

CIRCULAR DATED 2 NOVEMBER 2017

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

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all your ordinary shares in the capital of T T J Holdings Limited (the “**Company**”), you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the enclosed proxy form immediately to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser or the transferee.

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



CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED DIVERSIFICATION INTO THE NEW BUSINESS OF WASTE MANAGEMENT AND TREATMENT

IMPORTANT DATES

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| Last date and time for lodgement of proxy form | : | 27 November 2017 at 3.30 p.m. |
| Date and time of Extraordinary General Meeting | : | 30 November 2017 at 3.30 p.m.
(or as soon as practicable following the conclusion or adjournment of the annual general meeting of the Company to be held on the same day and at the same place) |
| Place of Extraordinary General Meeting | : | 8 Wilkie Road, #03-08, Wilkie Edge,
Singapore 228095 |

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DEFINITIONS

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

- “Business”** : The waste management business of the Interested Prospective Partner and as set out in Section 2.7.1 (*Background on the Interested Prospective Partner*) of this Circular
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular dated 2 November 2017 in relation to the Proposed Diversification
- “Companies Act”** : The Companies Act, Chapter 50, of Singapore, as amended, modified or supplemented from time to time
- “Company”** : T T J Holdings Limited
- “Controlling Shareholder”** : A person who hold directly or indirectly 15% or more of all the voting shares in the Company unless the SGX-ST determines otherwise or a person who in fact exercises control over the Company, as defined under the Listing Manual
- “COO”** : Chief Operating Officer
- “Directors”** : The directors of the Company as at the date of this Circular
- “Dormitory Business”** : The Group’s business of operation of dormitories and as set out in Section 2.2.1 (*Existing Businesses of the Group*) of this Circular
- “EGM”** : The extraordinary general meeting of the Shareholders to be convened on 30 November 2017, notice of which is set out on pages 21 to 22 of this Circular
- “first major transaction”** : The first major transaction, as defined under Rule 1014 of the Listing Manual, undertaken by the Group involving the Proposed New Business
- “FY”** : Financial year ended or, as the case may be, ending 31 July
- “Group”** : The Company and its subsidiaries
- “Interested Prospective Partner”** : A prospective partner which the Group is currently in discussion with and as set out in Section 2.7.1 (*Background on the Interested Prospective Partner*) of this Circular
- “Latest Practicable Date”** : 19 October 2017, being the latest practicable date before the printing of this Circular
- “Listing Manual”** : The Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time
- “Loan”** : The loan provided to Mr Elavarasu Somasundaram by Mr Teo Hock Chwee in his personal capacity for the purposes of investing in the Business and as set out in Section 2.7.1 (*Background on the Interested Prospective Partner*) of this Circular
- “Notice of EGM”** : The notice of the EGM as set out on pages 21 to 22 of this Circular

“Proposed Diversification”	:	The proposed diversification by the Company into the Proposed New Business
“Proposed New Business”	:	The proposed new business of waste management and treatment, details of which are further set out in Section 2.3 (<i>Proposed New Business of the Group</i>) of this Circular
“Securities and Futures Act”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Persons (other than CDP) who are for the time being registered as holders of the Shares in the Register of Shareholders of the Company and Depositors whose direct securities accounts maintained with the CDP are credited with Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Structural Steel Business”	:	The Group’s business of design, supply, fabrication and erection of a wide spectrum of structural steelworks for use in the construction of buildings, factories, plants and infrastructure and as further described in Section 2.2.1 (<i>Existing Businesses of the Group</i>) of this Circular
“Substantial Shareholder”	:	A person who has an interest in voting Shares in the Company which carry not less than 5% of the total votes attached to all the voting shares in the Company
“S\$” and “cents”	:	Singapore dollars and cents respectively

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.

The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

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

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

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

Any discrepancies in figures included in this Circular between the amounts listed and their actual values are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

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 Leong Yee Yew (Independent Director)

Registered Office:

57 Pioneer Road
Singapore 628508

2 November 2017

To: The Shareholders of T T J Holdings Limited

Dear Sir/Madam

THE PROPOSED DIVERSIFICATION OF THE BUSINESS OF THE GROUP INTO THE NEW BUSINESS OF WASTE MANAGEMENT AND TREATMENT

1. INTRODUCTION

- 1.1 The Directors of the Company are proposing to convene an EGM to be held at 8 Wilkie Road, #03-08, Wilkie Edge, Singapore 228095 on 30 November 2017 at 3.30 p.m. (or as soon as practicable following the conclusion or adjournment of the annual general meeting of the Company to be held on the same day and at the same place) to seek Shareholders' approval for the proposed diversification of the business of the Group into the new business of waste management and treatment.
- 1.2 The purpose of this Circular is to provide Shareholders with information relating to the Proposed Diversification and to seek Shareholders' approval for the proposal as set out in the Notice of EGM.
- 1.3 The SGX-ST assumes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Circular.

2. THE PROPOSED DIVERSIFICATION

- 2.1 Shareholders' approval is being sought at the EGM for the Company to diversify into the Proposed New Business.

2.2 Existing Businesses of the Group

- 2.2.1 The Group's market capitalisation as at the Latest Practicable Date is approximately S\$125,750,000⁽¹⁾ with a net asset value of S\$131,885,000 based on the Group's latest audited accounts for the financial year ended 31 July 2017. The Group's primary business activities include (i) the design, supply, fabrication and erection of a wide spectrum of structural steelworks for use in the construction of buildings, factories, plants and infrastructure ("**Structural Steel Business**") and (ii) the operation of dormitories ("**Dormitory Business**"). It is widely acknowledged as one of the largest structural steel fabricators based in Singapore as, to the best of the Group's knowledge, it is one of the 13 steel fabricators operating in Singapore⁽²⁾ accredited with S1 grading, the highest grading

by the Singapore Structural Steel Society, with fabrication facilities both in Singapore and Malaysia. It has in the past, delivered steel structures for many iconic projects such as the MRT, Changi Airport Terminals 2 and 3, the Helix Bridge, SuperTrees at Gardens by the Bay, the Pinnacle @ Duxton and the Singapore New Supreme Court Building. The Group's Dormitory Business is based in Singapore and it currently does not operate any dormitories. The Company had on 30 August 2017 announced that it had entered into a termination agreement with effect from 31 August 2017 in relation to the operation of a dormitory situated at Upper Jurong Road. For further details on the abovementioned termination, please refer to the Company's announcement made on 30 August 2017. For further details on the Group's business activities, please refer to the Company's annual report for FY2017.

