares

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

Pursuant to Rule 882 of the Listing Manual, the total number of Shares that may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate is limited to that number of Shares representing not more than ten per cent. (10%) of the issued share capital of the Company, ascertained as at the date of the EGM at which the Share Buy-Back Mandate is approved (the "**Approval Date**"), 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 total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered after such capital reduction. For purposes of calculating the percentage of issued Shares above, treasury shares and subsidiary holdings will be disregarded.

For illustrative purposes only, based on the existing issued and paid-up share capital of the Company as at the Latest Practicable Date comprising 319,700,200 Shares (excluding treasury shares and subsidiary holdings), and assuming that no further Shares are issued on or prior to the EGM, not more than 31,970,020 Shares (representing ten per cent. (10%) of the Shares as at that date excluding treasury shares and subsidiary holdings) may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

LETTER TO SHAREHOLDERS

(b) Duration of Authority

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

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

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

(c) Manner of Share Buy-Backs

- (i) Pursuant to Rule 882 of the Listing Manual, Share Buy-Backs may be made by way of:
 - (1) on-market share purchases (“**On-Market Share Purchase**”), transacted on the SGX-ST through the SGX-ST trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - (2) off-market share purchases (“**Off-Market Share Purchase**”) effected in accordance with an equal access scheme pursuant to Section 76C of the Companies Act. The Directors may impose such terms and conditions which are not inconsistent with the Share Buy-Back Mandate, the Companies Act and the Listing Rules as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme.
- (ii) An Off-Market Share Purchase scheme must, however, satisfy all the following conditions:
 - (1) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
 - (2) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made; and
 - (3) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (A) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

LETTER TO SHAREHOLDERS

- (B) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid (if applicable); and
 - (C) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.
- (iii) In addition, the Listing Manual provides that, in making an Off-Market Share Purchase in accordance with an equal access scheme, the Company must issue an offer document to all Shareholders which must contain at least the following information:
 - (1) the terms and conditions of the offer;
 - (2) the period and procedures for acceptance;
 - (3) the reasons for the proposed share buy-back;
 - (4) the consequences, if any, of the share buy-back by the Company that will arise under the Take-over Code or other applicable take-over rules;
 - (5) whether the share buy-back, if made, would have any effect on the listing of the Shares on the SGX-ST;
 - (6) details of any share buy-back made by the Company in the previous 12 months (whether On-Market Share Purchases or Off-Market Share Purchases), 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
 - (7) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.
- (d) **Maximum Purchase Price**
 - (i) 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.
 - (ii) However, the purchase price to be paid for the Shares must not exceed:
 - (1) in the case of an On-Market Share Purchase, 105% of the Average Closing Price (as defined below); and
 - (2) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price (as defined below),(the “**Maximum Price**”) in either case, excluding related expenses of the On-Market Share Purchase or Off-Market Share Purchase (as the case may be).
 - (iii) For the above purposes:

“**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, immediately preceding the date of making the On-Market Share Purchase or, as the case may be, the day of the making of an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Day period.

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“**day of the making of an offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Purchase.

3.3 Status of Purchased or Acquired Shares

(a) **Cancellation**

Shares that are purchased or acquired by the Company shall, unless held as treasury shares to the extent permitted under the Companies Act (as set out below), be deemed cancelled immediately upon purchase or acquisition, and all rights and privileges attached to those Shares will expire on cancellation. The total number of Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

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

The Company may decide to cancel Shares which have been purchased or acquired by the Company or hold such Shares as treasury shares, depending on whether it is in the interests of the Company to do so. It is presently intended by the Company that Shares which are purchased or acquired by the Company will be held as treasury shares, up to the maximum number of treasury shares permitted by law to be held by the Company.

(b) **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:

(i) Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed ten per cent. (10%) of the total number of issued Shares. In the event that the Company holds more than ten per cent. (10%) of the total number of its Shares as treasury shares, the Company shall cancel or dispose of the excess treasury shares in the manner set out under paragraph 3.3(b)(iii) below within six (6) months beginning with the day on which that contravention occurs, or such further period as the Registrar of Companies may allow.

(ii) 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 (whether in cash or otherwise) 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.

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A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(iii) Disposal and Cancellation

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

- (1) sell the treasury shares for cash;
- (2) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for its employees, directors or other persons;
- (3) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (4) cancel the treasury shares; or
- (5) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(28) of the Listing Manual, an 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, 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 and the value of the treasury shares comprised in the usage.

The Board shall lodge with ACRA within 30 days of the cancellation or disposal of treasury shares the notice of the cancellation or disposal of treasury shares in the prescribed form with such particulars as may be required in the form, together with payment of the prescribed fee.

3.4 Source of Funds

The Company may only apply funds for Share Buy-Backs as provided in the Constitution and in accordance with the applicable laws in Singapore. Only funds legally available for purchasing Shares in accordance with the Companies Act shall be utilised. Under the Companies Act, any purchase or acquisition of the Shares may be made out of the Company’s distributable profits which are available for payment as dividends or using capital if the Company is solvent.

Pursuant to Section 76F(4) of the Companies Act, a company is solvent if at the date of the payment the following conditions are satisfied:

- (a) there is no ground on which the company could be found to be unable to pay its debts;
- (b) if -
 - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the payment, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or
 - (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and

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- (c) the value of its assets is not less than the value of its liabilities (including contingent liabilities) and will not, after any purchase or acquisition of shares, become less than the value of its liabilities (including contingent liabilities).

In determining that the Company is solvent, the Directors must have regard to the most recently audited financial statements, other relevant circumstances, and may rely on valuations or estimates of liabilities that are reasonable in the circumstances. In determining the value of contingent liabilities, the Directors may take into account the likelihood of the contingency occurring, as well as any claims the Company is entitled to make and can reasonably expect to be met to reduce or extinguish the contingent liability.

The Company may use internal resources and/or external borrowings to finance the Company's purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate. However, in considering the option of external financing, the Board will particularly consider the prevailing gearing level of the Company. The Board will only make purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate in circumstances which they believe will not result in any material adverse effect on the financial condition of the Company. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Company and the prevailing market conditions.

The Directors do not propose to exercise the Share Buy-Back Mandate in a manner and to such extent that the liquidity, gearing levels and capital adequacy position of the Group would be materially adversely affected.

3.5 Financial Effects

(a) **General**

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. Where the total amount of the purchase price (excluding brokerage, stamp duties, applicable goods and services tax, clearance fees and other related expenses) (the "**Purchase Price**") paid by the Company for the purchase or acquisition of Shares is made out of profits, such Purchase Price will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the Purchase Price 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.

Where the Company chooses not to hold the purchased Shares in treasury, such Shares shall be cancelled. The Company shall:

- (i) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;
- (ii) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or
- (iii) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the Purchase Price paid by the Company for the Shares cancelled. Where the purchased Shares are held in treasury, the total number of issued Shares will remain unchanged.

Shareholders should note that the financial effects illustrated in paragraph 3.5(b) of this Circular are for illustration purposes only. In particular, it is important to note that the financial analysis set out below are based on the audited consolidated financial

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statements for FY2017 and are not necessarily representative of future financial performance of the Group. Although the proposed Share Buy-Back Mandate would authorise the Company to buy-back up to ten per cent. (10%) of the Company's issued Shares, the Company may not necessarily buy back, or be able to buy back, ten per cent. (10%) of the issued Shares in full.

(b) Financial Effects of the Share Buy-Back Mandate

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions that may be made pursuant to the Share Buy-Back Mandate on the NTA and EPS as the resultant effect would depend on factors such as the aggregate number of Shares purchased or acquired, the purchase prices paid at the relevant time, the amount (if any) borrowed by the Company to fund the purchases or acquisitions, whether the purchase or acquisition is made out of profits or capital, and whether the Shares purchased or acquired are held in treasury or cancelled.

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 Group. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group, and the prevailing market conditions.

Purely for illustrative purposes, on the basis of 319,700,200 Shares in issue (excluding 299,800 shares held as treasury shares and subsidiary holdings) as at the Latest Practicable Date and assuming no further Shares are issued and no reduction of the share capital of the Company is effected on or prior to the EGM, the purchase by the Company of ten per cent. (10%) of its issued Shares will result in the purchase of 31,970,020 Shares.

In the case of an On-Market Share Purchase by the Company and assuming that the Company purchases or acquires 31,970,020 Shares at the Maximum Price of S\$0.96 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition is approximately S\$30.7 million.

In the case of an Off-Market Share Purchase by the Company and assuming that the Company purchases or acquires 31,970,020 Shares at the Maximum Price of S\$1.10 for each Share (being the price equivalent to 120% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition is approximately S\$35.2 million.

For illustrative purposes only and on the basis of the assumptions set out above as well as the following:

- (i) the Share Buy-Back Mandate had been effective on 31 March 2017; and
- (ii) such Share purchases are funded solely by internal resources and/or borrowings,

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the financial effects on the audited consolidated financial results of the Group for FY2017, are set out below:

Group			
As at 31 March 2017	Before Share Buy-back S\$'000	After Share Buy-back by way of On-Market Share Purchase S\$'000	After Share Buy-back by way of Off-Market Share Purchase S\$'000
Share capital and Reserves	229,378	198,663	194,275
Shares held in treasury	(35)	(30,750)	(35,138)
NTA ⁽¹⁾	229,378	198,663	194,275
Current assets	258,288	227,573	223,185
Current liabilities	145,346	145,346	145,346
Working capital	112,942	82,227	77,839
Total borrowings ⁽²⁾	88,354	88,354	88,354
Profit attributable to owners of the Company	36,098	36,098	36,098
Number of Shares, excluding treasury shares ('000)	319,960	287,990	287,990
 Financial Ratios			
NTA per share (cents)	71.7	69.0	67.5
Gearing (times) ⁽³⁾	0.4	0.4	0.5
Current Ratio (times) ⁽⁴⁾	1.8	1.6	1.5
EPS (cents) ⁽⁵⁾	11.3	12.5	12.5

Notes:

- (1) NTA refers to share capital and reserves less intangible assets.
- (2) Total borrowings refer to borrowings from financial institutions.
- (3) Gearing ratio equals total borrowings divided by share capital and reserves.
- (4) Current ratio means current assets divided by current liabilities.
- (5) EPS equals profit attributable to owners of the Company divided by the total number of Shares, excluding treasury shares as at 31 March 2017.

