

Directors:

Mr Teo Hock Chwee (Chairman and Managing Director)
Ms Chiong Su Been (Executive Director and Chief Financial Officer)
Mr Lim Yian Poh (Lead Independent Director)
Mr Ling Chien Yien (Independent Director)
Mr Frank Leong Yee Yew (Independent Director)

Registered Office:

57 Pioneer Road
Singapore 628508

4 November 2015

To: The Shareholders of
T T J Holdings Limited

Dear Sir/Madam

RENEWAL OF THE SHARE PURCHASE MANDATE (THE “SHARE PURCHASE MANDATE”)

1. BACKGROUND

1.1 We refer to:

- (a) the Notice of Annual General Meeting of T T J Holdings Limited (the “**Company**”) dated 4 November 2015 (the “**Notice**”), accompanying the Annual Report of the Company for reporting year ended 31 July 2015 (the “**2015 Annual Report**”), convening the Annual General Meeting of the Company (the “**2015 AGM**”) which is scheduled to be held on 27 November 2015; and
- (b) Ordinary Resolution 8 in relation to the renewal of the Share Purchase Mandate under the heading “Special Business” set out in the Notice.

- 1.2 The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made in this Letter.

2. RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 The Existing Share Purchase Mandate

At the Annual General Meeting of the Company held on 28 November 2014, the Shareholders of the Company had approved the renewal of the Share Purchase Mandate to enable the Company to purchase or otherwise acquire ordinary shares in the capital of the Company (the “**Shares**”). As the Share Purchase Mandate will expire on the date of the forthcoming 2015 AGM, the Directors propose that the Share Purchase Mandate be renewed at the 2015 AGM.

2.2 Rationale for the Share Purchase Mandate

2.2.1 The purchase by a company of its issued shares is one of the ways in which the return on equity of the company may be improved, thereby increasing shareholder value. By obtaining a Share Purchase Mandate, the Company will have the flexibility to undertake purchases of Shares at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

2.2.2 The Share Purchase Mandate will also facilitate the return to the Shareholders by the Company of surplus cash (if any) which is in excess of the Group’s financial needs in an expedient and cost-effective manner.

2.2.3 The Directors further believe that Share purchases by the Company may help to mitigate short-term market volatility in the price of the Shares, off-set the effects of short-term speculation and bolster Shareholders' confidence.

2.2.4 Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full limit as authorised.

2.3 Authority and Limits of the Share Purchase Mandate

The authority and limitations placed on the purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate, if approved at the 2015 AGM, are summarised below:

2.3.1 Maximum Number of Shares

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate shall not exceed 10% of the number of its issued Shares as at the date of the last AGM held before the resolution authorising the Share Purchase Mandate is passed or as at the date on which the resolution authorising the Share Purchase Mandate is passed, whichever is the higher.

The Companies Act provides that any shares which are held as treasury shares will be disregarded for purposes of computing the 10% limit. As at the latest practicable date prior to the printing of this letter, being 23 October 2015 (the "**Latest Practicable Date**"), the Company hold 500,000 treasury shares.

Purely for illustrative purposes, on the basis of 349,500,000 Shares in issue (excluding treasury shares) as at the Latest Practicable Date and assuming that no further Shares are issued on or before the 2015 AGM, not more than 34,950,000 Shares (representing 10% of the Shares in issue as at that date) may be purchased or acquired by the Company pursuant to the proposed Share Purchase Mandate.

2.3.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, by the Company on and from the date of the forthcoming 2015 AGM at which the renewal of the Share Purchase Mandate is approved, up to the earliest of:

- (a) the date on which the next annual general meeting is or is required by law to be held;
- (b) the date on which the Share Purchases are carried out to the full extent mandated; or
- (c) the time when the authority conferred by the Share Purchase Mandate is revoked or varied by the Shareholders in general meeting.

The Share Purchase Mandate may be renewed at subsequent annual general meetings or extraordinary general meetings.

2.3.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares may be effected by the Company by way of:

- (a) on-market purchases ("**Market Purchases**"); and
- (b) off-market purchases, otherwise than on a securities exchange, in accordance with an "equal access scheme" as defined in Section 76C of the Companies Act ("**Off-Market Purchases**").

Market Purchases refer to purchases or acquisitions of Shares by the Company effected on the SGX-ST, through one or more duly licensed dealers appointed by the Company for the purpose.