2.2.2 In FY2017 the Group's Structural Steel Business' revenue was approximately S\$76.2million, accounting for approximately 91.9% of the Group's total revenue.

2.2.3 After the Proposed Diversification, it is anticipated that the core business of the Group will continue to be anchored on its Structural Steel Business.

Notes:

(1) "Market capitalisation" is determined by multiplying the number of Shares in issue by the volume weighted average price of S\$0.3598 of the Company's Shares for trades done on SGX-ST as at the Latest Practicable Date.

(2) Steel Fabricators Accreditation Listing,
<http://www.ssss.org.sg/index.php?option=com_wrapper&view=wrapper&Itemid=66>

2.3 Proposed New Business of the Group

2.3.1 In their continued search for new business opportunities and to bring in more revenue and income streams to improve Shareholder value and return, the Directors have been exploring new and different business opportunities, for the Group, such as the Proposed New Business.

2.3.2 Subject to the approval of Shareholders being obtained at the EGM, the Group intends to diversify into the Proposed New Business in Asia as an initial starting point, as described below, as and when appropriate opportunities arise:

- (a) waste management and treatment-related activities such as the provision of sustainability-related solutions which, *amongst others*, may include waste-to-energy plants;
- (b) development, ownership and acquisition of such related technology;
- (c) ownership, construction, acquisition, operation and maintenance of waste management and treatment facilities; and
- (d) extraction, production and sale of waste-derived products such as refuse-derived fuel.

2.3.3 The size of such abovementioned facilities will differ based on the project requirement of each tender. The Group, will in the beginning, target such project tender(s) where the size of the investment shall not constitute a major transaction within the meaning of Rule 1014 of the Listing Manual. Purely for illustrative purposes only and based on the Group's unaudited financial statements for the third quarter ended 30 April 2017, the Group shall not enter into any project tender where the aggregate value of investment in such tender is more than \$30 million as compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares (Rule 1006(c) of the Listing Manual, being the applicable relative figure in such investments).

- 2.3.4 Notwithstanding any approval by Shareholders for the Proposed Diversification, where the Group enters into the first major transaction within the meaning of Rule 1014 of the Listing Manual, involving the Proposed New Business however, such transaction shall in any case be made conditional upon approval by Shareholders in a general meeting. Further information on the Listing Manual requirements are set out in Section 2.5 (*Chapters 9 and 10 of the Listing Manual*) of this Circular.
- 2.3.5 As part of the Proposed New Business, the Group also proposes to invest in, purchase or otherwise acquire or dispose of, from time to time, any such assets, investments and shares or interests in any entity that is in the Proposed New Business. Any business activities as aforesaid shall, upon approval of the Proposed Diversification by the Shareholders at the EGM, constitute part of the ordinary course of business of the Group. The Group may also explore the possibility of downstream projects in connection with waste management and treatment technology businesses that are complementary to or generate higher returns for the Proposed New Business.
- 2.3.6 As the Group does not currently have the necessary expertise to carry out the Proposed New Business, which is heavily reliant on proprietary technology, the Group will most likely enter into joint ventures and/or strategic alliances with third parties who have the relevant expertise, know-how and resources to carry out the Proposed New Business as and when the opportunity arises. The Group is currently in discussion with prospective partners but before entering into any such joint ventures, the Group will consider, *amongst others*, the nature and scale of the project, amount of investment required, risks associated with such an investment, nature of expertise required, market conditions, taking into account the opportunities available and the period of time and resources that is required to operate and manage the new venture. The Board will also commission independent third party professional(s) to prepare a feasibility study containing financial forecasts, risk analysis, market study, background of any main contractors or joint venture partners, funding needs, growth potential and projected returns of the project(s) concerned to decide on the nature and extent of the Group's investment in such project(s). Outcomes of such feasibility study would not be disclosed to Shareholders, but would be subject to review and approval by the Board. Where the Board, upon review of the feasibility study, is of the view that it is not in the interests of the Company to enter into the project, the Company will not enter into the project. In addition, the Board will review the risk exposure of the Proposed New Business annually. Whilst the Group currently does not have any intellectual property and does not have any prior experience managing intellectual property, in the event that the Group acquires any intellectual property, the Group will ensure that it will be acquired through irrevocable assignments, assignments or rights of a similar nature as safeguard. The Group will also seek advice from relevant professionals as and when necessary.
- 2.3.7 While the Group is currently looking at entering into the Proposed New Business in Asia, the Group does not plan to restrict the Proposed New Business to any specific geographical market as each project and investment will be evaluated and assessed by the Board on its merits. Before embarking on any joint venture, the Board will conduct the necessary risk assessment with assistance from professional parties where needed, and will also enter into feasibility studies. As and when the Company enters into new jurisdictions, it will seek the relevant legal and financial professional advice.

2.4 Rationale for the Proposed Diversification

2.4.1 *The Proposed Diversification is expected to enhance Shareholders' value*

The Proposed Diversification is part of the corporate strategy of the Group for long term growth to provide Shareholders with diversified returns. The Board believes that the Proposed Diversification will offer new business opportunities, provide the Group with additional and recurrent revenue streams and improve its prospects, so as to enhance Shareholders' value in the Company.

Notwithstanding the above, the Group remains focused on enhancing operational efficiency to improve the profitability of the Structural Steel Business.

