

**CIRCULAR DATED 31 MARCH 2016**

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

**If you are in any doubt about the contents of this Circular or the action 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 Megachem Limited (the “**Company**”) held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should immediately hand this Circular together with the enclosed proxy form to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this Circular.

This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms Tan Pei Woon, (tel: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.



**MEGACHEM LIMITED**  
(Company Registration No. 198803293M)  
(Incorporated in the Republic of Singapore)

## **CIRCULAR TO SHAREHOLDERS**

**in relation to**

### **THE PROPOSED ADOPTION OF THE INTERESTED PERSON TRANSACTIONS MANDATE**

*Independent Financial Adviser to the Audit Committee of the Company  
in relation to the Proposed Adoption of the Interested Person Transactions Mandate*



**SAC CAPITAL PRIVATE LIMITED**  
(Company Registration No. 200401542N)  
(Incorporated in the Republic of Singapore)

#### **IMPORTANT DATES AND TIMES:**

Last date and time for lodgement of Proxy Form	:	13 April 2016 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	15 April 2016 at 10:30 a.m. (or immediately following the conclusion or adjournment of the annual general meeting of the Company for the financial year ended 31 December 2015 to be held at 10:00 a.m. on the same day and at the same place)
Venue of Extraordinary General Meeting	:	11 Tuas Link 1 Singapore 638588

---

## TABLE OF CONTENTS

---

	Page
<b>DEFINITIONS</b> .....	3
 <b>LETTER TO SHAREHOLDERS</b>	
1. INTRODUCTION.....	6
2. THE PROPOSED IPT MANDATE.....	6
3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS.....	13
4. OPINION OF THE INDEPENDENT FINANCIAL ADVISER IN RESPECT OF THE PROPOSED IPT MANDATE.....	13
5. ABSTENTION FROM VOTING.....	14
6. STATEMENT OF THE AUDIT COMMITTEE.....	14
7. DIRECTORS' RECOMMENDATIONS.....	14
8. EXTRAORDINARY GENERAL MEETING.....	14
9. ACTION TO BE TAKEN BY SHAREHOLDERS.....	15
10. DIRECTORS' RESPONSIBILITY STATEMENT.....	15
11. INSPECTION OF DOCUMENTS.....	15
 <b>APPENDIX I: LETTER FROM SAC CAPITAL PRIVATE LIMITED TO THE AUDIT COMMITTEE IN RELATION TO THE PROPOSED ADOPTION OF THE INTERESTED PERSON TRANSACTIONS MANDATE</b> .....	 16
 <b>NOTICE OF EXTRAORDINARY GENERAL MEETING</b> .....	 19
 <b>PROXY FORM</b>	

---

## DEFINITIONS

---

In this Circular and the Appendix hereto, the following definitions apply throughout except where the context otherwise requires:

- “AGM”** : The annual general meeting of the Company.
- “associated company”** : A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group.
- “Audit Committee”** : The audit committee of the Company for the time being. As at the date of this Circular, the Audit Committee comprises Mr Chan Kam Loon, Mr Lee Bon Leong and Dr Tay Kin Bee.
- “Board”** : The Board of Directors of the Company as at the date of this Circular.
- “Catalist Rules”** : Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time.
- “CDP”** : The Central Depository (Pte) Limited.
- “Circular”** : This circular to Shareholders dated 31 March 2016.
- “Companies Act”** : Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time.
- “Company”** : Megachem Limited.
- “Constitution”** : The memorandum of association and/or articles of association of the Company as amended, supplemented or modified from time to time.
- “Controlling Shareholder”** : A person who:
- (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or
  - (b) in fact exercises control over the Company.
- “Country Managers”** : Each of the managers who oversees the operation of an entity of the Group from time to time for the purpose of approving an IPT.
- “EGM”** : The extraordinary general meeting of the Company to be convened and held at 11 Tuas Link 1 Singapore 638588 on 15 April 2016 at 10:30 a.m. (or immediately following the conclusion or adjournment of the AGM to be held at 10.00 a.m. on the same day and at the same place), notice of which is set out on page 19 of this Circular.
- “Executive Directors”** : The executive directors of the Company from time to time for the purpose of approving an IPT.
- “FY”** : Financial year ending or ended 31 December, as the case may be.
- “Group”** : The Company, its subsidiaries and (where applicable) its associated companies.

---

## DEFINITIONS

---

- “Group Purchasing Manager”** : The manager who oversees the purchasing of chemical products in the Group from time to time for the purpose of approving an IPT.
- “IPT”** : Has the meaning ascribed to it in section 1.1 of this Circular.
- “Latest Practicable Date”** : 14 March 2016, being the latest practicable date prior to the printing of this Circular.
- “Managing Director”** : The managing director of the Company from time to time for the purpose of approving an IPT.
- “Proposed IPT Mandate”** : Has the meaning ascribed to it in section 1.1 of this Circular.
- “SAC Capital”** : SAC Capital Private Limited, being the independent financial adviser to the Audit Committee in relation to the Proposed IPT Mandate.
- “Securities and Futures Act”** : Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time.
- “Securities Account”** : The securities account maintained by a depositor with CDP.
- “SGX-ST”** : The Singapore Exchange Securities Trading Limited.
- “Shareholders”** : Registered holders of Shares in the register of members of the Company, except that where CDP is the registered holder, the term **“Shareholders”** shall, in relation to such Shares, mean the Depositors who have Shares entered against their name in the Depository Register of CDP. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Account.
- “Shares”** : Ordinary shares in the share capital of the Company.
- “subsidiary” or “subsidiaries”** : Has the meaning ascribed to it in section 5 of the Companies Act.
- “Substantial Shareholder”** : A person who holds directly or indirectly 5% or more of the total issued share capital of the Company.
- “%” or “percent”** : Per centum or percentage.
- “S\$” or “cents”** : Singapore dollars and cents, respectively, being the lawful currency of the Republic of Singapore.