In an Off-Market Purchase, the directors of the Company may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual, the Companies Act and other applicable laws and regulations, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An equal access scheme must, however, satisfy the following conditions:

- (a) 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;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers are the same, except that there shall be disregarded:
 - (i) differences in consideration attributable to the fact that the offers may relate to Shares with different accrued dividend entitlements;
 - (ii) (if applicable) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Under the Listing Manual, if the Company wishes to make an Off-Market Purchase, it will issue an offer document containing, *inter alia*, the following information to all Shareholders:

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

2.3.4 **Maximum Purchase Price**

The purchase price (excluding ancillary expenses such as brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for the Shares will be determined by the Directors of the Company. However, the purchase price to be paid for the Shares must not exceed the maximum price (“**Maximum Price**”) as set out below:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 115% of the Average Closing Price of the Shares,

in each case, excluding related expenses of the purchase or acquisition.

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five Market Days on which transactions in the Shares were recorded on the SGX-ST immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five-day period; and

“**date of the making of the offer**” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 Status of Purchased Shares or Acquired Shares

2.4.1 Under the Companies Act, a Share which is purchased or acquired by the Company may be:

- (a) held by the Company as a treasury Share; or
- (b) dealt with by the Company in the following manner:
 - (i) sold for cash;
 - (ii) transferred for the purposes of or pursuant to an employees' share scheme;
 - (iii) transferred as consideration for the acquisition of shares in or assets of another company or assets of a person;
 - (iv) cancelled; or
 - (v) sold, transferred or otherwise used for such other purposes as the Minister may by order prescribe.

2.4.2 The maximum number of treasury shares which may be held by the Company is as follows:

- (a) the Company if having only one class of shares shall not hold treasury shares exceeding 10% of the total number of such shares; or
- (b) the Company if having more than one class of shares shall not hold treasury shares of that class exceeding 10% of the total number of issued shares in that class at any time;

and in the event that the Company holds in its treasury more than 10% of the total number of issued shares in any class of its shares, it shall cancel the excess within six months or such further period as the Registrar may allow.

2.4.3 The Company shall not exercise any right in respect of the treasury shares, including:

- (a) the right to attend or vote at meetings; and
- (b) the right to receive dividend or any other distribution (in cash or otherwise) of its assets (including any distribution of assets to members on a winding up).

2.4.4 The Company may receive allotments of fully paid bonus shares in respect of its treasury shares and its treasury shares may be sub-divided or consolidated so long as the total value of the treasury shares after the subdivision or consolidation is the same as before the subdivision or consolidation.

2.5 Source of Funds

- 2.5.1 The Companies Act provides that any purchase or acquisition of Shares by the Company may be made out of its capital or profits, so long as it is solvent (i.e. the Company is able to pay its debts in full at the time which the share buy-back is being conducted and the value of its assets exceed its liabilities, including any contingent liability and will not after the proposed share buy-back become less than the value of its liabilities, including any contingent liability). The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such an extent that the financial position of the Group would be materially adversely affected.
- 2.5.2 The Company intends to use internal sources of funds or external borrowings to finance purchases or acquisitions of its Shares. The amount of funding required for the Company to purchase or acquire its Shares and the financial impact on the Company and the Group arising from such purchases or acquisitions of the Shares pursuant to the proposed Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time, and the amount (if any) borrowed by the Company to fund the purchases or acquisitions.

2.6 Financial Effects

- 2.6.1 Where the Company chooses to cancel any of the Shares it repurchased, it shall:
- (a) reduce the amount of its share capital where the Shares are purchased or acquired out of its capital;
 - (b) reduce the amount of its profits where the Shares are purchased or acquired out of its profits; or
 - (c) reduce the amount of its share capital and profits proportionately where the Shares are purchased or acquired out of both its capital and the profits,
- by the total amount of the purchase price paid by it for the Shares cancelled.
- 2.6.2 The consideration if paid by the Company out of its profits for the purchase or acquisition of Shares (including related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.
- 2.6.3 The financial effects on the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time, and the amount (if any) borrowed by the Group to fund the purchases or acquisitions.
- 2.6.4 Based on the number of issued Shares (excluding treasury shares) as at the Latest Practicable Date, the purchase by the Company of 10% of its issued Shares will result in the purchase or acquisition of 34,950,000 Shares.
- 2.6.5 Assuming the Company purchases or acquires the 34,950,000 Shares at the Maximum Price, the maximum amount of funds required (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) is:
- (a) in the case of Market Purchases of Shares, approximately S\$14,462,000 based on S\$0.4138 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares traded on the SGX-ST for the five consecutive Market Days immediately preceding the Latest Practicable Date); and
 - (b) in the case of Off-Market Purchases of Shares, approximately S\$15,839,000 based on S\$0.4532 for one Share (being the price equivalent to 15% above the Average Closing Price of the Shares traded on the SGX-ST for the five consecutive Market Days immediately preceding the Latest Practicable Date).