2.4.2 There is a global demand for waste management and treatment

As the population in developing countries continue to grow, waste per capita rises as economies develop as well, and it is anticipated that lower income cities in Africa and Asia will double their municipal solid waste generation within 15 to 20 years, whilst waste per capita rates have doubled from 1970 to 2000 in developed countries.⁽¹⁾ Globally, two (2) billion tonnes of municipal solid waste and seven (7) to ten (10) billion tonnes of “urban” waste, including, *amongst others*, municipal solid waste and commercial and industrial waste, is generated each year.⁽¹⁾ As a result, there is a sizeable and urgent demand for efficient and environmentally-friendly waste management and treatment infrastructure. Accordingly, the Group intends to tap into the demand for its Proposed New Business.

2.4.3 The Proposed Diversification may be complementary to the Company’s existing core business

The Group intends to undertake construction of waste management and treatment facilities as part of the Proposed New Business, and accordingly, there may be synergy between the Group’s current core businesses and the Proposed New Business as the Group has experience in the construction industry. There is therefore much potential for the Group to take advantage of this potential synergy to benefit both its existing core business and the Proposed New Business.

2.4.4 Shareholders’ approval for the Proposed Diversification will provide a standing mandate to facilitate the undertaking of future similar transactions

Once Shareholders approve the Proposed Diversification, the Group may, in the ordinary course of business, after undertaking its first major transaction subject to Shareholders’ approval, in accordance with Rule 1014 of the Listing Manual, enter into transactions relating to the Proposed New Business without having to seek Shareholders’ approval. This can be done as long as such transactions do not change the Group’s risk profile, and will eliminate the need for the Company to convene separate general meetings on each occasion to seek Shareholders’ approval as and when potential transactions relating to the Proposed New Business arise. This will allow the Group greater flexibility to pursue business opportunities which may be time-sensitive in nature, and will substantially reduce the expenses associated with the convening of general meetings from time to time.

The Company, in accordance with Rules 1002 and 1014 of the Listing Manual and paragraphs 2 and 3 of Practice Note 10.1 of the Listing Manual, will in its normal course of business, be able to enter into any transactions relating to the Proposed New Business without the need for further Shareholders’ Approval even if such transactions constitutes a “**major transaction**” within the meaning of the Listing Manual. However, Shareholders’ approval would be required if these transactions change the risk profile of the Group.

2.4.5 In light of the above, the Board is of the view that the undertaking of the Proposed New Business is in the best interests of the Group and Shareholders.

Note:

⁽¹⁾ David C. Wilson et al., “Global Waste Management Outlook” (2015) United Nations Environment Programme and International Solid Waste Association.

2.5 **Chapters 9 and 10 of the Listing Manual**

As the Proposed New Business will involve a new business area in potentially new geographical markets which are substantially different from the Group’s existing core businesses as described in Section 2.2 (*Existing Businesses of the Group*) of this Circular, it is envisaged that the Proposed New Business will change the existing risk profile of the Group. Accordingly, an EGM will be convened by the Company to seek Shareholders’ approval to approve the Proposed Diversification.

Upon the approval by Shareholders of the Proposed Diversification, any acquisition which is in, or in connection with, the Proposed New Business, may be deemed to be in the Group's ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Listing Manual. Accordingly, the Group may, in its ordinary course of business, enter into transactions relating to the Proposed New Business which will not change the risk profile of the Group, in an efficient and timely manner without the need to convene separate general meetings from time to time to seek for Shareholders' approval as and when potential transactions relating to the Proposed New Business arise, even where they cross the threshold of a "major transaction", if the acquisition will result in an expansion of the Group's existing core business. As set out in the Listing Manual, the SGX-ST takes the view that it should not in normal circumstances require an issuer to seek shareholders' approval if the expansion is by way of an acquisition of a similar business, when other means to expand its business that are open to the issuer would not require shareholders' approval. This will reduce substantially the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Company.

Pursuant to Rule 1014 of the Listing Manual, a major transaction is a transaction (as defined in Rule 1002(1) of the Listing Manual) where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20% and must be made conditional upon approval by shareholders in a general meeting.

For the avoidance of doubt, notwithstanding the Proposed Diversification,:

- (i) where the Group enters into the first major transaction involving the Proposed New Business, or where the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20%, Rule 1014 of the Listing Manual will still apply to such transactions and such transactions, or the first major transaction, as the case may be, must be made conditional upon approval by Shareholders at a general meeting;
- (ii) where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 100% or results in a change in control of the Group, Rule 1015 of the Listing Manual will still apply to such transactions and such transactions must be, *amongst others*, made conditional upon approval by Shareholders at a general meeting;
- (iii) Practice Note 10.1 of the Listing Manual will apply to acquisitions or disposals of assets (including options to acquire or dispose assets) which will change the risk profile of the Company. Such transactions must therefore be, *amongst others*, made conditional upon approval by Shareholders at a general meeting; and
- (iv) where any transaction constitutes an "interested person transaction" as defined under the Listing Manual, Chapter 9 of the Listing Manual will apply to such a transaction and the Company will comply with the provisions of Chapter 9 of the Listing Manual. In particular, where any interested person transaction is of a value equal to or more than 3% of the Group's latest audited net tangible asset, or 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 3% of the Group's latest audited net tangible asset, the Group must make an immediate announcement of the interested person transaction. Where any interested person transaction is of a value equal to or more than 5% of the Group's latest audited net tangible asset, or 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 5% of the Group's latest audited net tangible assets, the Group must obtain shareholder approval of the interested person transaction.

2.6 Management of the Proposed New Business

2.6.1 The Board and senior management of the Group comprise individuals with varied qualifications and experience who will provide the strategic vision and policy on the Proposed New Business. In making their decisions, they will, where necessary and appropriate, seek the advice of reputable external consultants and experts. As the Group intends to engage in the Proposed New Business incrementally, it will monitor

developments and progress in the Proposed New Business and take the necessary steps to identify suitable candidates both from within the Group as well as externally to manage the Proposed New Business to take it forward as and when required. The Group currently does not have any intention to recruit external candidates. Any such person(s) appointed shall report to Mr Teo Hock Chwee, the founder, Chairman and Managing Director of the Group. Mr Teo has also had approximately 43 years of working experience, *amongst others*, managing the operation of businesses in the structural steel industry.