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

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.

---

## DEFINITIONS

---

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, the Securities and Futures Act, the Catalist Rules or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act, the Securities and Futures Act, the Catalist Rules or any statutory modification thereof, as the case may be.

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

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

---

## LETTER TO SHAREHOLDERS

---

**MEGACHEM LIMITED**  
(Company Registration No.: 198803293M)  
(Incorporated in the Republic of Singapore)

**Directors:**

Sidney Chew Choon Tee (Executive Chairman & Managing Director)  
Jeffrey Tan Bock Chia (Executive Director)  
Chan Kam Loon (Lead Independent Director)  
Lee Bon Leong (Independent Director)  
Tay Kin Bee (Independent Director)  
Atsushi Saito (Non-executive Director)

**Registered Office:**

11 Tuas Link 1  
Singapore 638588

31 March 2016

To: The Shareholders of Megachem Limited

Dear Sir/Madam

### THE PROPOSED ADOPTION OF THE INTERESTED PERSON TRANSACTIONS MANDATE

#### 1. INTRODUCTION

- 1.1 The Directors are proposing to convene an EGM to be held on 15 April 2016 to seek Shareholders' approval for the proposed general mandate pursuant to Chapter 9 of the Catalist Rules permitting companies within the Group, or any of them, to enter into the categories of interested person transactions as set out in section 2.5 of this Circular ("**IPTs**") with the specified classes of interested persons set out in section 2.4 of this Circular ("**Interested Persons**"), provided that such transactions are on normal commercial terms and will not be prejudicial to the interest of the Company and its minority Shareholders ("**Proposed IPT Mandate**").
- 1.2 The purpose of this Circular is to provide Shareholders with information relating to the Proposed IPT Mandate and to seek Shareholders' approval for the ordinary resolution relating to the same as set out in the notice of EGM on page 19 of this Circular.

#### 2. THE PROPOSED IPT MANDATE

##### 2.1 Background

The Group is engaged in the business of providing a one-stop specialty chemical solutions and integrated services including contract manufacturing tailored to customers' needs as well as distribution of specialty chemicals.

##### 2.2 Chapter 9 of the Catalist Rules

- 2.2.1 Chapter 9 of the Catalist Rules governs transactions in which a listed company or any of its subsidiaries or associated companies (known as an "**entity at risk**") enters into or proposes to enter into with a party who is an interested person of the listed company. The purpose is to guard against the risk that the interested persons could influence the listed company, its subsidiaries or associated companies to enter into transactions with the interested persons that may adversely affect the interests of the listed company or its shareholders.
- 2.2.2 Under Chapter 9 of the Catalist Rules, where there is a transaction between an interested person and an entity at risk, and the value of the transaction alone or in aggregation with other transactions conducted with the same interested person during the financial year reaches or exceeds certain materiality thresholds (which are based on the listed company's latest audited consolidated net tangible assets ("**NTA**"), unless the transaction is excluded as described below, the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval for the interested person transaction.

---

## LETTER TO SHAREHOLDERS

---

An immediate announcement is required for an interested person transaction of a value equal to, or exceeding:

- (a) 3% of the listed company's latest audited consolidated NTA; or
- (b) 3% of the listed company's latest audited consolidated NTA, when aggregated with the values of all other transactions entered into with the same interested person (as construed under Chapter 9 of the Catalist Rules) during the same financial year.

Shareholders' approval (in addition to an immediate announcement) is required for an interested person transaction of a value equal to, or exceeding:

- (a) 5% of the listed company's latest audited consolidated NTA; or
- (b) 5% of the listed company's latest audited consolidated NTA, when aggregated with the values of all other transactions entered into with the same interested person (as construed under Chapter 9 of the Catalist Rules) during the same financial year.

These requirements do not apply to transactions that are below S\$100,000 in value or certain transactions which qualify as excepted transactions under Chapter 9 of the Catalist Rules.

2.2.3 For illustrative purposes only, based on the latest audited consolidated financial statements of the Group for the FY2015, the consolidated audited NTA of the Group was S\$42,195,764. Accordingly, for the purpose of Chapter 9 of the Catalist Rules, during the current FY2016 and until such time as the audited consolidated financial statements of the Group for the current FY2016 are published, 3% and 5% of the latest audited consolidated NTA of the Group would be S\$1,265,873 and S\$2,109,788 respectively. Shareholders' approval is required where:

- (a) an interested person transaction is of a value equal to, or more than, approximately S\$2,109,788; or
- (b) an interested person transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, approximately S\$2,109,788.