2.6.6 For illustrative purposes only, on the basis of the assumptions set out above, and based on the audited financial statements of the Group for the reporting year ended 31 July 2015, and assuming that:

- (a) the Share Purchase Mandate had been effective on the Latest Practicable Date; and
- (b) the purchases or acquisitions of Shares are financed solely by internal resources,

the financial effects of the purchase or acquisition of such Shares by the Company on the audited financial statements of the Group for the reporting year ended 31 July 2015 would have been as follows:

Market Purchases:

	The Group		The Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
As at 31 July 2015				
Shareholders' Funds (S\$'000)	128,682	114,220	36,983	22,521
NTA (S\$'000) ⁽¹⁾	128,682	114,220	36,983	22,521
Current Assets (S\$'000)	127,606	113,144	28,977	14,515
Current Liabilities (S\$'000)	21,655	21,655	1,142	1,142
Total Liabilities (S\$'000)	22,934	22,934	1,142	1,142
Cash and Cash Equivalents (S\$'000)	84,110	69,648	23,890	9,428
Number of Shares ('000)	349,500	314,550	349,500	314,550
Financial Ratios				
NTA per Share (cents)	36.82	36.31	10.58	7.16
EPS (cents) ⁽²⁾	4.45	4.94	N.A.	N.A.
Gearing (%) ⁽³⁾	0.18	0.20	0.03	0.05
Current Ratio (times) ⁽⁴⁾	5.89	5.22	25.37	12.71

Notes:

- ⁽¹⁾ NTA equals total equity less intangible assets and minority interests, if any.
- ⁽²⁾ EPS is computed based on FY2015 net profit attributable to ordinary shareholders of the Company divided by the number of shares.
- ⁽³⁾ Gearing equals total liabilities divided by shareholders' funds.
- ⁽⁴⁾ Current ratio equals current assets divided by current liabilities.

Off-Market Purchases:

	The Group		The Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
As at 31 July 2015				
Shareholders' Funds (S\$'000)	128,682	112,843	36,983	21,144
NTA (S\$'000) ⁽¹⁾	128,682	112,843	36,983	21,144
Current Assets (S\$'000)	127,606	111,767	28,977	13,138
Current Liabilities (S\$'000)	21,655	21,655	1,142	1,142
Total Liabilities (S\$'000)	22,934	22,934	1,142	1,142
Cash and Cash Equivalents (S\$'000)	84,110	68,271	23,890	8,051
Number of Shares ('000)	349,500	314,550	349,500	314,550
Financial Ratios				
NTA per Share (cents)	36.82	35.87	10.58	6.72
EPS (cents) ⁽²⁾	4.45	4.94	N.A	N.A
Gearing (%) ⁽³⁾	0.18	0.20	0.03	0.05
Current Ratio (times) ⁽⁴⁾	5.89	5.16	25.37	11.50

Notes:

- ⁽¹⁾ NTA equals total equity less intangible assets and minority interests, if any.
- ⁽²⁾ EPS is computed based on FY2015 net profit attributable to ordinary shareholders of the Company divided by the number of shares.
- ⁽³⁾ Gearing equals total liabilities divided by shareholders' funds.
- ⁽⁴⁾ Current ratio equals current assets divided by current liabilities.

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE PURELY FOR ILLUSTRATIVE PURPOSES ONLY. ALTHOUGH THE SHARE PURCHASE MANDATE WOULD AUTHORISE THE COMPANY TO PURCHASE OR ACQUIRE UP TO 10% OF THE ISSUED SHARES, THE COMPANY MAY NOT NECESSARILY PURCHASE OR ACQUIRE OR BE ABLE TO PURCHASE OR ACQUIRE THE ENTIRE 10% OF THE ISSUED SHARES. IN PARTICULAR, THE MAXIMUM NUMBER OF SHARES THAT THE COMPANY MAY PURCHASE UNDER THE SHARE PURCHASE MANDATE IS LIMITED TO THE EXTENT THAT THE COMPANY WILL REMAIN SOLVENT. THE DIRECTORS DO NOT INTEND TO EXERCISE THE PROPOSED SHARE PURCHASE MANDATE UP TO THE MAXIMUM LIMIT IF SUCH EXERCISE WOULD MATERIALLY AND ADVERSELY AFFECT THE FINANCIAL POSITION OF THE GROUP.