2.6.2 The Group currently intends to manage the Proposed New Business on its own, and may develop new technology in collaboration with other partners. In addition, the Group will evaluate the manpower and expertise required for the Proposed New Business and will as and when required hire suitably qualified personnel, external consultants, external industry experts and professionals for the Proposed New Business.

2.6.3 At the initial stage of its foray into the Proposed New Business, the Group intends to foster partnerships with various third parties in the waste management and treatment industry to assist it in undertaking the Proposed New Business more effectively and efficiently as the Group seeks to build its expertise and experience in this field. As part of the Proposed New Business, the Group intends to undertake development of products, processes and/or technologies to be registered as intellectual property rights in collaboration or partnership with such third parties. Such partnerships may be done either on a case by case basis or on a fixed term basis.

2.7 Background on the Interested Prospective Partner

2.7.1 Mr Elavarasu Somasundaram, the current Chief Operating Officer of the Company (“**COO**”) is a shareholder and director of a prospective partner which the Group is currently in discussion with (the “**Interested Prospective Partner**”). It is through Mr Elavarasu Somasundaram that the Company came to know of the Interested Prospective Partner, as Mr Elavarasu Somasundaram had been previously acquainted with the parties in the Interested Prospective Partner and therefore came to know of their waste management business (the “**Business**”). As Mr Elavarasu Somasundaram felt confident of the prospects of the Business, he sought the financial support of Mr Teo Hock Chwee, the founder, Chairman and Managing Director of the Company, to make an investment in the Business. Mr Teo, in his personal capacity, subsequently provided a loan to Mr Elavarasu Somasundaram (the “**Loan**”). Mr Elavarasu Somasundaram then made an investment in the Business in 2015 and subsequently formally became a shareholder of the Interested Prospective Partner in 2016.

2.7.2 As a silent investor, Mr Elavarasu Somasundaram does not run the Business and is merely a partner to the Interested Prospective Partner. He is therefore not required to divide his time between the two companies, and accordingly, works full-time in the Group. Mr Elavarasu Somasundaram is also independent and present on the board and as shareholder of the Interested Prospective Partner in his own personal capacity. Mr Elavarasu Somasundaram is not a nominee or associate of any of the directors or substantial shareholders of the Company. As Mr Teo had made a loan in his personal capacity to Mr Elavarasu Somasundaram, the latter had also invited Mr Teo, the founder, Chairman and Managing Director of the Group, to join him as director of the Interested Prospective Partner.

2.7.3 In the event that the Group ultimately decides to enter into a joint venture with the Interested Prospective Partner, it is intended that Mr Elavarasu Somasundaram will run and manage the Proposed New Business. Mr Elavarasu Somasundaram has engineering and project management experience of approximately 12 years and 16 years respectively, and it is envisioned that this will be necessary in managing any plants the Group may have under the Proposed New Business, as well as in developing technology in this respect. Further, as a silent investor in the Interested Prospective Partner, Mr Elavarasu Somasundaram has also come to know more and gained more knowledge about the Business and the waste management industry. Mr Elavarasu Somasundaram will, as an employee of the

Group, take and act only on instruction of the Group in respect of managing the joint venture company. At this point in time, Mr Elavarasu Somasundaram is first and foremost COO and an employee of the Group, and has agreed and undertaken to act in the best interests of the Company in such event. The Group will also decide whether Mr Elavarasu Somasundaram is able to remain COO of the Group and also run and manage the Proposed New Business at the same time. He will also remain as a non-executive director of the Interested Prospective Partner, but in any decision to be made by the Interested Prospective Partner in relation to the said joint venture, Mr Elavarasu Somasundaram will abstain in his capacity as director and shareholder from voting, as a safeguard.

2.7.4 In such event that the Group ultimately decides to enter into a joint venture with the Interested Prospective Partner, this will not constitute an “interested person transaction” as defined under the Listing Manual, as Mr Teo does not have any shareholding interests in the Interested Prospective Partner. Further he was invited to join the board of the Interested Prospective Partner as a non-executive director with neither control over the Interested Prospective Partner nor rights over management of the Interested Prospective Partner. Additionally, regardless of whether the Group ultimately decides to enter into such joint venture, Mr Teo only has rights over Mr Elavarasu Somasundaram in respect of repayment of the Loan and not the shares held by Mr Elavarasu Somasundaram in the Interested Prospective Partner.

2.7.5 In such event, the Board shall also commission independent third party professional(s) to prepare a feasibility study containing financial forecasts, risk analysis and market study on the project(s) with the Interested Prospective Partner. In the event that the Group decides to acquire Mr Elavarasu Somasundaram’s shareholdings in the Interested Prospective Partner, the Company will comply with the provisions of the Listing Manual.

2.8 Risk Factors Associated with the Proposed New Business

2.8.1 The Group could be affected by a number of risks that may relate to the Proposed New Business generally or risks that may relate to the countries in which the Proposed New Business is intended to be engaged. Risks may arise from, *amongst others*, economic, business, market and political factors, including the risks set out below. Shareholders should carefully consider and evaluate each of the following considerations and all other information contained in this Circular.

2.8.2 To the best of the Directors’ knowledge and belief, all risk factors which are material to Shareholders in making an informed decision on the Proposed Diversification into the Proposed New Business have been set out below. If any of the factors and/or uncertainties described below develops into actual events affecting the Proposed New Business, this may have a material and adverse impact on the Proposed New Business and consequently, the overall results of operations, financial condition and prospects of the Group could be similarly impacted. The risks described below are not intended to be exhaustive. New risk factors emerge from time to time, and it is not possible for the management to predict all risk factors, nor can the Group assess the impact of all factors on the Proposed New Business or the extent to which any factor, or combination of factors, may affect the Proposed New Business. There may also be other risks associated with entry into the Proposed New Business which are not presently known to the Group, or that the Group may currently deem immaterial and as such have not been included in the discussion below.