2.2.4 Rule 920 of the Catalist Rules, however, allows a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or business) which may be carried out with the listed company's interested persons. A general mandate is subject to annual renewal.

2.2.5 For the purpose of Chapter 9 of the Catalist Rules:

- (a) an "**entity at risk**" means:
  - (i) the listed company;
  - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
  - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the "**listed group**"), or the listed group and its interested person(s), has control over the associated company;

---

## LETTER TO SHAREHOLDERS

---

- (b) an “**interested person**” means:
- (i) a director, chief executive officer, or controlling shareholder of the listed company; or
  - (ii) an associate of any such director, chief executive officer, or controlling shareholder;
- (c) an “**associate**”:
- (i) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
    - a. his immediate family;
    - b. 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
    - c. any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and
  - (ii) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more;
- (d) an “**approved exchange**” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles as Chapter 9 of the Catalist Rules;
- (e) an “**interested person transaction**” means a transaction between an entity at risk and an interested person; and
- (f) a “**transaction**” includes:
- (i) the provision or receipt of financial assistance;
  - (ii) the acquisition, disposal or leasing of assets;
  - (iii) the provision or receipt of services;
  - (iv) the issuance or subscription of securities;
  - (v) the granting of or being granted options; and
  - (vi) the establishment of joint ventures or joint investments;

whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities).

### 2.3 Rationale and Benefit to Shareholders

- 2.3.1 It is envisaged that the Group, in the ordinary course of its business, will, from time to time, have transactions with the Interested Persons. Such transactions would include (a) the purchase of chemicals and chemical related products from the Interested Persons by the Group, (b) the sale of chemicals and chemical related products to the Interested Persons by the Group and/or (c) the provision of contract manufacturing services to the Interested Persons by the Group.



---

## LETTER TO SHAREHOLDERS

---

2.3.2 Due to the recurrent nature of such commercial transactions, the obtaining of the Proposed IPT Mandate pursuant to Chapter 9 of the Catalist Rules, will enable the Group, in its ordinary course of business, to enter into the categories of transactions set out in section 2.5 of this Circular, with the Interested Persons, provided that such IPTs are made on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders.

2.3.3 The Proposed IPT Mandate and any subsequent renewal on an annual basis will facilitate entry into the IPTs with the Interested Persons in the ordinary course of the Group's business, and eliminate the need for the Company to announce and/or convene separate general meetings on each occasion to seek Shareholders' prior approval for the entry into of such transactions by the relevant entity in the Group with the Interested Persons. This will substantially reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficacy considerably, and allow manpower resources and time to be channelled towards attaining corporate objectives.

### 2.4 Classes of Interested Persons

The Proposed IPT Mandate will apply to the IPTs which are carried out with the following Interested Persons:

- (a) Chori Co., Ltd, a Controlling Shareholder of the Company which, as at the Latest Practicable Date, has a deemed interest of 29.99% in the issued share capital of the Company and holds its 39,976,670 Shares under the custodian account maintained with Citibank Nominees Singapore Pte. Ltd.; and
- (b) current and future associates of Chori Co., Ltd..

### 2.5 Nature and Scope of the Proposed IPT Mandate

2.5.1 The Proposed IPT Mandate will cover the IPTs, in the ordinary course of business, in relation to:

- (a) the purchase of chemicals and chemical related products from the Interested Persons by the Group;
- (b) the sale of chemicals and chemical related products to the Interested Persons by the Group; and
- (c) the provision of contract manufacturing services to the Interested Persons by the Group.

2.5.2 For the avoidance of doubt, the Proposed IPT Mandate does not cover transactions in respect of any purchase or sale of assets, undertakings or businesses.

2.5.3 The Proposed IPT Mandate will apply to any IPT within the categories set out in this section 2.5 of this Circular, regardless of its value.

2.5.4 Transactions with interested persons (including the Interested Persons) that do not fall within the ambit of the Proposed IPT Mandate will be subject to the requirements of Chapter 9 of the Catalist Rules and/or other applicable provisions of the Catalist Rules.

### 2.6 Validity Period of the Proposed IPT Mandate

The Proposed IPT Mandate is subject to Shareholders' approval at the EGM. If approved by the Shareholders at the EGM, the Proposed IPT Mandate will take effect from the date of the passing of the ordinary resolution as set out in the notice of EGM relating thereto, and will continue in force until the conclusion of the next AGM (unless revoked or varied by the Company in a general meeting), or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier. Approval from Shareholders will be sought for the renewal of the Proposed IPT Mandate at the next AGM, subject to satisfactory review by the Audit Committee of the continued requirement of the Proposed IPT Mandate and the continued sufficiency of the review procedures to ensure that the transactions with the Interested Persons will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

---

## LETTER TO SHAREHOLDERS

---

### 2.7 Disclosure

2.7.1 In accordance with the requirements of Chapter 9 of the Catalist Rules, the Company will:

- (a) disclose in the Company's annual report the aggregate value of transactions conducted with the Interested Persons pursuant to the Proposed IPT Mandate during the financial year (as well as in the annual reports for subsequent financial years that the Proposed IPT Mandate continues in force); and
- (b) announce the aggregate value of transactions conducted with the Interested Persons pursuant to the Proposed IPT Mandate for the financial periods that it is required to report on pursuant to Rule 705 of the Catalist Rules (which relates to interim and full year financial results reporting by listed companies) within the time required for the announcement of such report.