The financial effects set out above are for illustrative purposes only. It should also be noted that the purchase or acquisition of Shares by the Company pursuant to the Share Buy-back Mandate would only be made in circumstances where it is considered to be in the best interests of the Company. Although the Share Buy-Back Mandate would authorise the Company to purchase up to ten per cent. (10%) of the issued Shares, the Company may not necessarily purchase or be able to purchase the entire ten per cent. (10%) of the issued Shares. In addition, the Company may cancel all or part of the Shares purchased or acquired, or hold all or part of the Shares purchased or acquired in treasury.

The Directors emphasize that they do not propose to exercise the Share Buy-Back Mandate to the extent that it will have a material adverse impact on the financial position of the Group. The Directors will be prudent in exercising the Share Buy-Back Mandate only to such extent which the Directors believe will achieve benefits to the Group and its Shareholders from time to time, giving consideration to the prevailing market conditions, the financial position of the Group and other relevant factors.

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(c) Tax implications

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

3.6 Reporting Requirements

The Companies Act and the Listing Rules require the Company to make reports in relation to the Share Buy-Back Mandate as follows:

- (a) within 30 days of the passing of a Shareholders' resolution to approve purchases or acquisitions of Shares by the Company, the Company must lodge a copy of such resolution with ACRA;
- (b) the Company must notify ACRA within 30 days of a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification in the form as may be prescribed by ACRA shall include details of the purchase or acquisition including the date of the purchase or acquisition, the total 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 purchase or acquisition of Shares, the Company's issued share capital after the purchase or acquisition of Shares, the amount of consideration paid by the Company for the purchase or acquisition of Shares, whether the Shares were purchased or acquired out of profits or the capital of the Company and such other particulars as may be required; and
- (c) purchases of Shares must be reported to the SGX-ST in the forms prescribed by the Listing Rules and announced to the public in the case of On-Market Share Purchases, not later than 9.00 a.m. on the Market Day following the day of purchase or acquisition of any of its Shares and in the case of Off-Market Share Purchases, not later than 9.00 a.m. on the second Market Day after the close of acceptances of the offer made by the Company.

3.7 Suspension of Buy-Back of Shares

The Listing Rules do not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time(s). However, as the Company would be considered 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 Buy-Back Mandate after a price sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such time as the price sensitive information has been publicly announced. In particular, the Company will not purchase any Shares during the period commencing two (2) weeks before the announcement of the Company's results for each of the first three (3) quarters of the financial year, and one (1) month before the announcement of the Company's annual (full-year) results, as the case may be, and ending on the date of announcement of the relevant results.

3.8 Listing Status

The Listing Rules require a listed company to ensure that at least ten per cent. (10%) of equity securities of any class that is listed is at all times held by the public. The "public", as defined in the Listing Rules, are persons other than the Directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as the Associates of such persons.

As at the Latest Practicable Date, there is a public float of 101,062,953 Shares representing approximately 31.61% of the issued Shares (excluding treasury shares). Assuming the Company exercises the Share Buy-Back Mandate in full and purchases the maximum of ten per cent. (10%) of its Shares through On-Market Share Purchases from the public, the public

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float would be reduced to approximately 24.01% of the issued Shares (excluding treasury shares). 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 ten per cent. (10%) 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 adversely affect the orderly trading of the Shares.

In undertaking any Share Buy-Back, the Directors will use their best efforts to ensure that a sufficient number of Shares remain in public hands so that the Share Buy-Backs will not:

- (a) adversely affect the listing status of the Shares on the SGX-ST;
- (b) cause market illiquidity; or
- (c) adversely affect the orderly trading of Shares.

3.9 Share Buy-Backs during the last 12 months

In the last 12 months preceding the Latest Practicable Date, the Company had purchased 299,800 Shares by way of On-Market Share Purchase pursuant to the Share Buy-Back Mandate granted at the EGM held on 28 July 2016. The highest price paid was S\$0.865 per Share and the lowest price paid was S\$0.85 per Share. The total consideration paid for all the purchases was S\$257,076.07.

3.10 Take-over Code implications

(a) **Obligation to make a take-over offer**

Pursuant to Appendix 2 of the Take-over Code, an increase of a shareholder's proportionate interest in the voting rights of the Company as a result of any purchase or acquisition of Shares by the Company will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code ("**Rule 14**").

Under Rule 14, a person will incur an obligation to make a mandatory take-over offer for the Company if, *inter alia*, he and persons acting in concert with him increase their voting rights in the Company to 30% or more or, if they, together holding between 30% and 50% of the Company's voting rights, increase their voting rights in the Company by more than one per cent. (1%) in any period of six (6) months.

If, as a result of any purchase or acquisition by the Company of Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14.

(b) **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 Take-over Code presumes, *inter alia*, the following persons to be acting in concert, namely:

- (i) a company with any of its directors (together with their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts); and

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- (ii) a company, its parent company, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with each other. For this purpose, ownership or control of 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

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 after a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code.

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

The effect of Rule 14 and Appendix 2 of the Take-over Code is that:

- (a) unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and persons acting in concert with them would increase to 30% or more, or if the voting rights of such Directors and persons acting in concert with them fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and persons acting in concert with them would increase by one per cent. (1%) in any period of six (6) months; and
- (b) a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder 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 one per cent. (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-Back Mandate.

The statements in this Circular do not purport to be a comprehensive or exhaustive description of all implications that may arise under 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 their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity.

3.12 Application of the Take-over Code

The interests of the Directors and Substantial Shareholders of the Company in the Shares are disclosed in paragraph 6 of this Circular.

As at the Latest Practicable Date, none of the Directors or Substantial Shareholders of the Company would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the Share Buy-backs by the Company of the maximum limit of 10% of the total number of issued Shares as at the Latest Practicable Date.

Shareholders are advised to consult their professional advisers and/or the SIC 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 Share Buy-back Mandate.

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4. THE PROPOSED SCRIP DIVIDEND SCHEME

4.1 Introduction

The Company proposes to implement a Scrip Dividend Scheme, the terms and conditions of which are set out in Appendix B of this Circular, to permit Shareholders to make an election to receive Qualifying Dividends in the form of New Shares credited as fully paid, in lieu of cash.

The Company wishes to seek Shareholders' approval for the implementation of the Scrip Dividend Scheme, which includes authorising the Directors to administer the Scrip Dividend Scheme and to allot and issue New Shares as may be required to be allotted and issued pursuant to the Scrip Dividend Scheme. The full text of the ordinary resolution relating to the Scrip Dividend Scheme is set out on page 48 of this Circular.

Pursuant to Rule 862 of the Listing Manual, an issuer must make an announcement if it wishes to implement a scheme which enables shareholders to elect to receive shares in lieu of the cash amount of any dividend and the approval of shareholders will not be required. The Company has made the relevant announcement on SGXNET on 29 June 2017.

4.2 Shareholders' Approval

While there is no requirement under the Listing Manual for Shareholders' approval for the implementation of the Scrip Dividend Scheme, the allotment and issuance of New Shares pursuant to the Scrip Dividend Scheme is subject to the approval of the Shareholders under section 161 of the Companies Act. Under the Listing Manual, the authority to issue New Shares under the Scrip Dividend Scheme may be in the form of specific Shareholders' approval in compliance with Rule 805 of the Listing Manual or the Company may otherwise rely on a valid general mandate granted by the Shareholders to the Directors pursuant to Rule 806 of the Listing Manual.

The Directors propose (in line with section 161 of the Companies Act and Rule 805 of the Listing Manual) to seek specific Shareholders' approval for the authority to issue such number of New Shares as may be required to be issued pursuant to the Scrip Dividend Scheme at the EGM.

4.3 Rationale for the Scrip Dividend Scheme

The Scrip Dividend Scheme, if and when adopted, will allow Shareholders to elect to receive Qualifying Dividends in the form of Shares, credited as fully paid-up, instead of cash. As Shareholders would be given the choice of receiving such Dividend payment as cash and/or additional New Shares, Shareholders would thus have greater flexibility in meeting their investment objectives. It will also enable Shareholders to participate in the equity capital of the Company without having to incur costs such as brokerage fees, stamp duty and other related costs. In addition, the Company will benefit from the participation by Shareholders in the Scrip Dividend Scheme, to the extent that if Shareholders elect to receive a Qualifying Dividend in the form of Shares, the cash which would otherwise be payable in respect of a cash Dividend may be retained in the Company and used to enlarge its working capital base and/or to fund the growth and expansion of the Company.

4.4 Election to receive Dividends in the form of Shares in lieu of Cash

Under the Scrip Dividend Scheme, whenever a Dividend has been declared and the Directors have determined that the Scrip Dividend Scheme is applicable to the Dividend, each Shareholder has the following options in respect of his entitlement to the Dividend:-

- (a) elect to receive his entitlement to the Dividend in cash; or
- (b) elect for an allotment of New Shares (credited as fully paid-up) in lieu of the cash amount of his entitlement to the Dividend; or

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- (c) elect to receive his entitlement to the Dividend in cash, in relation to a portion of his existing Shares held, and the balance in the form of New Shares credited as fully paid up.

The Company will make an announcement as soon as practicable following the determination by the Directors that the Scrip Dividend Scheme is to apply to a particular Dividend, and in any event, by no later than the Market Day immediately following the Books Closure Date for such Dividend. Shareholders may only participate in respect of their shareholdings as at the relevant Books Closure Date for a Qualifying Dividend.

The Company will, at its discretion, send to a Shareholder one or more notices of election (each, a “**Notice of Election**”) in relation to all the Shares held by him. A Shareholder may elect to receive New Shares in respect of part only or all of his entitlement to the Qualifying Dividend to which each Notice of Election relates.

A Shareholder may also make a permanent election to receive New Shares in respect of his entitlement to all future Qualifying Dividends to which each Notice of Election relates. For the avoidance of doubt, a Shareholder may not make a permanent election to participate in respect of part only of his holdings of Shares to which each Notice of Election relates for all future Qualifying Dividends. Once a permanent election has been made, the participating Shareholder may cancel such permanent election and withdraw from the Scrip Dividend Scheme at any time by giving the appropriate notice. The cancellation of a permanent election by a Shareholder would not preclude him from making a fresh permanent election, should he wish to do so, at a later time.