(a) *The Group may face competition from existing competitors and new market entrants in the Proposed New Business*

The Proposed New Business may be highly competitive, with strong competition from established industry participants who may have larger financial resources or a stronger track record. The Group may therefore not be able to provide comparable services at lower prices or respond more quickly to market trends than potential or existing competitors who may have larger financial resources and stronger track records. Further, new competitors may enter the industry resulting in increased

competition or saturation. There is no assurance that the Group can compete successfully against its existing or potential competitors now or in the future. To compete effectively, the Group will have to offer more competitive pricing or differentiate itself by adopting more creative marketing strategies. In the event that the Group is unable to do so, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

(b) *Technology is constantly improving and current technology may become obsolete*

In carrying out the Proposed New Business, the Group may develop or acquire technology for waste management and treatment. There is a variety of technologies and methods available for environmentally-friendly methods of waste management and treatment. The development and deployment of new technologies may also broaden the energy sources for power generation and may influence the supply and demand of existing types of power. New technology may result in lower costs of equipment, higher utilisation and operating efficiency, as well as more stable energy generation, and may render the technology developed or acquired by the Group uncompetitive or obsolete. The challenge for the Group is to keep abreast of technological changes and ensure the relevance of the technologies and businesses that the Group is engaged in. If the Group does not keep up with technological changes, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

(c) *Technology used by the Group may not be commercially successful*

In carrying out the Proposed New Business, the Group may develop or acquire technology for waste management and treatment. There is no assurance that such technology developed or acquired and subsequently used by the Group will be commercially successful. In such event, costs incurred by the Group in the construction and development of the waste management and treatment facilities for the utilization of the technology may not be recuperated. In such event, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

(d) *The Group may inadvertently infringe on third party intellectual property rights*

The Group may acquire intellectual property for the carrying out of the Proposed New Business. There is no assurance that such intellectual property in the technology for carrying out waste management and treatment or waste-to-energy solutions is adequately protected and it may be subject to claims of infringement by other parties. Third parties may also assert claims against the Group alleging the infringement of their intellectual property rights. Any litigation regarding patents or other intellectual property could be costly and time-consuming and could divert the Group's management and key personnel from the business operations. The complexity of the technology involved and the uncertainty of intellectual property litigation increase these risks. Claims of intellectual property infringement might also require the Group to enter into costly licence agreements or seek alternative suppliers. However, the Group may not be able to obtain licence agreements on terms acceptable to us, or at all. The Group may also be subject to significant damage or injunctions against the development and sale of certain of the Group's solutions and products. In such event, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

(e) *The Group may not be able to sufficiently protect its intellectual property rights*

The Group may develop products, processes and/or technologies for use in the Proposed New Business. There is no assurance that registrations of the products, processes and/or technologies as intellectual property rights will be granted or whether the registrations if granted, will be sufficient to protect the Group's intellectual property and exclude competitors with similar products. Even if the registrations are granted, the intellectual property rights conferred could still be eroded by third party infringement or revocation.

In the event that our intellectual property rights are infringed, the Group may have to incur significant litigation expenses and devote time and effort to enforce our rights. An infringement of the Group's intellectual property rights may adversely affect the Group's operations and financial position.

(f) *The Group has no prior track record and operating experience in the Proposed New Business*

As the Group does not have a proven track record in carrying out the Proposed New Business, there is no assurance that the Group's foray into the Proposed New Business will be commercially successful and that the Group will be able to derive sufficient revenue to offset the capital and start-up costs as well as operating costs arising from the Proposed New Business. The Proposed New Business may require high capital commitment and may expose the Group to unforeseen liabilities or risks associated with its entry into new markets and new businesses.

The Proposed New Business involves business risks including the financial costs of setting up new operations, capital investments and maintaining working capital requirements. If the Group does not derive sufficient revenue from or does not manage the costs of the Proposed New Business effectively, the overall financial position and profitability of the Group may be adversely affected.

The Group will also be exposed to the risks associated with a different competitive landscape and a different operating environment. In particular, the Group may be affected by factors affecting the market in the regions where the Group ventures into, such as general economic conditions, changes in interest rates and relevant government policies and measures.

The Group's future plans with regard to the Proposed New Business may not be profitable, may not achieve sales levels and profitability that justify the investments made and may take a long period of time before the Group could realise any return. The activities of the Proposed New Business may entail financial and operational risks, including diversion of the management's attention and difficulty in recruiting suitable personnel.

Further, such future plans and new initiatives could be capital intensive and could also result in potentially dilutive issuances of equity securities, the incurrence of capital commitments, debts and contingent liabilities as well as increased operating expenses, all of which may materially and adversely affect the financial performance of the Group. The Group may face significant financial risks before it can realise any benefits from its investments in the Proposed New Business. In such event, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

(g) *The Group may pursue business opportunities in businesses that are relatively new or that do not have a long track record*

The Group may decide to penetrate new market spaces by pursuing opportunities in incubator or start-up ventures that exploit new technologies. These businesses may not have an established track record and there is no guarantee that these technologies can be successfully monetised in the markets in which they operate. There are substantial risks to establishing and operating a new business, and as such there is no assurance that these businesses will be successful. In the event that these businesses fail or do not capture the desired market share or achieve the desired revenue streams, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

- (h) *The Group may not have the ability or sufficient expertise to execute the Proposed New Business*

The Group's ability to successfully diversify into the Proposed New Business is dependent upon its ability to adapt its existing knowledge and expertise, and to understand and navigate the Proposed New Business. There is no assurance that the Group will be able to hire and subsequently retain employees with relevant experience and knowledge. Especially where the technology used in the relevant business is still in its developmental stage, personnel with the appropriate expertise and experience may be difficult to recruit or costly to retain. Should the Group fail to engage and keep such personnel as employees, there may be an adverse effect on the Group's profitability.