2.7.2 The names of the Interested Persons and the corresponding aggregate value of the IPTs will be presented in the following format in accordance to Rule 907 of the Catalist Rules:

<b>Name of Interested Person</b>	<b>Aggregate value of all IPTs during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under the Proposed IPT Mandate)</b>	<b>Aggregate value of all IPTs conducted under the Proposed IPT Mandate (excluding transactions less than S\$100,000)</b>
----------------------------------	---	---

### 2.8 Guidelines and Review Procedures for the IPTs under the Proposed IPT Mandate

#### 2.8.1 Review Procedure

The Group will establish the following review procedures to ensure that the IPTs under the Proposed IPT Mandate are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders and on terms which are generally no more favourable to the Interested Persons than those extended to unrelated third parties.

#### *Sale of Products and/or Provision of Contract Manufacturing Services*

- (a) The sale of products or provision of contract manufacturing services by the Group to the Interested Persons will be carried out at the prevailing market rates and on terms which are no more favourable to the Interested Person than the usual commercial terms extended by the Group to unrelated third party customers (including, where appropriate, preferential rates/ prices/ discounts accorded for high volume purchases) or otherwise in accordance with applicable industry norms.

Prior to the sale of products or provision of contract manufacturing services to an Interested Person, the terms of at least two (2) other recent sale transactions to unrelated third party customers for the same products or services, wherever possible, will be used as comparison to determine whether the transaction price and terms offered to the Interested Persons by the Group are fair and reasonable and comparable to those offered to the unrelated third parties. Other factors such as, but not limited to, delivery schedules to be met, quality and quantity of products ordered, credit terms, packing terms, reliability and credit worthiness of customer, freight cost, storage cost, production cost, potential for future business and rebates or discounts accorded, will also be taken into consideration.

---

## LETTER TO SHAREHOLDERS

---

- (b) In the event that it is not possible to obtain comparative quotes in the manner described above for the same product or service due to the nature of the product or service to be sold or provided (as applicable), the transaction price and terms of the products and services to be sold to the Interested Persons shall be determined in accordance with the Group's usual business practices and on normal commercial terms, taking into consideration factors such as, but not limited to, delivery schedules to be met, quality and quantity of products ordered, credit terms, packing terms, reliability and credit worthiness of customer, freight cost, storage cost, production cost, potential for future business and rebates or discounts accorded.

### *Purchase of Products*

- (a) Prior to the purchase of products from an Interested Person, the Group shall, wherever possible, obtain the quotations from at least two (2) unrelated third parties for the same product at similar quantities which will be used as a basis for comparison to determine whether the transaction price and terms offered by the Interested Persons to the Company are fair and reasonable and comparable to those offered by the unrelated third parties. Other factors such as, but not limited to, delivery schedules, quality and quantity of products, credit terms, packing terms, reliability of supplier, freight cost, storage cost, potential for future business and rebates or discounts accorded, will also be taken into consideration.
- (b) In the event that it is not possible to obtain comparative quotes in the manner described above due to the nature of the products to be purchased, the transaction price and terms of the products to be purchased from the Interested Persons shall be determined in accordance with the Group's usual business practices and on normal commercial terms, taking into consideration factors such as, but not limited to, market prices of similar or substitute products (or any other ways to access reasonableness of the purchase price), delivery schedules, quality and quantity of products, credit terms, packing terms, reliability of supplier, freight cost, storage cost, potential for future business and rebates or discounts accorded.

### 2.8.2 Approval

In addition to the review procedures set out in section 2.8.1 of this Circular above, the following approval procedures will be implemented:

- (a) the review and prior approval by the following persons in accordance with the Company's internal approval matrix is required for any IPT where the value thereof is less than S\$100,000.00:
- (i) a Country Manager or the Group Purchasing Manager (each having no interest, direct or indirect, in the IPT) in relation to any purchase of products; and
  - (ii) a Country Manager (having no interests, direct or indirect, in the IPT) in relation to any sale of products and provision of contract manufacturing services;
- (b) the review and prior approval of the Managing Director (having no interest, direct or indirect, in the IPT) is required for any IPT where the value thereof is equivalent to or greater than S\$100,000.00 but less than S\$300,000.00;
- (c) the review and prior approval of two (2) Executive Directors (which includes the Managing Director) (each having no interest, direct or indirect, in the IPT) is required for any IPT where the value thereof is equivalent to or greater than S\$300,000.00 but less than 3% of the Company's latest audited consolidated NTA; and
- (d) the review and prior approval of the Audit Committee is required for any IPT where the value thereof is equivalent to or greater than 3% of the Company's latest audited consolidated NTA.

---

## LETTER TO SHAREHOLDERS

---

Such review includes the examination of the transaction and its supporting documents or such other data deemed necessary by the Audit Committee. The Company will prepare the relevant information to assist them in their review.