A Shareholder receiving two or more Notices of Election may elect to receive New Shares in respect of part only or all of his entitlement to which one Notice of Election relates and decline to receive New Shares in respect of his entitlement to which any other Notice of Election relates. A Shareholder receiving two or more Notices of Election and wishing to receive New Shares in respect of all of his entitlement to the Qualifying Dividend in respect of all of his holding of Shares must complete all Notices of Election to the Company and/or CDP, as the case may be.

A Shareholder will receive his entitlement to any Qualifying Dividend in cash if his Notice of Election is not received or if he does not elect to participate in the Scrip Dividend Scheme. Shareholders need not take any action if they wish to receive their entitlement to the Qualifying Dividend in cash.

4.5 New Shares allotted under the Scrip Dividend Scheme

For the purpose of calculating the number of New Shares to be allotted to Shareholders, the issue price of a New Share shall not be set at more than ten per cent. (10%) discount (or such other discount as may be permitted by the Listing Manual) to, nor shall it exceed the average of the last dealt prices of a Share on the SGX-ST for each of the Market Days during the Price Determination Period. In the event that there is no trading in the Shares during the Price Determination Period, the issue price of a New Share shall not exceed the average of the last dealt prices of a Share on the SGX-ST for each of the Market Days during a period of five (5) Market Days preceding the Price Determination Period.

Accordingly, where the Directors have resolved that the Scrip Dividend Scheme applies to a particular Dividend, it will not be possible until after the close of business on the last day of the relevant Books Closure Date to determine the exact number of New Shares to which Shareholders electing to receive New Shares will be entitled. An announcement will be made setting out the issue price of a New Share to be used in the calculation of entitlements of Shareholders to the New Shares in respect of such Dividend. Notices of Election will be sent to Shareholders after the Books Closure Date. A further announcement will be made on the last day (which will be a date fixed by the Directors) on which Shareholders will be entitled to make their election in respect of such Qualifying Dividend.

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The New Shares to be issued pursuant to the Scrip Dividend Scheme will rank *pari passu* in all respects with the existing Shares then in issue save only as regards to participation in the Qualifying Dividend which is the subject of the election (including the right to make any election pursuant to the Scrip Dividend Scheme) or any other distributions, bonuses or rights paid, made, declared or announced prior to, or contemporaneous with the payment or declaration of the Qualifying Dividend which is the subject of the election, unless the Directors shall otherwise specify.

4.6 Fractional Entitlements

Fractional entitlements to the New Shares will be rounded down to the nearest whole number or otherwise dealt with in such manner as the Directors may deem fit in the interests of the Company and as may be acceptable to the SGX-ST.

4.7 Odd Lots

The Company's Shares are currently traded in board lots of 100 Shares. A Shareholder who elects to receive New Shares in lieu of the cash amount of the Qualifying Dividend may receive such New Shares in odd lots. Shareholders who receive odd lots of New Shares and who wish to trade such odd lots on the SGX-ST should do so on the Unit Share Market, which allows trading of odd lots with a minimum of one (1) share.

4.8 Availability of the Scrip Dividend Scheme

Notwithstanding a determination by the Directors that the Scrip Dividend Scheme shall apply to any Dividend, if before the allotment and issue of New Shares in respect of such Dividend, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Scrip Dividend Scheme in respect of such Dividend, the Directors may, at their absolute discretion and as they may deem fit in the interests of the Company and without assigning any reason thereof, cancel the application of the Scrip Dividend Scheme to such Dividend. In such event, the Dividend shall be paid in cash to Shareholders in the usual way.

4.9 Eligibility

All Shareholders including Directors, Substantial Shareholders and other interested persons of the Company who hold Shares, are eligible to participate in the Scrip Dividend Scheme, subject to the restrictions on Overseas Members (as elaborated in paragraph 4.10 of this Circular) and except that participation in the Scrip Dividend Scheme shall not be available to such Shareholders or class of Shareholders, as the Directors may in their discretion determine, and further subject to the requirement that such participation by a Shareholder will not result in a breach of any other restriction on such Shareholder's holding of Shares, whether such restriction is imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, prescribed in the Constitution or otherwise.

4.10 Overseas Members

The offer of the Scrip Dividend Scheme may be prohibited or restricted (either absolutely or unless various requirements are complied with) in certain jurisdictions under the relevant securities laws. For practical reasons and to avoid any violation of the securities laws applicable in countries outside Singapore where Shareholders may have their registered addresses, the Scrip Dividend Scheme may, at the discretion of the Directors, not be offered to Overseas Members. No Overseas Member shall have any claims whatsoever against the Company, the Company's Share Registrar, CDP or their respective agents as a result of the Scrip Dividend Scheme not being offered or made available to such Overseas Members. Overseas Members who wish to be eligible to participate in the Scrip Dividend Scheme should provide an address in Singapore for the service of notices and documents by notifying the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 (or such other address as may be announced by the Company from time to time), or, if the Overseas Member is a

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Depositor, the CDP, at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589 (or such address as may be announced by the Company from time to time) no later than five (5) Market Days prior to the Books Closure Date. Depositors should note that all correspondence and notices will be sent to their last registered address with the Company or the CDP, as the case may be.

4.11 Take-Over Implications

The attention of Shareholders is drawn to Rule 14 of the Take-over Code. In particular, a Shareholder should note that he may be under an obligation to extend a mandatory offer for the Company, if:-

- (a) he acquires, by participating in the Scrip Dividend Scheme in relation to any Qualifying Dividend, whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by him or persons acting in concert with him) carry 30% or more of the voting rights of the Company; or
- (b) he, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights of the Company and he, or any person acting in concert with him, acquires in any period of six (6) months, additional Shares carrying more than one per cent. (1%) of the voting rights of the Company by participating in the Scrip Dividend Scheme in relation to any Qualifying Dividend or otherwise.

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Take-over Code. Shareholders who are in doubt as to whether they would incur any obligation to make a mandatory offer under the Take-over Code as a result of any acquisition of Shares through their participation in the Scrip Dividend Scheme are advised to consult their professional advisers and/or the SIC at the earliest opportunity.

4.12 Listing on the SGX-ST

The Company has made the necessary application for the listing and quotation of the New Shares to be issued for the purposes of, in connection with or where contemplated by the Scrip Dividend Scheme. The approval in-principle of the aforementioned application has been obtained from the SGX-ST on 28 June 2017, subject to (a) compliance with the SGX-ST's listing requirements; and (b) a written confirmation that the Scrip Dividend Scheme complies with Listing Rules 862 and 863. The approval in-principle of the SGX-ST for the listing of such New Shares is not to be taken as an indication of the merits of the New Shares, the Scrip Dividend Scheme, the Company and/or its subsidiaries.

4.13 Taxation

The Company takes no responsibility for the taxation liabilities of Shareholders who choose to participate in the Scrip Dividend Scheme or the tax consequences of any election made by Shareholders. As individual circumstances and laws may vary considerably, specific taxation advice should be obtained by Shareholders if they are in any doubt or if they otherwise require. The Company accepts no responsibility for the correctness or accuracy of any information as to the tax liabilities of Shareholders or Depositors contained in the Scrip Dividend Scheme Statement set out in Appendix B of this Circular.

As a general indication, however, it is understood that as at the date of this Circular, under tax legislation in Singapore, a Shareholder's Singapore tax liability in relation to the Dividends received will not alter, nor is there any tax advantage to be gained, by reason of having elected to participate in the Scrip Dividend Scheme.

4.14 Modification and Termination

The Scrip Dividend Scheme may be modified or terminated at any time by the Directors as they deem fit on the giving of notice in writing to all Shareholders, except that no material modification shall be made without the prior approval of the SGX-ST.

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In the case of a modification, the Scrip Dividend Scheme will continue as modified in relation to each Shareholder who has made a permanent election under the Scrip Dividend Scheme unless and until the Company or CDP (where the Shareholder is a Depositor) receives a notice of cancellation in respect of a Notice of Election submitted by the Shareholder or his permanent election otherwise ceases to have effect in accordance with the Scrip Dividend Scheme Statement set out in Appendix B of this Circular.

4.15 General

It should be noted that the grant of the right to participate in the Scrip Dividend Scheme to elect to receive New Shares in lieu of cash in respect of any Qualifying Dividend is made to all Shareholders, including Directors, substantial shareholders and other interested persons of the Company who hold Shares, subject to the restrictions referred to in paragraph 4.10 of this Circular.

5. **THE PROPOSED GRANT OF AN AWARD TO MR WONG YU WEI, AN ASSOCIATE OF A CONTROLLING SHAREHOLDER OF THE COMPANY**

5.1 Background

The Boustead Projects RSP 2016 was previously approved by Shareholders at an EGM held on 28 July 2016.

The main objective of the Boustead Projects RSP 2016 is to motivate Executive Employees to maximise shareholders' returns, attract and retain key talent and align employee compensation with value created to Shareholders. In addition, the Boustead Projects RSP 2016 will allow the Company to offer more competitive incentives and remuneration packages in order to motivate participants to optimize their performance standards and efficiency and maintain a high level of contribution to the Company, and to retain key employees whose contributions are essential to the growth and success of the Company.

The Directors are of the view that employees and directors of the Group who are also Associates of Controlling Shareholders should be remunerated for their contribution to the Group on the same basis as other employees and directors of the Group who are not Associates of Controlling Shareholders. Although Associates of Controlling Shareholders already have shareholding interests in the Company, allowing Associates of Controlling Shareholders to participate in the Boustead Projects RSP 2016 will ensure that they are equally entitled to take part and benefit from the Boustead Projects RSP 2016. The Boustead Projects RSP 2016 is intended to be part of the remuneration package for employees and directors of the Group, and Directors are of the view that employees and Directors who are Associates of Controlling Shareholders should not be unduly discriminated against by virtue only of their shareholding interests in the Company. The Directors are of the view that the extension of the Boustead Projects RSP 2016 to Associates of Controlling Shareholders will encourage such Associates to remain in the Company's employ and continue to serve the Company in the long term.

As at the Latest Practicable Date, no Shares have been previously awarded to any Controlling Shareholders and/or their Associates under the Boustead Projects RSP 2016.