The Group's ability to successfully diversify into the Proposed New Business is dependent upon its ability to adapt its existing knowledge and expertise and to understand and navigate through the Proposed New Business. There is no assurance that the Group's existing experience and expertise will be sufficient or relevant for the Proposed New Business. In the event that the Group is unable to adapt its existing skills to successfully implement its plans, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

While the Group has planned the Proposed Diversification based on the Group's understanding of the current market outlook and general economic situation, there is no assurance that such plans will be commercially successful or that the actual outcome of the Proposed Diversification will match the Group's expectations. In such event, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

- (i) *The Group may require financing to fund the Proposed Diversification*

The Proposed Diversification may entail setting up new waste management and/or treatment facilities in Singapore or overseas, in which case the availability of adequate financing is crucial to the Group's ability to undertake such projects. The Group plans to finance such projects using a combination of internal sources of funds and financial institution borrowings. The Group may also further tap on the capital markets to raise funds for the Proposed Diversification through equity and/or debt financing as and when necessary and deemed appropriate. The Group cannot assure that it will have sufficient funds at its disposal for the Proposed Diversification, be able to secure adequate financing, if at all, or obtain or renew credit facilities granted by banks and financial institutions for the projects in question. Furthermore, the incurrence of debt will increase the Group's financing costs and obligations and could result in operating and financial covenants imposed by financial institutions that restrict its operations and its ability to pay dividends to Shareholders. In such event, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

- (j) *The Group may be exposed to a range of economic risks relating to the Proposed New Business in the countries in which the Group may operate*

The performance of the Proposed New Business depends largely on the economic situation and the performance of the respective business industries of the Group's clients, and is dependent on the continued expansion of the economies of the countries in which the Group may operate. There is no assurance that the respective sectors in each of the countries in which the Group may operate will continue to grow. This may also affect the demand for the Group's products in the Proposed New Business adversely. The markets in each of the countries in which the Group may operate may be adversely affected by political, economic, regulatory, social or diplomatic developments affecting the respective sectors generally. Changes in inflation, interest rates, taxation or other regulatory, economic, social or political

factors affecting the countries in which the Group may operate, or any adverse developments in the supply, demand and prices of resources may have an adverse effect on the Group's business. This may also materially and adversely affect the Group's business operations, financial condition, results of operations and prospects.

- (k) *The Group may be subject to various government regulations, including environmental laws and regulations and restrictions under concession agreements, in the Proposed New Business*

The Proposed New Business may be subject to the laws and regulations of the territories in which the Group is exploring opportunities to expand into, including state laws. There is no assurance that the Group will be able to obtain all necessary licences and permits for the Proposed Diversification.

The Proposed New Business may be exposed to the risks posed by current and potential future regulations and legislation that apply to the industries in which the Group and its clients operate. While many countries have favoured and called for more efficient and cleaner waste management and treatment and greater use of clean and renewable energy, it is by no means a guarantee that a change in the government of the day in any of these countries would not bring about or reverse legislation put in place that were conducive and favourable to such green alternatives. Changes in the regulatory environment in countries in which the Group may operate in may have consequences for the Group, such as limiting the Group's ability to do business in a jurisdiction because of a change in laws or an imposition of trade barriers. Any such changes in the applicable laws and regulations, or in the regulatory conditions of the country, could result in higher compliance costs. There is no assurance that the Group will be able to meet all the regulatory requirements and guidelines, and failure to comply with the applicable laws and regulations may subject the Group to penalties, sanctions, fines, or have its licences or approvals revoked, all of which could adversely affect the Group's operations and financial performance.

Changes in the business environment for jurisdictions in which the Group may operate in may include delays in procuring the necessary relevant approvals, licenses or certificates from government bodies, changes in laws, regulations and policies in relation to waste management, fluctuations in demand for waste management solutions, and labour disputes. Such delays may result in the Group incurring additional costs, thus affecting the profitability of the Group. In such event, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

The Group's involvement in the waste management and treatment industry may also be subject to numerous environmental and health safety laws, regulations and other legal requirements enacted or adopted by the governments of the countries in which the Group may operate in. The costs associated with complying with these laws and the Group's environmental standards and procedures will impact the Group's production costs in managing and operating waste management and treatment facilities. Any failure by the Group to discharge its obligations could result in the imposition of fines and/or penalties, damage in reputation, delays in production and/or temporary or permanent closure of its operations.

As waste management and treatment is a key infrastructure service, it is likely to be highly regulated by governments in countries and Group may operate in, and the Group's operations may be subject to the Group obtaining concession agreements. Under these concession agreements, the Group may have to fulfil or comply certain stipulated conditions and restrictions. The failure of the Group to comply with the necessary obligations may result in the termination of the concession agreements. In such event, there may be a material adverse impact on the Group's business, financial condition, financial performance, results of operations and prospects.

- (l) *The Group may be exposed to risks associated with acquisitions, joint ventures and/or strategic alliances*

Depending on available opportunities, feasibility and market conditions, the Group's expansion into the Proposed New Business may involve acquisitions, joint ventures and/or strategic alliances with third parties in overseas markets that the Group may intend to focus on. There is no assurance that such acquisitions, joint ventures, strategic alliances and/or the joint management of such enterprises will be successful.

Participation in joint ventures, strategic alliances, acquisitions and/or other investment opportunities involves numerous risks, including the possible diversion of the management's attention and loss of capital or other investments deployed in such ventures, alliances, acquisitions and/or opportunities.

Furthermore, the Group may rely on its joint venture partners at the initial stage of its foray into the Proposed New Business and there is a risk that any of its joint venture partners may fail to perform by not possessing the adequate experience or skill set expected of them or experience financial or other difficulties which may affect their ability to carry out their contractual obligations, thus resulting in additional costs to the Group. In such events, the Group's business operations, financial condition, results of operations and prospects may be adversely affected.

- (m) *The Group may face risks associated with its contracts*

Where the Group is a party to various contracts, the Group will have various contractual rights in the event of non-compliance by a contracting party. However, no assurance can be given that all contracts to which the Group is a party to will be fully performed by all contracting parties. Additionally, no assurance can be given that if a contracting party does not comply with any contractual provision, the Group will be successful in enforcing compliance. There are also counterparty bankruptcy, insolvency, creditor, termination and operational risks. If any of these risks materialise, the Group's business, results of operations, financial condition and prospects may be adversely affected.