- 2.7 For illustrative purposes, it has been assumed that the purchases or acquisitions of Shares are financed solely by internal resources and in the event that there is a shortfall, the purchases and acquisitions are to be financed by long-term borrowings. Where the purchase or acquisition of Shares is financed through external borrowings or financing, there would also be an increase in the gearing ratios of the Group and the Company and a decline in the current ratios of the Group and the Company, with the actual impact dependent on, *inter alia*, the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

- 2.8 **Shareholders should note that the financial effects set out above are for illustration purposes only (based on the aforementioned assumptions). The actual impact will depend on, *inter alia*, the number and price of the Shares purchased or acquired (if any). In particular, Shareholders should note that the above analysis is based on the audited financial statements of the Group for the reporting year ended 31 July 2015 and is not necessarily representative of future financial performance.**
- 2.9 The Company may take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

3.0 Taxation

Pursuant to Sections 10I and 10J of the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”) where a company buys back its own shares and makes payment out of its contributed capital, it will not be regarded as a payment of dividend but a return of capital. Where a company buys back its own shares using its distributable profits, it is deemed as having paid a dividend to the shareholders from whom the shares are purchased or acquired.

3.01 *Share Purchase using distributable profits*

In relation to a Market Purchase, in the case of the Company (since it is listed on the SGX-ST), the Company may apply to the SGX-ST for a special trading counter for the purposes of effecting the Market Purchase, subject to the approval being obtained from Shareholders for the renewal of the Share Purchase Mandate at the 2015 AGM. Proceeds received by Shareholders who sell their Shares to the Company in Market Purchases through the special trading counter set up on the SGX-ST will, subject to the fulfillment of certain conditions by the Shareholders, be treated for income tax purposes, in the hands of the Shareholders as the receipt of dividend. This dividend is exempt from tax under the one-tier corporate system which became effective on 1 January 2003. Under the one-tier corporate system, resident companies pay a final income tax on their corporate profits and any distributions of dividends from their corporate profits will be exempt from tax in the hands of its shareholders.

Proceeds received by Shareholders who sell their Shares to the Company in Market Purchases through the normal ready counters will be treated for income tax purposes like any other disposal of shares and not as a dividend. Whether or not such proceeds are taxable in the hands of such Shareholders will depend on whether such proceeds are receipt of an income or a capital nature.

Proceeds received by Shareholders who sell their Shares to the Company in an Off-Market Purchase in accordance with the equal access scheme authorised by the Company, and such Shareholders are not transferees to whom Section 10N of the Income Tax Act applies, such proceeds will be treated for income tax purposes as the receipt of dividends and therefore exempt from tax in the hands of the Shareholders.

The above statements are general in nature and are based on certain aspects of current tax laws in Singapore which are in force as of the date of this letter and are subject to any changes in such laws, or in the interpretation of these laws occurring after the date of this letter, which changes could be made on a retroactive basis. These statements should not be regarded as a comprehensive description of all the tax considerations that may be relevant to a decision to vote in favour of or against the Share Purchase Mandate.

Shareholders should note that the foregoing is not to be regarded as advice on the tax position of any Shareholder. Shareholders who are in any doubt as to their respective tax positions or the tax implications of Share Purchases by the Company, or who may be subject to tax whether inside or outside of Singapore, should consult their own professional advisers.

3.1 Requirements in the Listing Manual

- 3.1.1 The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (i) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was effected, and (ii) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptances of the offer. The notification of such purchases or acquisitions to the SGX-ST shall be in such form, and shall include such details, as may be prescribed by the SGX-ST in the Listing Manual.
- 3.1.2 The Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time(s). However, as the Company would be regarded as an insider in relation to any proposed purchase or acquisition of its shares, it will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate in the following circumstances:
- (a) at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of a decision of the Board until the price-sensitive information has been publicly announced; and
 - (b) in the case of Market Purchases, during the period commencing one month immediately before the announcement of the Company's half-year or full-year results, as the case may be, and (if applicable) the period of two weeks before the announcement of the Company's other interim results, as the case may be.
- 3.1.3 The Listing Manual requires a company to ensure that at least 10% of equity securities (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is held by public shareholders. The "public", as defined under the Listing Manual, 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.
- 3.1.4 As at the Latest Practicable Date, there are approximately 52,285,000 Shares in the hands of the public, representing approximately 14.96% of the issued Shares of the Company (excluding treasury shares). Accordingly, the Company is of the view that there is, at present, a sufficient number of Shares held by public shareholders which would permit it to undertake purchases and acquisitions of its Shares up to 4.96% of its issued Shares pursuant to the proposed Share Purchase Mandate, without adversely affecting the listing status of its Shares on the SGX-ST. The Directors will use their best efforts to ensure that the Company does not effect a Share purchase if the Share purchase will result in the number of Shares remaining in the hands of the public to fall to such a level as to cause market illiquidity and/or adversely affect the listing status of the Company on the SGX-ST.