5.2 Safeguards

As a safeguard against abuse, all members of the Board who are not Controlling Shareholders or Associates of Controlling Shareholders (and not just members of the Committee) will be involved in deliberations in respect of Award(s) to be granted to the Associates of Controlling Shareholders and the terms and conditions attached to such Award(s). The aggregate number of Shares over which the Committee may grant Awards to Controlling Shareholders and their Associates under the Boustead Projects RSP 2016, shall not exceed 25% of the Shares available under the Boustead Projects RSP 2016, Provided Always that the number of Shares available to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the Boustead Projects RSP 2016.

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Specific approval of the independent Shareholders is required for the grant of Award(s) to the Associates of Controlling Shareholders as well as the actual number of and terms of such Award(s). In seeking such independent Shareholders' approval, clear justification as to their participation, the number of Award(s) and the terms of Award(s) to be granted to the Associates of Controlling Shareholders will need to be provided.

The Company is of the view that there are sufficient safeguards against abuse resulting from the participation of the Associates of Controlling Shareholders in the Boustead Projects RSP 2016.

5.3 Proposed Participation of Mr Wong Yu Wei in the Boustead Projects Restricted Share Plan 2016

At the EGM held on 28 July 2016, the proposed participation of Mr Wong Yu Wei, an Associate of a Controlling Shareholder, in the Boustead Projects RSP 2016 was approved.

5.4 Specific Approval

Under the Listing Rules and the rules of the Boustead Projects RSP 2016, as and when the Company proposes to grant any Awards to an Associate of a Controlling Shareholder who is otherwise eligible to participate in the Boustead Projects RSP 2016, the Company will seek the approval from the independent Shareholders for the actual number of and terms of such Award(s).

5.5 Rationale and Justification for grant of Award to Mr Wong Yu Wei

Mr Wong Yu Wei is the son of Mr Wong Fong Fui, and is therefore considered to be an Associate of Mr Wong Fong Fui.

Mr Wong Yu Wei joined the Company in 2009 and he currently holds the position of Deputy Chairman and Executive Director. In his current role, Mr Wong Yu Wei is responsible for managing real estate investments, legal matters, development and execution of strategic alliances and joint ventures, as well as expanding business overseas.

The Company believes that Mr Wong Yu Wei will continue to make vital contributions towards the future development and further success of the Group. Under his management, the Group has successfully expanded its business over the years.

The Directors, having taken into consideration the financial performance of the Group, the prevailing remuneration package of Mr Wong Yu Wei, his responsibilities, length of service, past and present contributions and potential for future development and contribution towards the long-term objectives of the Group, are of the view that the proposed grant of an Award to Mr Wong Yu Wei is fair and is consistent with the Company's objectives to motivate employees to contribute to the long-term growth and profitability of the Group.

Mr Wong Yu Wei has been instrumental in directing and overseeing the expansion of the overseas operations of the Company in China, Indonesia, Malaysia and Vietnam. He also plays a vital role in assisting the Managing Director of the Company in securing and executing contracts from various multinational clients.

Mr Wong Yu Wei received remuneration of between S\$500,000 and S\$749,999 for the financial year ended 31 March 2017, comprising largely salary and performance bonus. The Directors are of the view that the proposed Award to Mr Wong Yu Wei (in addition to any monetary performance bonus he has received) is fair for the reasons set out in the preceding paragraphs, and the proposed Award will align the interests of Mr Wong Yu Wei with the interests of Shareholders and promote greater dedication and instil loyalty in him and encourage him to better identify with the long-term growth and prosperity of the Group. This will also motivate Mr Wong Yu Wei to optimize his performance standards and efficiency and maintain a high level of contribution to the Group.

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5.6 Proposed Terms of Award to Mr Wong Yu Wei

For the reasons set out above, it is proposed that approval be given to the Directors to grant an Award to Mr Wong Yu Wei on the following terms:

Proposed Award Date : At any time within six (6) months from the date of the EGM

Proposed Number of Shares Comprised in the Proposed Award : 137,453

The Award on the terms as set out above is consistent with the purposes of the Boustead Projects RSP 2016.

5.7 Limits of Grant of Award

As at the Latest Practicable Date, the number of issued Shares is 319,700,200 Shares. Pursuant to the terms of the Boustead Projects RSP 2016, the maximum number of Shares granted under the Boustead Projects RSP 2016 shall not exceed 15% of the total number of issued Shares, being 47,955,030 Shares.

The proposed Award to be granted to Mr Wong Yu Wei amount to an aggregate of up to 137,453 Shares (being in total approximately 0.29% of the aggregate number of Shares which may be granted pursuant to the Boustead Projects RSP 2016 as at the Latest Practicable Date).

As at the Latest Practicable Date, Mr Wong Yu Wei owns 481,471 Shares. Upon completion of the proposed grant of Award, Mr Wong Yu Wei would own 618,924 Shares (representing 0.19% of the issued share capital of the Company as at the Latest Practicable Date).

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Based on the Company's register of interest of Directors and register of Substantial Shareholders respectively, as at the Latest Practicable Date, the interests of Directors and Substantial Shareholders of the Company in the Shares before and after the purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate, assuming (a) the Company purchases or acquires the maximum amount of ten per cent. (10%) of the total number of issued Shares, and (b) there is no change in the number of Shares held by the Directors and the Substantial Shareholders or in which they are deemed interested, are as follows:

	Before Share Buy-Back (No. of Shares)			Before Share Buy-Back (%) ⁽¹⁾	After Share Buy-Back (%) ⁽²⁾
	Direct Interest	Deemed Interest	Total Interest		
<u>Directors</u>					
John Lim Kok Min	169,296	-	169,296	0.05	0.06
Wong Yu Wei (Huang Youwei)	481,471	-	481,471	0.15	0.17
Chu Kok Hong @ Choo Kok Hong	280,699	1,578	282,277	0.09	0.10
Dr Tan Khee Giap	-	-	-	-	-
James Lim Jit Teng	-	1,113,624	1,113,624	0.35	0.39
Mr Chong Lit Cheong	-	-	-	-	-
<u>Substantial Shareholders (other than Directors)</u>					
Boustead Singapore Limited	163,861,009	-	163,861,009	51.25	56.95
Mr Wong Fong Fuji ⁽³⁾	-	224,242,603	224,242,603	70.14	77.94

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Notes:-

- (1) Based on 319,700,200 Shares in issue (excluding treasury shares and subsidiary holdings) as of the Latest Practicable Date.
- (2) Based on 287,730,180 Shares in issue (excluding treasury shares and subsidiary holdings), assuming that the Company purchases the maximum number of 31,970,020 Shares under the Share Buy-Back Mandate.
- (3) Mr Wong Fong Fui is deemed interested in 52,690,334 shares, representing 16.48% of the total issued share capital of the Company, held through nominees. In addition, Mr Wong Fong Fui, through his interest in not less than 20% of the issued share capital of the following entities, is also deemed interested in:-
 - (i) 163,861,009 shares (representing approximately 51.25%) held by Boustead Singapore Limited ("BSL"); and
 - (ii) 7,691,260 shares (representing approximately 2.41%) held by Bright Assets Enterprises Limited.

7. DIRECTORS' RECOMMENDATION

7.1 Proposed amendments to the Constitution

The Directors are of the opinion that the proposed amendments to the Constitution are in the best interests of the Company. Accordingly, the Board recommends that Shareholders vote in favour of Resolution 1, relating to the proposed amendments to the Constitution as set out in the Notice of EGM.

7.2 Proposed renewal of the Share Buy-Back Mandate

The Directors 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 Resolution 2, relating to the proposed renewal of the Share Buy-Back Mandate as set out in the Notice of EGM.

7.3 Proposed Scrip Dividend Scheme

The Directors, after having considered the rationale and information relating to the proposed Scrip Dividend Scheme, are of the opinion that the proposed authority to be given to Directors to implement the Scrip Dividend Scheme (which includes the authority to issue the New Shares) is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of Resolution 3, relating to the implementation of the proposed Scrip Dividend Scheme as set out in the Notice of EGM.

7.4 Proposed grant of an Award to Mr Wong Yu Wei

The Directors (other than Mr Wong Yu Wei who has abstained from making a recommendation) are of the view that the proposed grant of an Award pursuant to the Boustead Projects RSP 2016 to Mr Wong Yu Wei, an Associate of the Controlling Shareholder, Mr Wong Fong Fui, is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of Resolution 4, relating to the grant of an Award to Mr Wong Yu Wei.

8. ABSTENTION FROM VOTING

Mr Wong Fong Fui and his Associate, Mr Wong Yu Wei shall abstain, and have also undertaken to ensure that their respective Associates shall abstain, from voting in respect of Resolution 4 to be proposed at the EGM. Mr Wong Fong Fui and Mr Wong Yu Wei shall also decline to accept appointment as proxies for any Shareholder to vote in respect of the said resolution unless the Shareholder concerned shall have given instructions in his proxy form as to the manner in which the votes are to be cast in respect of such resolution.

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9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 46 of this Circular, will be held at Room 300-302, Level 3, Suntec Singapore Convention and Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on 27 July 2017 at 11.30 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.30 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing the resolutions (with or without any modification) set out in the Notice of EGM.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf must complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 not less than 48 hours before the time fixed for the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.

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

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed amendments to the Constitution, the proposed renewal of the Share Buy-Back Mandate, the proposed Scrip Dividend Scheme and the proposed grant of an Award under the Boustead Projects RSP 2016 to Mr Wong Yu Wei, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 during normal business hours on any weekday (public holidays excepted) up to and including the date of the EGM:

- (a) the Constitution of the Company; and
- (b) the Annual Report of the Company for the financial year ended 31 March 2017.

Yours faithfully
BOUSTEAD PROJECTS LIMITED

Mr John Lim Kok Min
Chairman & Independent Non-Executive Director

APPENDIX A – THE PROPOSED AMENDMENTS TO THE CONSTITUTION

The proposed amendments to the Constitution of the Company are set out below. It is proposed that the following articles in the Constitution of the Company be amended in the following manner where text in strikethrough indicates deletions from and underlined text indicates additions to the Constitution of the Company.