The above approval thresholds are adopted after taking into account, *inter alia*, the nature, volume, recurrent frequency and transaction size as well as the Group's day-to-day operations, administration and businesses. The approval thresholds act as an additional safeguard to supplement the review procedures to be implemented for the IPTs under the Proposed IPT Mandate.

In the event that any person specified above (other than the Audit Committee) has an interest (direct or indirect) in any of the IPTs, he will abstain from any review or decision-making in respect of that particular IPT, and such review and approval process shall be undertaken by such other senior executive of the Company (who do not have any interest in the IPT) as designated by the Audit Committee from time to time for such purpose.

If a member of the Audit Committee has an interest (direct or indirect) in any of the IPTs, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction. The review and approval process will be undertaken by the remaining members of the Audit Committee.

### 2.8.3 Other Review Procedures

The Company will maintain a register of transactions carried out with the Interested Persons, including the IPTs entered into pursuant to the Proposed IPT Mandate (recording the basis, including (if available) the quotations obtained to support such basis, on which they were entered into) ("**IPT Register**"). Any discrepancies or significant variances (as determined by the Audit Committee) from the Group's usual business practices and pricing policies will be highlighted to the Audit Committee.

The Company will maintain a list of interested persons (which will be updated periodically) and will disseminate the list to the relevant staff of the companies within the Group to enable the identification of the interested persons.

The Audit Committee shall, at least on a half-yearly basis, periodically review the IPT Register to ensure that the IPTs are carried out on normal commercial terms and in accordance with the guidelines and review procedures under the Proposed IPT Mandate and the prevailing rules and regulations of the SGX-ST (in particular, Chapter 9 of the Catalist Rules). Interested person transactions which are not within the ambit of the Proposed IPT Mandate will be subject to Rules 905 and 906 of the Catalist Rules.

The Audit Committee shall also review from time to time such guidelines and review procedures to determine if they are adequate and/or commercially practicable in ensuring that IPTs are conducted on normal commercial terms and do not prejudice the interests of the Company and its minority Shareholders. Further, if during these periodic reviews by the Audit Committee, the Audit Committee is of the opinion that the methods or procedures for determining transaction prices and terms become inappropriate, it will, in consultation with the Board, take such actions as it deems proper to modify or implement further procedures and if it deems necessary, the Company will seek to obtain a fresh general mandate from the Shareholders pursuant to Chapter 9 of Catalist Rules.

The Audit Committee may request the Company to include a review of the IPTs, the guidelines and procedures in its internal audit plan.

If a member of the Audit Committee has an interest (direct or indirect) in any of the IPTs, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction. The review and approval process will be undertaken by the remaining members of the Audit Committee.

---

## LETTER TO SHAREHOLDERS

---

The Board shall have the overall responsibility for the determination of the review procedures with the authority to sub-delegate to individuals or committees within the Company as it deems appropriate.

### 3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Shares are set out below:

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Chew Choon Tee	45,995,316	34.51	444,296	0.33
Tan Bock Chia	24,639,483	18.48	–	–
Lee Bon Leong	100,000	0.08	–	–
Chori Co., Ltd	–	–	39,976,670	29.99
Toray Industries, Inc	–	–	39,976,670	29.99

**Notes:**

- (1) Chew Choon Tee is deemed to have an interest in the 444,296 Shares held in the name of his spouse, Liau Bin Bin, by virtue of section 7 of the Companies Act.
- (2) 9,330,000 Shares of Chew Choon Tee are held through nominees.
- (3) 10,000,000 Shares of Tan Bock Chia are held through nominees.
- (4) 39,976,670 Shares of Chori Co., Ltd are held under the custodian account of Chori Co., Ltd maintained with Citibank Nominees Singapore Pte. Ltd.
- (5) Deemed interest arising from 39,976,670 Shares held by Chori Co., Ltd. Toray Industries, Inc owns 51.25% of the issued share capital of Chori Co., Ltd.

### 4. OPINION OF THE INDEPENDENT FINANCIAL ADVISER IN RESPECT OF THE PROPOSED IPT MANDATE

- 4.1 SAC Capital has been appointed as the Independent Financial Adviser (“IFA”) to the Audit Committee of the Company, for the purposes of Chapter 9 of the Catalist Rules, to opine on whether the methods and procedures of the Company for determining transaction prices of the IPTs under the Proposed IPT Mandate, if strictly applied and adhered to, are sufficient to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.
- 4.2 Having considered, *inter alia*, the rationale and benefits of the Proposed IPT Mandate, the guidelines and review procedures of the Company for the IPTs and the role of the Audit Committee in enforcing the Proposed IPT Mandate, and subject to the qualifications and assumptions set out in the letter dated 31 March 2016 from the IFA to the Company in relation to the Proposed IPT Mandate (“**IFA Letter**”), the IFA is of the opinion that the guidelines and review procedures of the Company for determining transaction prices the IPTs under the Proposed IPT Mandate as set out in section 2.8 of this Circular, if strictly applied and adhered to, are sufficient to ensure that the IPTs will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.
- 4.3 A copy of the IFA Letter is reproduced and appended as Appendix I to this Circular. Shareholders are advised to read the IFA Letter carefully.