3.2 Certain Take-over Code Implications

3.2.1 *Obligation to Make a Take-over Offer*

Any resultant increase in the percentage of voting rights held by a Shareholder and persons acting in concert with him, following 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**"). Consequently, depending on the number of Shares purchased or acquired by the Company and the number of issued Shares at that time, a Shareholder or group of Shareholders acting in concert with each other could obtain or consolidate effective control of the Company and could become obliged to make a take-over offer under Rule 14.

3.2.2 **Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company. Unless the contrary is established, the following persons *inter alia*, will be presumed to be acting in concert, namely:

- (a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts); and
- (b) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with each other.

3.2.3 **Effect of Rule 14 and Appendix 2**

- (a) The circumstances under which Shareholders (including directors of the Company) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code. In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, directors of the Company and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such directors and their concert parties would increase to 30% or more, or, if the voting rights of such directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such directors and their concert parties would increase by more than 1% in any period of six months.
- (b) Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the directors of the Company will not be required to make a take-over offer under Rule 14 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 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the proposed Share Purchase Mandate.
- (c) As at the Latest Practicable Date, approximately 14.96% of the issued shares of the Company are in the hands of the public. Mr Teo Hock Chwee, who is a director as well as a Substantial Shareholder of the Company has an aggregate interest (both direct and indirect) of approximately 84.38% in the Company. Save for the aforesaid, the Company has no other Substantial Shareholders.
- (d) As Mr Teo Hock Chwee has an interest of 84.38% in the Company, the increase in his shareholding in the event the Company purchases the maximum number of Share permissible under the Share Buy-Back Mandate will not require him to make a general offer under Rule 14 of the Take-over Code.

Save as disclosed above, the Directors are not aware of any fact(s) or factor(s) which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interest in voting Shares should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase of Shares by the Company pursuant to the Share Purchase Mandate.

3.2.4 Shareholders who are in doubt as to their obligations, if any, to make a mandatory takeover offer under the Take-over Code as a result of Share Purchases by the Company are advised to consult their professional advisers and/or the Securities Industry Council and/or other relevant authorities at the earliest opportunity.

3.2.5 Advice to Shareholders

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 are advised to consult their professional advisers, the SIC or other relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any purchase or acquisition of Shares by the Company.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The direct and indirect interests of the Directors and the Substantial Shareholders in the Shares as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Director				
Teo Hock Chwee	34,900,000	9.99	260,000,000	74.39
Chiong Su Been	1,115,000	0.32	-	-
Lim Yian Poh	-	-	-	-
Ling Chien Yien	-	-	-	-
Leong Yee Yew	-	-	-	-

Substantial Shareholders (Other than Directors)

N. A.

Note:

⁽¹⁾ Percentages are based on the issued capital of the Company of 349,500,000 Shares (excluding treasury shares) as at the Latest Practicable Date.

As at the Latest Practicable Date, save as disclosed in this Circular, none of the Directors has any interest, direct or indirect, in the Proposed Transactions (other than by reason only of being a Director). As at the Latest Practicable Date, the Company has not received any notification from any of the Company's Substantial Shareholders that it has any interest, direct or indirect, in the Proposed Transactions (other than by reason of their shareholding interest in the Company).

5. NO PREVIOUS SHARE PURCHASES WITHIN THE LAST 12 MONTHS

The Company has not purchased any Shares in the 12 months immediately preceding the Latest Practicable Date, pursuant to the Share Purchase Mandate approved by the Shareholders at the Annual General Meeting held on 28 November 2014.

6. DIRECTORS' RECOMMENDATIONS

The Directors are of the opinion that the Share Purchase Mandate is in the interests of the Company and accordingly recommend that the Shareholders vote in favour of the Ordinary Resolution pertaining to the Share Purchase to be proposed at the 2015 AGM.

7. 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 Share Purchase Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

Yours faithfully

For and on behalf of the Board of Directors of
T T J HOLDINGS LIMITED

Teo Hock Chwee
Chairman and Managing Director