2. *In these Articles, if not inconsistent with the subject or context, the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:-*

WORDS

MEANINGS

- “Applicable Laws” - All laws, bye-laws, regulations, orders and/or official directions for the time being in force affecting the Company and its subsidiaries, including but not limited to the Act, the Securities and Futures Act, Chapter 289 and the Listing Manual. Provided Always that a waiver granted in connection to any such law shall be treated as due compliance with such relevant law.
51. *Subject to the Statutes, an Annual General Meeting shall be held in Singapore, or such other jurisdiction as permitted and/or required by Applicable Laws, once in every Year and not more than fifteen Months after the holding of the last preceding Annual General Meeting, at such time and place as may be determined by the Directors. All other General Meetings shall be Extraordinary General Meetings and shall be held in Singapore or such other jurisdiction as permitted and/or required by Applicable Laws.*
59. *If within thirty minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following that public holiday) at the same time and place or such other day, time or place in Singapore as the Directors may by not less than ten days’ notice appoint. At the adjourned meeting, any one or more members present in person or by proxy shall be a quorum.*
60. *The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place in Singapore, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place in Singapore for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or sine die, not less than seven days’ notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.*
63. (1) Where required by Applicable Laws, all resolutions at General Meetings shall be voted by poll (unless such requirement is waived by the SGX-ST).
- (2) Subject to Article 63(1), at At any General Meeting, a resolution put to the vote of the meeting shall subject to the requirements of the prevailing relevant laws, regulations and guidelines, be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
- (a) *the chairman of the meeting;*
 - (b) *not less than five members having the right to vote at the meeting;*
 - (c) *a member having the right to vote at the meeting representing not less than ten per cent. of the total voting rights of all the members having the right to vote at the meeting; or*

APPENDIX A – THE PROPOSED AMENDMENTS TO THE CONSTITUTION

- (d) a member having the right to vote at the meeting and holding shares on which an aggregate sum has been paid up equal to not less than ten per cent. of the total sum paid-up on all shares of the Company conferring that right (excluding treasury shares),

PROVIDED THAT no poll shall be demanded on the choice of a chairman or on a question of adjournment.

- (3) Where required by Applicable Laws, the Chairman of the meeting shall appoint at least one scrutineer for each General Meeting who shall be independent of the persons undertaking the polling process.
64. A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll be so demanded (and the demand be not withdrawn) or is required pursuant to Article 63(1), a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required under Article 63(1) or demanded under Article 63(2), it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was required or demanded. The chairman of the meeting may (and if required by Applicable Laws or if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time in Singapore fixed by him for the purpose of declaring the result of the poll.
65. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is required under Article 63(1) or demanded under Article 63(2), as the case may be, shall be entitled to a casting vote.
66. A poll required under Article 63(1) or demanded under Article 63(2), as the case may be, on any question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.
75. An instrument appointing a proxy must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the registered office of the Company) not less than forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates, PROVIDED THAT an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

The deposit of an instrument appointing a proxy does not preclude the Member concerned from attending and voting in person at the meeting, as well as for any adjournment of the meeting to which it relates. In such an event, the appointment of the proxy or proxies is deemed to be revoked by the Member concerned at the point when the Member attends the meeting.

APPENDIX A – THE PROPOSED AMENDMENTS TO THE CONSTITUTION

142. (1) 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 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) supplied by him to the Depository as his address for the service of notices, or by delivering it to such address as aforesaid. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the time when the cover containing the same is posted, and in proving such service or delivery, it shall be sufficient to prove that such cover was properly addressed, stamped and posted.
- (2) Without prejudice to the foregoing provisions of this Article and subject to Applicable Laws, any notice or document (including, without limitation, circulars and annual reports any accounts, balance-sheet or report) which is required or permitted to be given, sent or served under the Statutes or under the provisions of these presents by the Company, or by the Directors, to a member of the Company or an officer or Director or Auditor of the Company may be given, sent or served using electronic communications:
- (a) to the current address of that 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 these Articles and any Applicable Laws and at the discretion of the Directors. in accordance with the provisions of, or as otherwise provided by, the Statutes and/or any other applicable regulations or procedures. Such notice or document shall be deemed to have been duly given, sent or served upon transmission of the electronic communication to the mail server designated by such address or as otherwise provided under the Statutes and/or any other applicable regulations or procedures.~~
- (3) **Express Consent:** For the purposes of Article 142(2) above, the Company may send such document by way of such electronic communications to a Member, if there is express consent from that Member.
- (4) **Deemed Consent:** For the purposes of Article 142(2) above, the Directors may, at their discretion, give a Member 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 such Member shall be deemed to have consented to receive such 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 document, unless otherwise provided under Applicable Laws. Any election or deemed election by a Member pursuant to this Article 142(4) 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 documents to be sent.
- (5) **Implied Consent:** For the purposes of Article 142(2) above, a Member shall be implied to have agreed 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, unless otherwise provided under Applicable Laws.
- (6) Articles 142(2), (3), (4) and (5) above shall not apply to such documents which are excluded from being given, sent or served by electronic communications or means pursuant to the Applicable Laws, unless permitted by the Applicable Laws.

APPENDIX A – THE PROPOSED AMENDMENTS TO THE CONSTITUTION

- (7) Where a 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 document from the Company. The Company shall provide a physical copy of that document upon such request.
- (8) 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.
- (9) Where a document is given, sent or served by electronic communications:
- (a) to the current address of a person pursuant to Article 142(2)(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 Applicable Laws; or
 - (b) by making it available on a website pursuant to Article 142(2)(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 Applicable Laws.

APPENDIX B – SCRIP DIVIDEND SCHEME STATEMENT

BOUSTEAD PROJECTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199603900E)
(the “Company”)

1. SCRIP DIVIDEND SCHEME STATEMENT

The Scrip Dividend Scheme Statement (the “**Statement**”) contains the terms and conditions of the Boustead Projects Limited Scrip Dividend Scheme (the “**Scrip Dividend Scheme**”) under which persons registered in the Register of Members of Boustead Projects Limited (the “**Company**”), or the Depository Register (as defined below), as the case may be, as the holders of fully paid ordinary shares (the “**Shares**”) in the capital of the Company (the “**Members**”), may elect to receive fully paid new Shares (the “**New Shares**”) in the capital of the Company in lieu of part only or all of the cash amount of any Dividend (as defined below) declared on the Shares held by them.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the correctness of any of the statements made in this Statement.

2. SUMMARY OF THE MAIN FEATURES OF THE SCRIP DIVIDEND SCHEME

The Scrip Dividend Scheme provides Members with the option to elect to receive New Shares in lieu of part only or all of the cash amount of any Dividend declared on their holding of Shares.

All Members are eligible to participate in the Scrip Dividend Scheme subject to the restrictions on Overseas Members (as defined below), more particularly described below and except for such other Members or class of Members as the directors of the Company (the “**Directors**”) may in their absolute discretion decide.

Members may elect to participate in respect of part only or all of their holding of Shares to which each Notice of Election (as defined below) relates in respect of any Qualifying Dividend (as defined below) and may also make a permanent election to participate in respect of all their holding of Shares to which each Notice of Election relates for all future Qualifying Dividends. For the avoidance of doubt, Members may only make a permanent election to receive Shares in respect of all, and not part only, of their entitlement to future Qualifying Dividends.

Members receiving more than one Notice of Election may elect to participate in respect of their holding of Shares to which one Notice of Election relates and elect not to participate in respect of their holding of Shares to which any other Notice of Election relates. Where a permanent election has been made, participating Members may cancel their participation and withdraw from the Scrip Dividend Scheme at any time, subject to the giving of the appropriate notice. However, the cancellation of a permanent election by a Member would not preclude him from making a fresh permanent election should he wish to do so at a later date.

The Directors may, in their absolute discretion, determine that the Scrip Dividend Scheme will apply to any particular Dividend. An announcement will be made by the Company as soon as practicable following the determination by the Directors that the Scrip Dividend Scheme is to apply to a particular Dividend, and in any event, by no later than the next Market Day (as defined below) immediately following the Books Closure Date (as defined below) in respect of the particular Dividend. Unless the Directors have determined that the Scrip Dividend Scheme will apply to any particular Dividend, the Dividend concerned will be paid in cash to the Members in the usual way.

New Shares allotted and issued under the Scrip Dividend Scheme will rank *pari passu* in all respects with the Shares then in issue save only as regards participation in the Qualifying Dividend which is the subject of the election (including the right to make any election pursuant to the Scrip Dividend Scheme) or any other distributions, bonuses or rights paid, made,

APPENDIX B – SCRIP DIVIDEND SCHEME STATEMENT

declared or announced prior to or contemporaneous with the payment or declaration of the Qualifying Dividend which is the subject of the election, unless the Directors shall otherwise specify.

Members participating in the Scrip Dividend Scheme will receive, at or about each Dividend payment date, statements setting out, *inter alia*, the number of New Shares allotted to them under the Scrip Dividend Scheme.

Members will receive the Qualifying Dividend in cash if they do not elect to participate in the Scheme. Members need not take any action if they wish to receive their entitlement to the Qualifying Dividend in cash.

3. HOW TO PARTICIPATE

Participation in the Scrip Dividend Scheme is optional.

A Member wishing to receive New Shares in respect of any Qualifying Dividend or to make a permanent election to receive New Shares in respect of all (and not part only) of his future Qualifying Dividends to which a Notice of Election received by him relates should complete the Notice of Election and return it to the Company at the address indicated on the Notice of Election or, if the Member is a Depositor (as defined below), to CDP (as defined below). A Member receiving more than one Notice of Election and wishing to receive New Shares in respect of all of his entitlement to the Qualifying Dividend in respect of all of his holding of Shares or to make a permanent election to receive New Shares in respect of all future Qualifying Dividends must complete all Notices of Election received by him and return the completed Notices of Election to the Company and/or CDP, as the case may be.

To be effective in respect of any Qualifying Dividend to which a Notice of Election relates, such duly completed Notice of Election must be received by the Company or CDP (as the case may be) no later than the date to be specified by the Directors in respect of that Qualifying Dividend.

4. TERMS AND CONDITIONS OF THE SCRIP DIVIDEND SCHEME

4.1 Establishment

The Scrip Dividend Scheme has been established by the Directors.