- (n) *The Proposed New Business may subject the Group to a number of operational and performance risks*

The Group may operate waste management and treatment facilities as part of the Proposed New Business. In such a situation, the Group's operations may be exposed to the risk of equipment failure, failure by employees to follow procedures and protocols as well as risks inherent in operating equipment and machinery, resulting in damage to or loss of any relevant machines, equipment or facilities required in a project or personal injury. A major operational failure could result in loss of life and/or serious injury, damage to or loss of machines, equipment or facilities and protracted legal disputes and damage to the Group's reputation. In the event of an operational or equipment failure, the Group may be forced to cease part or all of its operations and may also be subject to a penalty or incur extra costs or expenses in any dispute as a result of such operational or equipment failure. The Group's operations and financial condition may be materially and adversely affected depending on the extent of the impact of such operational risks.

- (o) *The Group may be subject to risks of late payment or non-payment by its clients*

The Group faces uncertainties over the timeliness of clients' payments and their solvency or creditworthiness in respect of purchases of the Group's waste management solutions or products. There is no assurance that the Group will be able to collect any payments on a timely basis, or at all. In the event that there are defaulting clients or a significant delay in collecting payments from customers, the Group may face stress on its cash flow and a material increase in bad and doubtful debts, which will have an adverse impact on the Group's financial performance.

- (p) *The Proposed New Business may be subject to the general risk of doing business overseas*

The Group does not plan to restrict the Proposed New Business to any specific geographical market. As such, the Group is subject to the general risk of doing business overseas. These general risks include unexpected changes in regulatory requirements, difficulty in staffing and managing foreign operations, social and political instability, fluctuations in foreign currency exchange rates, potentially adverse tax consequences, legal uncertainty regarding legal liability or enforcement of legal rights, tariffs and other trade barriers, variable and unexpected changes in local law and barriers to the repatriation of capital or profits, any which could materially affect the overseas operations of the Group. These risks, if materialised, may affect the Group's business, financial condition, results of operations and prospects.

In addition, if the governments of countries in which the Group may operate in tighten or otherwise adversely change their laws and regulations relating to the repatriation of their local currencies, it may affect the ability of the Group's overseas operations to repatriate profits to the Group and, accordingly, the cash flow of the Group may be adversely affected.

- (q) *The Group is exposed to foreign exchange transaction risks*

Foreign exchange may adversely affect the Group's financial position and operating results. The Group may conduct the Proposed New Business in various jurisdictions. The Group is therefore exposed to the effects of changes in foreign currency exchange rates. Unfavourable movements in these exchange rates may have an adverse effect on the Group's revenue and/or cost of operating.

- (r) *The Group's Shares may suffer from price fluctuation*

Securities listed on the stock market can experience extreme price and volume fluctuations that are often unrelated to the operating performances of companies. The market price of shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. The performance of the price of the Shares may be wholly unconnected to the outcome and results of the Proposed Diversification, in which case there is no guarantee that Shareholder value will be increased even with the successful undertaking of the Proposed Diversification. General factors that may affect the market price of the Shares include economic conditions in both Singapore and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Singaporean and foreign taxation laws, changes to the system of dividend imputation in Singapore and changes in exchange rates.

- (s) *The Group's operations may be subject to disruptions caused by uncontrollable and unforeseen events and influences*

The Group may operate waste management and treatment facilities as part of the Proposed New Business, and may face severe disruptions in operations, business management, production and transportation from events or circumstances not within its control. The following disruptions may happen over a sustained period of time, and can negatively impact the Group's financial condition and performance:

- (i) conflicts, wars, terrorism and other social disruptions;
- (ii) adverse weather and natural disasters including but not limited to floods;
- (iii) increased costs;

- (iv) unexpected delays from the engagement of third party contractors and service providers;
- (v) accidents or fires which may result in injuries, damages to critical equipment, power supply or infrastructure;
- (vi) increases in the costs of shipping and other forms of transportation;
- (vii) workers' strikes in the waste management and treatment facilities; and
- (viii) disruptions caused by members of the local community.

Any of the events or conditions above could materially and adversely affect the Group's business, financial condition, financial performance, results of operations and prospects.

2.9 Future Plans and Prospects

- 2.9.1 The Group remains committed in the continuance of its existing core business for as long as it remains viable. The entry into the Proposed New Business is intended to be a diversification of the Group's existing business as the Board believes that the Proposed Diversification would also allow the Group to have better prospects of profitability and ensure long term growth by enabling the Group to have access to new business opportunities which in turn could potentially enhance the return on the Group's assets and improve Shareholders' value in the long run.
- 2.9.2 The Group is optimistic that the general positive outlook of the Proposed New Business will enable the Group to benefit from the new ventures to be undertaken pursuant to the Proposed New Business.

2.10 Financing

- 2.10.1 The Group plans to finance the Proposed New Business using a combination of internal sources of funds, and financial institution borrowings and facilities. As announced on 25 September 2017, based on the Group's unaudited financial statements for full year ended 31 July 2017, the Group has S\$82,226,000 in cash and cash equivalents. As previously disclosed in Section 2.3 (*Proposed New Business of the Group*) of this Circular, the Group, in the beginning, intends to embark on projects where each of such projects will not constitute major transactions within the meaning of Rule 1014 of the Listing Manual.
- 2.10.2 While the Board is of the opinion that the aforesaid are sufficient to finance the Proposed New Business and there is no imminent need or present intention to raise additional funds for the Proposed New Business, the Group may consider tapping on the capital markets via rights issues or otherwise to raise funds for the Proposed New Business as and when necessary and deemed appropriate. The Company will make further announcements on such exercises at the appropriate time.