---

## LETTER TO SHAREHOLDERS

---

- 4.4 The IFA has given and has not withdrawn its consent to the issue of this Circular with the inclusion of its name, the IFA Letter and all references thereto in the form and context in which they appear in this Circular.

### 5. ABSTENTION FROM VOTING

- 5.1 In accordance with Rule 920(1)(b)(viii) of the Catalist Rules, the Interested Persons will abstain, and has undertaken to ensure that their associates will abstain, from voting at the EGM on the ordinary resolution relating to the Proposed IPT Mandate.
- 5.2 Further, the Interested Persons undertake to decline, and shall ensure that their associates decline to accept appointment as proxy(ies) to vote at the EGM on the ordinary resolution relating to the Proposed IPT Mandate from other Shareholders unless the Shareholder concerned shall have given specific instructions as to the manner in which his votes are to be cast at the EGM.

### 6. STATEMENT OF THE AUDIT COMMITTEE

Having reviewed, *inter alia*, the terms, rationale and benefits of the Proposed IPT Mandate, the Audit Committee confirms that it does not take a different view to the IFA in relation to the guidelines and review procedures of the Company for determining transaction prices of the IPTs under the Proposed IPT Mandate as set out in section 2.8 of this Circular, if strictly applied and adhered to, are sufficient to ensure that the IPTs will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

### 7. DIRECTORS' RECOMMENDATIONS

- 7.1 The Directors are of the opinion that the Proposed IPT Mandate is in the best interests of the Company and its minority Shareholders. Accordingly, they recommend that Shareholders vote in favour of the ordinary resolution (as set out in the notice of EGM) relating to the Proposed IPT Mandate to be proposed at the EGM.
- 7.2 The Directors, in rendering their recommendation, have not had regard to the specific investment objectives, financial situation, tax position or unique needs and constraints of any Shareholder. As different Shareholders would have different investment objectives, the Directors recommend that any individual Shareholder who may require advice in the context of his specific investment portfolio, should consult his stockbroker, bank manager, solicitor, accountant or other professional advisers.

### 8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 19 of this Circular, is being convened on 15 April 2016 at 10:30 a.m. (or immediately following the conclusion or adjournment of the AGM of the Company for the financial year ended 31 December 2015 to be held at 10:00 a.m. on the same day and at the same place) at 11 Tuas Link 1 Singapore 638588, for the purpose of considering and, if thought fit, passing, with or without any modifications, the ordinary resolution to approve the Proposed IPT Mandate as set out in this Circular.



---

## LETTER TO SHAREHOLDERS

---

### 9. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders will find enclosed with this Circular, the notice of the EGM and a proxy form.

#### 9.1 Appointment of Proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy or proxies to attend and vote at the EGM on their behalf are requested to complete, sign and return the Proxy Form enclosed in this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the office of the Company's share registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898, not less than forty-eight (48) hours before the time fixed for the EGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked and the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.

#### 9.2 When Depositor regarded as Shareholder

A Depositor shall not be regarded as Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register seventy-two (72) hours before the time appointed for holding the EGM, as certified by CDP to the Company.

### 10. 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 IPT Mandate, the Company, its subsidiaries and associated companies, 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.

### 11. INSPECTION OF DOCUMENTS

The following documents will be available for inspection at the Company's registered office at 11 Tuas Link 1, Singapore 638588 during normal business hours from the date hereof up to and including the date of the EGM:

- (a) the Constitution;
- (b) the annual report of the Company for the financial year ended 31 December 2015;
- (c) the IFA Letter; and
- (d) the letter of consent from the IFA referred to in section 4.4 of this Circular.

Yours faithfully

For and on behalf of the Board of  
**MEGACHEM LIMITED**

**Sidney Chew Choon Tee**  
Executive Chairman  
31 March 2016

---

## APPENDIX I

---

### LETTER FROM SAC CAPITAL PRIVATE LIMITED TO THE AUDIT COMMITTEE IN RELATION TO THE PROPOSED ADOPTION OF THE INTERESTED PERSON TRANSACTIONS MANDATE

#### SAC CAPITAL PRIVATE LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200401542N)

1 Robinson Road  
#21-02 AIA Tower  
Singapore 048542

31 March 2016

To: The Audit Committee of Megachem Limited

Mr. Chan Kam Loon  
Mr. Lee Bon Leong  
Dr. Tay Kin Bee

Dear Sirs

#### THE PROPOSED ADOPTION OF THE INTERESTED PERSON TRANSACTIONS MANDATE

*Unless otherwise defined or the context otherwise requires, all terms defined in the circular dated 31 March 2016 (the “Circular”) shall have the same meanings herein.*

#### 1. INTRODUCTION

Megachem Limited (the “**Company**”) wishes to seek the approval of the shareholders of the Company (the “**Shareholders**”) for the proposed adoption of a general mandate (the “**Proposed IPT Mandate**”) for interested person transactions (the “**IPTs**”) between the Company, its subsidiaries and (where applicable) its associated companies (collectively, the “**Group**”) and its interested persons, namely, Chori Co., Ltd. as well as current and future associates of Chori Co., Ltd. (collectively, the “**Interested Persons**”). The Proposed IPT Mandate will cover IPTs with the Interested Persons that relate to the purchase of chemicals and chemical related products from Interested Persons by the Group, the sale of chemicals and chemical related products to the Interested Persons by the Group and/or provision of contract manufacturing services to Interested Persons by the Group.