4.2 Terms and Conditions

In these Terms and Conditions:-

“**Books Closure Date**” shall mean the date and time to be determined by the Directors on which the Register of Members and the transfer books of the Company will be closed for the purpose of determining the entitlements of Members to a Qualifying Dividend;

“**CDP**” shall mean The Central Depository (Pte) Limited or any successor entity thereto;

“**Constitution**” shall mean the Memorandum and Articles of Association of the Company currently in force.

“**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the respective meanings ascribed to them in Section 81SF of the SFA.

“**Dividends**” shall mean a dividend (including any interim, final, special or other dividend(s)) to be paid on the issued Shares as resolved or proposed by the Directors or by the Company in general meeting.

“**Market Day**” shall mean a day on which the SGX-ST is open for trading in securities;

APPENDIX B – SCRIP DIVIDEND SCHEME STATEMENT

“**Notice of Cancellation**” shall have the meaning ascribed to it in paragraph 4.6 of this Statement;

“**Notice of Election**” shall have the meaning ascribed to it in paragraph 4.7 of this Statement;

“**Overseas Members**” shall mean Members with registered addresses outside Singapore as at the Books Closure Date and who have not provided to the Company or CDP, as the case may be, not later than five (5) Market Days prior to the Books Closure Date, addresses in Singapore for the service of notices and documents;

“**Participating Member**” shall have the meaning ascribed to it in paragraph 4.5 of this Statement;

“**Participating Shares**” shall have the meaning ascribed to it in paragraph 4.5 of this Statement;

“**Price Determination Period**” shall have the meaning ascribed to it in paragraph 4.9 of this Statement;

“**Qualifying Dividend**” shall mean a Dividend to which the Scrip Dividend Scheme applies, as determined by the Directors;

“**Register of Members**” shall mean register of members of the Company.

“**Relevant Amount**” shall have the meaning ascribed to it in paragraph 4.9 of this Statement;

“**SFA**” shall mean the Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time.

“**Take-over Code**” shall mean the Singapore Code on Take-overs and Mergers, as amended or modified from time to time;

“**S\$**” shall mean Singapore dollars; and

“**%**” or “**per cent.**” shall mean percentage or per centum.

4.3 Eligibility

All Members are eligible to participate in the Scrip Dividend Scheme, subject to the restrictions on Overseas Members, more particularly described below, and except that participation in the Scrip Dividend Scheme shall not be available to such Members or class of Members, as the Directors may in their absolute discretion determine, and further subject to the requirement that such participation by the Member will not result in a breach of any other restriction on such Member's holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be, or by the Constitution.

4.4 Overseas Members

For practical reasons and to avoid any violation of the securities laws applicable outside Singapore where Members may have their registered addresses, the Directors may in their absolute discretion decide that Overseas Members shall not be eligible to participate in the Scrip Dividend Scheme. No Overseas Member shall have any claims whatsoever against the Company, the Company's share registrar, CDP or any of their respective agents as a result of the Scrip Dividend Scheme not being offered or made available to such Overseas Member. If the Directors have decided not to apply the Scrip Dividend Scheme to Overseas Members, Overseas Members who receive or come to have in their possession this Statement and/or a Notice of Election may not treat the same as an invitation to them and are advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Scrip Dividend Scheme as may be applicable to them. Overseas Members who wish to be eligible to participate in the Scrip Dividend Scheme should provide an address in Singapore for the service of notices and documents by notifying

APPENDIX B – SCRIP DIVIDEND SCHEME STATEMENT

the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 (or such other address as may be announced by the Company from time to time) or, if the Overseas Member is a Depositor, the CDP at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589 (or such other address as may be announced by the Company from time to time) no later than five (5) Market Days prior to the Books Closure Date. Depositors should note that all correspondences and notices will be sent to their last registered addresses with the Company or CDP, as the case may be.

4.5 Level of Participation

A Member may elect to participate in the Scrip Dividend Scheme (the “**Participating Member**”) in respect of part only or all of his holding of Shares as at each Books Closure Date to which each Notice of Election received by him relates for a Qualifying Dividend (the “**Participating Shares**”).

4.6 Permanent Election

Any permanent election to participate in the Scrip Dividend Scheme is personal to the Member. A Member may make a permanent election in the manner set out below for participation in respect of all (and not part only) of his future Qualifying Dividends, and where a permanent election in respect of all (and not part only) of his holding of Shares to which a Notice of Election relates has been made, unless and until a notice of cancellation, in such form as the Directors may approve (the “**Notice of Cancellation**”), in relation to such Notice of Election is received by the Company or CDP, as the case may be, as provided below, the permanent election shall be effective for all future Qualifying Dividends in respect of such Notice of Election. A notice of cancellation of participation in the Scrip Dividend Scheme in any other form will not be accepted by the Company or CDP, as the case may be, unless they otherwise decide.

4.7 Notice of Election to Participate

The Company will, at its discretion, send to each Member one or more notices of election (in such form as the Directors may approve) (the “**Notice of Election**”). To be effective in respect of any Qualifying Dividend (unless a permanent election has already been made), a Notice of Election must be received by the Company or, in the case of a Notice of Election being submitted by a Member who is a Depositor, by CDP, by the date to be specified by the Directors in respect of that Qualifying Dividend. A Member receiving two or more Notices of Election and wishing to receive New Shares in respect of all of his entitlement to the Qualifying Dividend in respect of all his holding of Shares must complete all the Notices of Election received by him and return the completed Notices of Election to the Company and/or CDP, as the case may be. A Notice of Election to participate in the Scrip Dividend Scheme in any other form will not be accepted by the Company or CDP, as the case may be.

If a Notice of Election in relation to a permanent election is received after the date specified by the Directors for any particular Qualifying Dividend, the Notice of Election will not, unless otherwise determined by the Directors, be effective for that Qualifying Dividend or for any future Qualifying Dividends in respect of such Notice of Election. A Notice of Election (other than in relation to a permanent election) in respect of any Qualifying Dividend shall not, upon its receipt by the Company or CDP, as the case may be, be withdrawn or cancelled.

A permanent election made in the Notice of Election will remain in force until cancelled in the manner provided below or until it becomes ineffective as provided in these Terms and Conditions. A Member receiving more than one Notice of Election and wishing to make a permanent election in respect of all his holding of Shares must complete all Notices of Election received by him and return the Notices of Election to the Company and/or CDP, as the case may be.

The Company is under no obligation to correct invalid Notices of Election on behalf of any Member or to provide any reason for rejecting any Notice of Election.

APPENDIX B – SCRIP DIVIDEND SCHEME STATEMENT

By electing to participate in the Scrip Dividend Scheme the Participating Member unconditionally:

- (a) warrants to the Company that he has the legal right and full power and authority to participate in the Scrip Dividend Scheme and that his participation in the Scrip Dividend Scheme will not result in a breach of any law or regulation by which he is bound. For practical reasons and to avoid any violation of any any law or regulation whether in Singapore or elsewhere, the Directors may in their absolute discretion decide that a Member shall not be eligible to participate in the Scrip Dividend Scheme;
- (b) acknowledges that the Company may at any time determine that the Participating Member's Notice of Election or any Notice of Cancellation or other form ("**Forms**") is valid, even if the relevant Form is incomplete, contains errors or is otherwise defective;
- (c) acknowledges that the Company may reject any Form;
- (d) acknowledges that the Company has not provided the Participating Member with investment or other advice and that it does not have any obligation to provide any advice in connection with the Scrip Dividend Scheme; and
- (e) agrees to these Terms and Conditions and agrees not to do any act or thing which would be contrary to the intention or purpose of the Scrip Dividend Scheme,

in each case, at all times until termination of the Scrip Dividend Scheme or of the Participating Member's participation in the Scrip Dividend Scheme.

4.8 Extent of Application of Scrip Dividend Scheme to each Dividend

The Directors may determine, in their absolute discretion, in respect of any Dividend, whether the Scrip Dividend Scheme shall apply to such Dividend. If, in their absolute discretion, the Directors have not determined that the Scrip Dividend Scheme is to apply to a particular Dividend, such Dividend shall be paid in cash to Members in the usual way.

4.9 Share Entitlement

By electing to participate in the Scrip Dividend Scheme in respect of any Notice of Election received by him, a Member elects in respect of any Qualifying Dividend to which such Notice of Election relates to receive New Shares in *lieu* of part only or all of the cash amount of the Qualifying Dividend.

In respect of any Qualifying Dividend, the number of New Shares to be allotted and issued to the Participating Member electing to receive New Shares in respect of a Notice of Election shall be calculated in accordance with the following formula:

$$N = \frac{S \times D}{V}$$

Where:-

"N" is the number of New Shares to be allotted and issued as fully paid to the Participating Member in respect of such Notice of Election.

"S" is the number of Participating Shares held by the Participating Shareholder as of the Books Closure Date to which such Notice of Election relates.

"D" is the amount of the Qualifying Dividend to which such Notice of Election relates expressed in Singapore Dollars and fractions thereof per Share.

"V" is the issue price of a Share, which shall for the purpose of calculating the number of New Shares to be allotted and issued as fully paid to Participating Members, pursuant to

APPENDIX B – SCRIP DIVIDEND SCHEME STATEMENT

the Scrip Dividend Scheme, be an amount in Singapore dollars determined by the Directors (the “**Relevant Amount**”), which Relevant Amount shall not be set at more than ten per cent. (10%) discount (or such other discount as may be permitted by the Listing Manual) to, nor shall it exceed the average of the last dealt prices of a Share on the SGX-ST for each of the Market Days during the period commencing on the day on which the Shares are first quoted ex-dividend on the SGX-ST after the announcement of the Qualifying Dividend and ending on the Books Closure Date in respect of such Qualifying Dividend (the “**Price Determination Period**”). In the event that there is no trading in the Shares during the Price Determination Period, the Relevant Amount shall not exceed the average of the last dealt prices of a Share on the SGX-ST for each of the Market Days during a period of five (5) Market Days immediately preceding the Price Determination Period.

The Directors shall have full power to make such provisions as they think fit where the number of New Shares calculated in accordance with the above formula becomes attributable in fractions, including provisions whereby fractional entitlements are rounded down to the nearest whole number or otherwise dealt with in such manner as they may deem fit in the interests of the Company and which is/are acceptable to the SGX-ST.

4.10 Terms of Allotment

All New Shares allotted under the Scrip Dividend Scheme will be allotted as fully paid.

All such New Shares shall rank *pari passu* in all respects with all existing Shares then in issue save only as regards participation in the Qualifying Dividend which is the subject of the election (including the right to make any election pursuant to the Scrip Dividend Scheme) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the Qualifying Dividend which is the subject of the election, unless the Directors shall otherwise specify.

Participating Members who are Depositors and who have supplied their CDP account numbers in the Notice of Election will have the New Shares credited to their securities accounts maintained with CDP. In other cases, certificates for the New Shares will be despatched to Members to their registered addresses in Singapore by ordinary post, at their own risk.

4.11 Statement to Participating Members

The Company will send to each Participating Member on or about each payment date for the Dividend, which shall be a date not less than 30 Market Days but not more than 35 Market Days after the Books Closure Date for that Dividend, or such other period as the Directors may decide, a statement detailing, *inter alia*:-

- (a) the number of the Participating Shares held by the Participating Member as at the relevant Books Closure Date; and
- (b) the number of New Shares to be allotted to the Participating Member under the Scrip Dividend Scheme.

4.12 Cost to the Participating Members

Under the present law in Singapore, brokerage or other transaction costs and Singapore stamp duty will not be payable by Participating Members on New Shares allotted under the Scrip Dividend Scheme.

4.13 Cancellation of Participation

A Participating Member or an Authorised Representative (as defined below) may at any time cancel his permanent election to participate in the Scrip Dividend Scheme in relation to any Notice of Election by completing and returning to the Company or CDP, as the case may be, a Notice of Cancellation in such form as the Directors may approve (a notice of cancellation of participation in the Scrip Dividend Scheme in any other form will not be accepted by the

APPENDIX B – SCRIP DIVIDEND SCHEME STATEMENT

Company or CDP, as the case may be) in relation to such Notice of Election. To be effective in respect of any Qualifying Dividend, the Notice of Cancellation must be received by the Company or CDP, as the case may be, by the date to be specified by the Directors for that Qualifying Dividend, failing which the Notice of Cancellation will not, unless otherwise determined by the Directors, be effective for that Qualifying Dividend in respect of such Notice of Election. The Notice of Cancellation will however be effective for the next Qualifying Dividend. The cancellation of a permanent election by a Shareholder will not preclude him from making a fresh permanent election in future should he wish to do so.

If a Participating Member or Authorised Representative gives notice to the Company or, if that Member is a Depositor, to CDP, of a change of his registered address for the service of notices and documents from an address within Singapore to an address outside Singapore, he shall thereupon be considered an Overseas Member. Any permanent election to participate in the Scrip Dividend Scheme by such Participating Member shall be deemed to have been cancelled by him upon receipt by the Company or CDP, as the case may be, of such change of address notification.

If a Participating Member, who is an individual, dies, any permanent election to participate in the Scrip Dividend Scheme by that Member will cease upon receipt by the Company or, if that Member is a Depositor, by CDP, of notice of the death acceptable to the Company or CDP, as the case may be, or at such later date as the Directors in their discretion, upon request from the personal representative(s) of the deceased Participating Member, may determine. If the personal representative(s) of the deceased Member wish(es) to participate in the Scrip Dividend Scheme in respect of any Qualifying Dividend or in respect of all future Qualifying Dividends in relation to the Shares forming part of the estate of the deceased Member, the relevant Notices of Election (together with such evidence as may reasonably be required by the Company or CDP, as the case may be, to prove the authority of such personal representative(s)) must be submitted by such personal representative(s) in accordance with these Terms and Conditions.

If a Participating Member becomes bankrupt or, in the case where the Participating Member is a company, is wound up, any permanent election to participate in the Scrip Dividend Scheme by that Member will cease upon receipt by the Company or, if that Member is a Depositor, by CDP, of notice of the bankruptcy or, as the case may be, the winding up.

For the purpose of this paragraph, an “**Authorised Representative**” would include any guardian of an infant who is a Participating Member, any committee, deputy or other legal curator of a person who lacks capacity who is a Participating Member, any donee appointed under a lasting power of attorney by a person who is a Participating Member, and any person becoming entitled to the legal title in a Share in consequence of the death or bankruptcy of Participating Member (who is an individual), or the winding-up of a Participating Member (which is an entity) upon producing such evidence of legal title to the Share as the Company or, as the case may be, CDP may require.

4.14 Cancellation of Application of the Scrip Dividend Scheme

Notwithstanding any provision in these Terms and Conditions, if at any time after the Directors have determined that the Scrip Dividend Scheme shall apply to any particular Dividend and before the allotment and issue of New Shares in respect of that Dividend, the Directors shall consider that, by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever, it is no longer expedient or appropriate to implement the Scrip Dividend Scheme in respect of such Dividend, the Directors may, at their absolute discretion and as they may deem fit in the interests of the Company and without assigning any reason thereof, cancel the application of the Scrip Dividend Scheme to the Dividend. In such event, the Dividend shall be paid in cash to Members in the usual way.

4.15 Modification and Termination of the Scrip Dividend Scheme

The Scrip Dividend Scheme may be modified or terminated at any time by the Directors as they deem fit on the giving of notice in writing to all Members, except that no material modification shall be made without the prior written approval of the SGX-ST.

APPENDIX B – SCRIP DIVIDEND SCHEME STATEMENT

In the case of a modification, the Scrip Dividend Scheme will continue as modified in relation to each Member who has made a permanent election under the Scrip Dividend Scheme unless and until the Company or CDP (where the Member is a Depositor) receives from the Participating Member a Notice of Cancellation in accordance with these Terms and Conditions and in respect of a Notice of Election submitted by such Participating Member or his permanent election otherwise ceases to have effect as provided in Paragraph 4.13 above, whichever is the earlier.

4.16 General Administration of the Scrip Dividend Scheme

While Shares which a Participating Member has nominated as participating in the Scrip Dividend Scheme are subject to a charge or lien in favour of the Company, they shall unless:-

- (a) otherwise provided in the terms and conditions of issue thereof; or
- (b) the Directors otherwise determine,

be treated as if the relevant Participating Member had, in relation to such Shares, not elected to so participate.

The Directors may implement the Scrip Dividend Scheme in the manner they deem fit. The Directors have the power to:-

- (a) determine procedures, rules and regulations for administration of the Scrip Dividend Scheme consistent with these Terms and Conditions;
- (b) settle in such manner as they think fit any difficulty, anomaly or dispute (including relating to the interpretation of any provision, regulation or procedure or as to any rights under the Scrip Dividend Scheme) which may arise in connection with the Scrip Dividend Scheme, whether generally or in relation to any Participating Member or any Shares and the determination of the Directors will be conclusive and binding on all Members and other persons to whom the determination relates;
- (c) delegate to any one or more persons, for such period and on such conditions as the Directors may determine, the exercise of any of their powers or discretions under or in respect of the Scrip Dividend Scheme and references to a decision, opinion or determination of the Directors include a reference to the decision, opinion or determination of the person or persons to whom the Directors have delegated their authority for the purposes of administering the Scrip Dividend Scheme; and
- (d) waive strict compliance by the Company or any Member with any of these Terms and Conditions unless such waiver results or gives rise or may result or may give rise to breach of any statute, law or regulation in force in Singapore or any other relevant jurisdiction or by the Constitution of the Company.

4.17 Governing Law and Exclusion of Third Party Rights

This Statement, the Scrip Dividend Scheme and these Terms and Conditions shall be governed by, and construed in accordance with, the laws of Singapore. A person who is not a party to these Terms and Conditions has no right under the Contracts (Right of Third Parties) Act, Chapter 53B of Singapore to enforce against the Company any of these Terms and Conditions.

4.18 Take-Over implications

The attention of Members is drawn to Rule 14 of the Take-over Code. In particular, a Member should note that he may be under an obligation to extend a mandatory take-over offer for the Company if:

- (a) he acquires, by participating in the Scrip Dividend Scheme in relation to any Qualifying Dividend, whether at one time or different times, Shares which (taken together with

APPENDIX B – SCRIP DIVIDEND SCHEME STATEMENT

Shares held or acquired by him or persons acting in concert with him) carry 30% or more of the voting rights of the Company; or

- (b) he, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights of the Company and he, or any person acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than one per cent. (1%) of the voting rights of the Company by participating in the Scrip Dividend Scheme in relation to any Qualifying Dividend or otherwise.

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Take-over Code. Members who are in doubt as to whether they would incur any obligation to make a mandatory offer under the Take-over Code as a result of any acquisition of Shares through their participation in the Scrip Dividend Scheme are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity.

5. APPLICATION FOR LISTING ON THE SGX-ST

The Company shall make the necessary application(s) for the listing of the New Shares to be issued for the purposes of, in connection with or where contemplated by, the Scrip Dividend Scheme. Any approval in-principle of the SGX-ST for listing of such New Shares is not to be taken as an indication of the merits of the Scrip Dividend Scheme, the New Shares, the Company or its subsidiaries.

6. TAXATION

The Company takes no responsibility for the taxation liabilities of Participating Members or the tax consequences of any election made by Members. As individual circumstances and laws vary considerably, specific taxation advice should be obtained by Members if they are in any doubt or if they otherwise require.

The Company accepts no responsibility for the correctness or accuracy of any information as to taxation liability set out in this Statement.

As a general indication, however, it is understood that as at the date of this Circular, under tax legislation in Singapore, a Member's Singapore tax liability in relation to the Dividends received will not alter, nor is there any tax advantage to be gained, by reason of having elected to participate in the Scrip Dividend Scheme.

7. INCOME TAX

Where required, the Company will deduct all income tax required to be deducted from the Qualifying Dividends in accordance with applicable law. Certificates of income deductions will be sent to Participating Members in the usual manner.

8. ODD LOTS

A Participating Member who elects to receive New Shares in lieu of the cash amount of the Qualifying Dividend may receive such New Shares in odd lots.

9. OTHER ITEMS

The New Shares are offered on the terms and conditions set out in this Statement and in the applicable provisions of the Constitution.