In this regard, the Company has appointed us as the independent financial adviser (the “**IFA**”) to the audit committee of the Company (the “**Audit Committee**”) in relation to the adoption of the Proposed IPT Mandate.

This letter, which sets out our evaluation of the review procedures under the Proposed IPT Mandate, will form part of the Circular to seek Shareholders’ approval for the adoption of the Proposed IPT Mandate.

#### 2. TERMS OF REFERENCE

We have been appointed as the IFA to the Audit Committee of the Company to express an opinion, for the purposes of Chapter 9 of the Listing Manual, on whether the methods and procedures of the Company in determining transaction prices of the IPTs, if strictly applied and adhered to, are sufficient to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.



---

## APPENDIX I

---

We were not privy to the negotiations entered into by the Company in relation to the transactions as contemplated under the Proposed IPT Mandate nor were we involved in the deliberations leading up to the decision of the directors of the Company (the “**Directors**”) to undertake the Proposed IPT Mandate. We do not, by this letter, warrant the merits of the Proposed IPT Mandate. We have also not conducted a comprehensive independent review of the business, operations or financial condition of the Group or any of the Interested Persons.

For the purposes of arriving at our opinion in respect of the Proposed IPT Mandate, we have considered the review procedures of the Company for determining transaction prices for the IPTs but have not evaluated, and have not been requested to comment on, the strategic or commercial merits or risks of the Proposed IPT Mandate or the prospects or earnings potential of the Group after the implementation of the Proposed IPT Mandate.

In the course of our evaluation, we have held discussions with the Directors and/or the management of the Company (the “**Management**”). We have relied on the information and representations, whether written or verbal, provided to us by the Directors and/or the Management, including information contained in the Circular. We have not independently verified such information or representations and accordingly cannot and do not warrant, and do not accept any responsibility for, the accuracy, completeness or adequacy of these information or representations. We have, however, made such reasonable enquiry and exercised such judgement (as deemed necessary) in assessing the information and representations provided to us and have found no reason to doubt the accuracy or reliability of such information or representations.

The Directors (including those who may have delegated detailed supervision of the Circular) have confirmed that, having made all reasonable enquiries and to the best of their knowledge and belief, (a) all material information available to them in connection with the Proposed IPT Mandate has been disclosed in the Circular; (b) such information is true and accurate in all material respects; and (c) there is no other information or fact, the omission of which would cause any information in the Circular to be inaccurate, incomplete or misleading in any material respect. Accordingly, no representation or warranty, expressed or implied, is made by us and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or facts.

Our opinion, as set out in this letter, is based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as of, 14 March 2016 (the “**Latest Practicable Date**”). Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion in the light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein.

**Our opinion in relation to the Proposed IPT Mandate should be considered in the context of the entirety of this letter and the Circular.**

The Company has been separately advised by its own advisers in the preparation of the Circular (other than this letter). We have had no role or involvement and have not provided any advice, financial or otherwise, in the preparation, review and verification of the Circular (other than this letter). Accordingly, we accept no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this letter).

### **3. THE PROPOSED IPT MANDATE**

#### **3.1 Rationale for and benefits of the Proposed IPT Mandate**

The rationale for and benefits of the Proposed IPT Mandate are set out in section 2.3 of the Circular, and Shareholders are advised to read the information carefully.

---

## APPENDIX I

---

### 3.2 Classes of Interested Persons

The classes of Interested Persons are set out in section 2.4 of the Circular, and Shareholders are advised to read the information carefully.

### 3.3 Categories of IPTs

The categories of IPTs under the Proposed IPT Mandate are set out in section 2.5 of the Circular, and Shareholders are advised to read the information carefully.

### 3.4 Validity of the Proposed IPT Mandate

The validity of the IPT Mandate is set out in section 2.6 of the Circular, and Shareholders are advised to read the information carefully.

### 3.5 Guidelines and Review Procedures for the IPTs under the Proposed IPT Mandate

The guidelines and review procedures, including the approval thresholds, for the IPTs under the Proposed IPT Mandate, are set out in section 2.8 of the Circular, and Shareholders are advised to read the information carefully.

## 4. OUR OPINION

Having considered, *inter alia*, the rationale for and benefits of the Proposed IPT Mandate, the guidelines and review procedures of the Company for the IPTs and the role of the Audit Committee in enforcing the Proposed IPT Mandate, we are of the opinion that the methods and procedures in determining transaction prices of the IPTs as set out in section 2.8 of the Circular, if strictly applied and adhered to, are sufficient to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

Our opinion is addressed to the Audit Committee in connection with and for the purposes of its consideration of the Proposed IPT Mandate. The recommendation to be made by the Audit Committee to the Shareholders shall remain the sole responsibility of the Audit Committee. Whilst a copy of this letter may be reproduced in the Circular, neither the Company nor the Directors may reproduce, disseminate or quote this letter (or any part thereof) for any other purposes at any time and in any manner without the prior written consent of SAC Capital Private Limited in each specific case, except for the forthcoming EGM and for the purposes of the Proposed IPT Mandate.