APPENDIX B – SCRIP DIVIDEND SCHEME STATEMENT

10. ENQUIRIES

Enquiries about any aspect of the Scrip Dividend Scheme should be directed to the Company:-

Boustead Projects Limited
82 Ubi Avenue 4
#07-01 Edward Boustead Centre
Singapore 408832

11. LIABILITY OF THE COMPANY

Notwithstanding anything herein, neither the Company nor any officer, agent or representative of the Company shall under any circumstances be liable or responsible to any Participating Shareholders for any loss, damage, cost or expense (collectively, “**Loss**”) or alleged Loss in connection with or as a result, directly or indirectly, of the establishment or operation of the Scrip Dividend Scheme or participation in the Scrip Dividend Scheme, including, without limitation, any delay in allotting or issuing any Shares or applying for the listing of such Shares. No representation or warranty is given in respect of any Shares, the Company or its subsidiaries or associated companies or that listing approval for the Shares will be obtained.

NOTICE OF EXTRAORDINARY GENERAL MEETING

BOUSTEAD PROJECTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199603900E)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the members of the Company will be held at Room 300-302, Level 3, Suntec Singapore Convention and Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593, on Thursday, 27 July 2017 at 11.30 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.30 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 modification, the resolutions set out below.

All capitalised terms used in this Notice of Extraordinary General Meeting which are not defined herein shall have the same meaning ascribed to them in the Circular to Shareholders dated 5 July 2017.

RESOLUTION 1:

Special Resolution – The Proposed Amendments to the Constitution

“That the Constitution of the Company be and is hereby amended in the manner described in Appendix A of the Circular.”

RESOLUTION 2:

Ordinary Resolution – The Proposed Renewal of the Share Buy-Back Mandate

“That:

- (a) for the purposes of the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”), and such other laws and regulations as may for the time being be applicable, approval be and is hereby given for the exercise by the directors of the Company (“**Directors**”) of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the share 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 from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (i) on-market share purchases (“**On-Market Share Purchase**”), transacted on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); and/or
 - (ii) off-market share purchases (“**Off-Market Share 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 otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable (the “**Share Buy-Back Mandate**”);

- (b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buy-Back Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Companies Act;
- (c) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Ordinary Resolution and the expiring on the earlier of:

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
 - (ii) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or
 - (i) the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked;
- (d) for the purposes of this Ordinary Resolution:

“Prescribed Limit” means ten per cent. (10%) of the total issued ordinary share capital of the Company (excluding any treasury shares and subsidiary holdings) as at the date of passing of this Ordinary 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 total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered after such capital reduction (excluding any treasury shares and subsidiary holdings);

“Relevant Period” means the period commencing from the date on which the last annual general meeting of the Company was held and expiring on the date of the next annual general meeting of the Company is held or is required by law to be held, or the date on which the purchases of the Shares are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or revoked by resolution of the shareholders of the Company in general meeting;

“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 an On-Market Share Purchase, 105% of the Average Closing Price;
- (ii) in the case of an Off-Market Share 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 (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the date of making the On-Market Share Purchase or, as the case may be, the day of the making of an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days;

“day of the making of an offer” means the day on which the Company announces its intention to make an offer for the purchase of Shares from the shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Purchase; and

“Market Day” means a day on which the SGX-ST is open for trading in securities;

- (e) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including, without limitation, executing such documents as may be required) as they and/or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Ordinary Resolution.”

NOTICE OF EXTRAORDINARY GENERAL MEETING

RESOLUTION 3:

Ordinary Resolution – The Proposed Scrip Dividend Scheme

“That:

- (a) the scrip dividend scheme to be known as the Boustead Projects Limited Scrip Dividend Scheme (the “**Scrip Dividend Scheme**”), under which the Directors of the Company may, whenever the Directors or the Company in general meeting have resolved that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary shares of the Company, resolve that shareholders entitled to such dividend may elect to receive an allotment of ordinary shares in the Company credited as fully paid in lieu of cash in respect of the dividend (further particulars of which are set out in Appendix B of the Circular in respect of the proposed Scrip Dividend Scheme), be and is hereby approved; and
- (b) the Directors of the Company be and are hereby authorised:-
 - (i) to establish and administer the Scrip Dividend Scheme;
 - (ii) to modify and/or alter the Scrip Dividend Scheme from time to time and to do all such acts and things and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the Scrip Dividend Scheme;
 - (iii) pursuant to Section 161 of the Companies Act, Cap. 50, to allot and issue from time to time such number of ordinary shares in the capital of the Company as may be required to be allotted and issued pursuant to the Scrip Dividend Scheme; and
 - (iv) to complete and do all acts and things (including executing such documents as may be required in connection with the Scrip Dividend Scheme) as they or any of them may consider desirable, necessary or expedient to give full effect to this Ordinary Resolution and the Scrip Dividend Scheme.”

RESOLUTION 4:

Ordinary Resolution – The Proposed Grant of an Award under the Boustead Projects RSP 2016 to Mr Wong Yu Wei, an Associate of a Controlling Shareholder of the Company

“That approval be and is hereby given for the grant of an Award of 137,453 Shares to Mr Wong Yu Wei, an Associate of a Controlling Shareholder of the Company, pursuant to the Boustead Projects RSP 2016.”

By Order of the Board

Tay Chee Wah
Company Secretary
Singapore
5 July 2017

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 (“EGM”) is entitled to appoint not more than two (2) proxies to attend and vote in his/her/its stead. A proxy need not be a member of the Company.
2. 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).
3. The instrument of proxy must be signed by the appointer or his/her duly authorised attorney or, if the appointer is a body corporate, signed by a duly authorised officer or its attorney or affixed with its common seal thereto.
4. A body corporate which is a member may also appoint by resolution of its directors or other governing body an authorised representative or representatives in accordance with its Constitution and Section 179 of the Companies Act, Chapter 50 of Singapore to attend and vote for and on behalf of such body corporate.
5. The instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof), must be deposited at the registered office of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 not less than 48 hours before the time fixed for holding the EGM.
6. Please insert in the space in the instrument of proxy provided 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 of the Company, 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, this instrument of proxy shall be deemed to relate to all the shares held by you.
7. The Company shall be entitled to reject the instrument of proxy if it is incomplete, not properly completed, or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of a member whose shares are deposited with the Central Depository (Pte) Limited (“CDP”), the Company may reject any instrument of proxy lodged if such member is not shown to have shares entered against his/her name in the Depository Register 72 hours before the time fixed for holding the above EGM, as certified by CDP to the Company.
8. **PERSONAL DATA PRIVACY** By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM 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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) 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 or service providers) 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 or service providers), 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 or service providers) 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.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

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BOUSTEAD PROJECTS LIMITED

(Company Registration No. 199603900E)
(Incorporated in the Republic of Singapore)

Important:

1. For investors who have used their CPF monies to buy shares in the capital of Boustead Projects Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
2. Pursuant to Section 181(1C) of the Companies Act, Chapter 50 of Singapore, Relevant Intermediaries may appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting.
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF investors who wish to vote should contact their CPF Approved Nominees.

PROXY FORM EXTRAORDINARY GENERAL MEETING

(Before completing this form, please see notes overleaf)

I/We _____ (NRIC/Passport No.) _____

of _____ (Address)

being a Shareholder/Shareholders of Boustead Projects Limited (the "Company") hereby appoint:-

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)
and/ or (delete as appropriate)			
Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing him/her/them**, the Chairman of the Extraordinary General Meeting (the "EGM") of the Company as my/our** proxy/proxies** to attend and to vote for me/us** on my/our** behalf at the EGM of the Company to be held at Room 300-302, Level 3, Suntec Singapore Convention and Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Thursday, 27 July 2017 at 11.30 a.m. (or as soon after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.30 a.m. on the same day and at the same place), and at any adjournment thereof.

		For*	Against*
1.	Resolution 1: Special Resolution – To approve the proposed amendments to the Constitution		
2.	Resolution 2: Ordinary Resolution – To approve the proposed renewal of the Share Buy-Back Mandate		
3.	Resolution 3: Ordinary Resolution – To approve the proposed Scrip Dividend Scheme		
4.	Resolution 4: Ordinary Resolution – To approve the proposed grant of an award of 137,453 Shares under the Boustead Projects Restricted Share Plan 2016 to Mr Wong Yu Wei, an Associate of a Controlling Shareholder of the Company		

* If you wish to use all your votes "For" or "Against", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

In the absence of specific directions, your proxy/proxies may vote or abstain as he/she thinks fit.

Dated this _____ day of _____ 2017

	No. of shares
CDP Register	
Register of Members	

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

**Delete accordingly

IMPORTANT: PLEASE READ THE NOTES OVERLEAF



Notes:-

1. A member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the Extraordinary General Meeting ("EGM") is entitled to appoint not more than two (2) proxies to attend and vote in his/her/its stead. A proxy need not be a member of the Company.
2. 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).
3. This instrument of proxy must be signed by the appointer or his/her duly authorised attorney or, if the appointer is a body corporate, signed by a duly authorised officer or its attorney or affixed with its common seal thereto.
4. A body corporate which is a member may also appoint by resolution of its directors or other governing body an authorised representative or representatives in accordance with its Constitution and Section 179 of the Companies Act, Chapter 50 of Singapore to attend and vote for and on behalf of such body corporate.
5. This instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof), must be deposited at the registered office of the Company at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832 not less than 48 hours before the time fixed for holding the EGM.
6. Please insert in the space provided 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 of the Company, 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, this instrument of proxy shall be deemed to relate to all the shares held by you.
7. The Company shall be entitled to reject this instrument of proxy if it is incomplete, not properly completed, or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of a member whose shares are deposited with the Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument of proxy lodged if such member is not shown to have shares entered against his/her name in the Depository Register 72 hours before the time fixed for holding the above EGM, as certified by CDP to the Company.
8. Agent Banks acting on the request of CPF Investors who wish to attend the EGM as Observers are required to submit in writing, a list with details of the investor's name, NRIC/Passport number, addresses and number of shares held. The list, signed by an authorised signatory of the agent bank, should reach the Company Secretary, at the Secretary's Office at 82 Ubi Avenue 4, #07-01 Edward Boustead Centre, Singapore 408832, not less than 48 hours before the time fixed for holding the EGM.
9. **PERSONAL DATA PRIVACY** By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM 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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) 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 or service providers) 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 or service providers), 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 or service providers) 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.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