Our opinion is governed by and shall be construed in accordance with the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully  
For and on behalf of  
**SAC CAPITAL PRIVATE LIMITED**

Bernard Lim  
Partner

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---

**MEGACHEM LIMITED**  
(Company Registration No.: 198803293M)  
(Incorporated in the Republic of Singapore)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

*Unless otherwise defined, all capitalised terms herein shall bear the same meaning as used in the circular to the shareholders of Megachem Limited dated 31 March 2016 (“Circular”).*

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (“**EGM**”) of Megachem Limited (“**Company**”) will be held at 11 Tuas Link 1 Singapore 638588 on 15 April 2016 at 10:30 a.m. (or immediately following the conclusion or adjournment of the annual general meeting of the Company for the financial year ended 31 December 2015 to be held at 10:00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without any modifications, the resolution set out below:

#### **ORDINARY RESOLUTION**

##### **THE PROPOSED IPT MANDATE**

THAT:

- (a) approval be and is hereby given for the purposes of Chapter 9 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**Chapter 9**”), for the Company, its subsidiaries and associated companies (if any) that are considered to be “entities at risk” under Chapter 9, or any of them, to enter into the IPTs with the Interested Persons, provided that such transactions are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders and in accordance with the Company’s review procedures for such IPTs (“**Proposed IPT Mandate**”);
- (b) the Proposed IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier; and
- (c) the directors of the Company and each of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or each of them may consider expedient, necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company.

BY ORDER OF THE BOARD  
MEGACHEM LIMITED

**Kwok Hwee Peng**  
**Toon Choi Fan**  
Company Secretaries  
31 March 2016

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---

**Notes:**

- (1) Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Chapter 50, a member of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies in his stead. Relevant Intermediary is entitled to appoint more than two proxies to attend and vote in the EGM.
- (2) A proxy need not be a member of the Company.
- (3) If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- (4) The instrument appointing a proxy must be deposited at the office of the Company's share registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898 not later than forty-eight (48) hours before the time appointed for the EGM.

**Personal Data Privacy:**

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

## PROXY FORM

### MEGACHEM LIMITED

(Company Registration No.: 198803293M)  
(Incorporated in the Republic of Singapore)

**IMPORTANT:**

1. Pursuant to Section 181(1C) of the Companies Act, Chapter 50, Relevant Intermediaries may appoint more than two proxies to attend, speak and vote at the Extraordinary General Meeting.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies.

### PROXY FORM

\*I/We \_\_\_\_\_ (Name) NRIC/Passport No\* \_\_\_\_\_

of \_\_\_\_\_

being a \*member/members of Megachem Limited ("Company"), hereby appoint(s):

Name	Address	NRIC / Passport No.	Proportion of Shareholdings to be represented by proxy (%)	
			No. of Shares	%

\*and/or

--	--	--	--	--

as \*my/our proxy/proxies to vote for \*me/us on \*my/our behalf at the Extraordinary General Meeting of the Company to be convened on 15 April 2016 at 10:30 a.m. (or immediately following the conclusion or adjournment of the annual general meeting of the Company for the financial year ended 31 December 2015 to be held at 10:00 a.m. on the same day and at the same place) at 11 Tuas Link 1 Singapore 638588 and at any adjournment thereof.

\*I/We direct \*my/our proxy/proxies to vote for or against the ordinary resolution to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion.

No.	Ordinary Resolution	For	Against
1.	The proposed adoption of the interested person transactions mandate		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2016

<b>Total Number of Shares Held</b>

\_\_\_\_\_  
Signature(s) of Member(s)/ Common Seal

*\*Delete accordingly*

**IMPORTANT: PLEASE READ NOTES OVERLEAF**



---

## PROXY FORM

---

### Notes:

- (1) Except for a member who is a Relevant Intermediary as defined under section 181(6) of the Companies Act, Chapter 50, a member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Such proxy need not be a member of the Company.
- (2) Where a member of the Company appoints two (2) proxies, he should specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy.
- (3) Pursuant to section 181(1C) of the Companies Act, Chapter 50, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
- (4) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
- (5) A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Extraordinary General Meeting, in accordance with its Constitution and Section 179 of the Companies Act, Chapter 50.
- (6) The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the office of the Company's share registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898, not less than forty-eight (48) hours before the time set for the Extraordinary General Meeting.
- (7) A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the register of members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the register of members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
- (8) The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the Extraordinary General Meeting as certified by The Central Depository (Pte) Limited to the Company.
- (9) A Depositor shall not be regarded as a member of the Company entitled to attend the Extraordinary General Meeting and to speak and vote thereat unless his name appears on the Depository Register seventy-two (72) hours before the time set for the Extraordinary General Meeting.
- (10) An investor who buys shares using CPF monies ("CPF Investors") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the Extraordinary General Meeting in person. CPF and SRS Investors who are unable to attend the Extraordinary General Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Extraordinary General Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Extraordinary General Meeting.

### PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the notice of the Extraordinary General Meeting dated 31 March 2016.

*This page has been intentionally left blank.*