2.11 Financial Reporting

- 2.11.1 The Proposed New Business will be accounted for as a new business segment in the Group's financial statements in line with the Singapore Financial Reporting Standards and accordingly, the Group will disclose the financials results of the Proposed New Business with the Group's financial statements. The financial results of the Proposed New Business together with the Group's financial statements will be periodically announced pursuant to the requirements as set out in Chapter 7 of the Listing Manual. In these periodic announcements, the Group may provide segmented financial results relating to the Proposed New Business where appropriate or if required under any applicable accounting standards.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The direct and indirect interests of the Directors and 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⁾
<u>Directors</u>				
Teo Hock Chwee ⁽²⁾	39,900,000	11.42	255,000,000	72.96
Chiong Su Been	1,115,000	0.32	–	–
Lim Yian Poh	–	–	–	–
Ling Chien Yien	–	–	–	–
Leong Yee Yew	–	–	–	–
<u>Substantial Shareholder(s) (Other than Directors)</u>				
N.A.	–	–	–	–

Notes:

⁽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.

⁽²⁾ Mr Teo Hock Chwee's indirect interest in the Company arises from the Shares held in his securities account with sub-depository agents as his nominees.

As at the Latest Practicable Date, none of the Directors has any interest, direct or indirect, in the Proposed Diversification (other than by reason only of being a Director and through their respective shareholdings in the Company) save as disclosed in Section 2.7 (*Background on the Interested Prospective Partner*) of this Circular. 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 Diversification (other than by reason of their shareholding interest in the Company).

4. DIRECTORS' RECOMMENDATION

Having considered, *amongst others*, the rationale for the Proposed Diversification, the Directors are of the opinion that the Proposed Diversification is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Diversification as set out in the Notice of EGM, at the EGM.

5. 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 Diversification, 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.

6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out in this Circular, will be held at 8 Wilkie Road, #03-08, Wilkie Edge, Singapore 228095 on 30 November 2017 at 3.30 p.m. (or as soon as practicable following the conclusion or adjournment of the annual general meeting of the Company to be held on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without modifications the ordinary resolution set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM are requested to complete and sign the Proxy Form which is attached to this Circular in accordance with the instructions printed thereon and return it to the Company's registered office at 57 Pioneer Road, Singapore 628508 as soon as possible and in any event so as to arrive at the Company's registered office not less than 72 hours before the time fixed for the holding of the EGM. The completion and return of the Proxy Form by a member will not preclude him from attending the EGM and voting in person in place of his proxy should he subsequently wish to do so.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM to speak and vote thereat unless his name appears in the Depository Register, as certified by CDP as at 72 hours before the EGM.

8. INSPECTION OF DOCUMENTS

The following documents may be inspected at the registered office of the Company at 57 Pioneer Road, Singapore 628508 during normal business hours for three (3) months from the date of this Circular:

- (a) the constitution of the Company; and
- (b) the annual report of the Company for FY2017.

Yours faithfully

For and on behalf of
the Board of Directors of T T J Holdings Limited

Teo Hock Chwee
Chairman and Managing Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of T T J Holdings Limited will be held at 8 Wilkie Road, #03-08, Wilkie Edge, Singapore 228095 on 30 November 2017 at 3.30 p.m. (or as soon as practicable following the conclusion or adjournment of the annual general meeting of the Company to be held on the same day and at the same place) for the purpose of considering and, if thought fit, passing the following resolutions with or without any modifications:

AS ORDINARY BUSINESS

PROPOSED DIVERSIFICATION INTO THE NEW BUSINESS OF WASTE MANAGEMENT AND TREATMENT

That:

- (a) approval be and is hereby granted for the Company to diversify the business activities of the Company and its subsidiaries to include the business of waste management and treatment (including the provision of sustainability-related solutions, development, ownership and acquisition of related technology, ownership, construction, acquisition, operation and maintenance of waste management and treatment facilities and extraction, production and sale of waste-derived products) and any other activities necessary or desirable in connection therewith; and
- (b) the Directors of the Company (or any one of them) be and are hereby authorised to take such steps and do any and all such acts (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to the Proposed Diversification as they or he may deem fit, expedient or necessary to give effect to the matters contemplated by this resolution.

BY ORDER OF THE BOARD

Tan Swee Gek
Company Secretary

Singapore
2 November 2017

Important: Please read notes overleaf

NOTES:

- (1) A member entitled to attend and vote at the EGM is entitled to appoint a proxy or proxies to attend and vote on his/her behalf. A proxy need not be a member of the Company.
- (2) A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act, Cap. 50) is entitled to appoint one (1) or two (2) proxies to attend, speak and vote on his behalf at the EGM. Where a member appoints two (2) proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.
- (3) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act, Cap. 50) is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form 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.

The instrument appointing a proxy or proxies must be under the hand of the appointer or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 57 Pioneer Road, Singapore 628508 not less than 72 hours before the time appointed for holding the EGM.

A depositor shall not be regarded as a member of the Company entitled to attend, speak and vote at the EGM unless his name appears on the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Cap. 289) 72 hours before the time fixed 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 EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), 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.

IMPORTANT:

1. For investors who have used their CPF monies to buy shares in the Company, this Proxy Form is forwarded to them at the request of their CPF Approved Nominees.
2. This Proxy Form is not valid for use by such CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to vote should contact their CPF Approved Nominees.
4. Relevant intermediaries (as defined in Section 181 of the Companies Act, Cap. 50) may appoint more than two (2) proxies to attend, speak and vote at the EGM.

PROXY FORM

Extraordinary General Meeting

I/We _____ (Name)

of _____ (Address)

being a member/members of T T J Holdings Limited (the "Company") hereby appoint

Name	Address	NRIC/ Passport No.	Proportion of my/our shareholding	
			No. of shares	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of my/our shareholding	
			No. of shares	%

failing which, the Chairman of the Extraordinary General Meeting (the "EGM"), as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the EGM, to be held at 8 Wilkie Road, #03-08, Wilkie Edge, Singapore 228095 on 30 November 2017 at 3.30 p.m. (or as soon as practicable following the conclusion or adjournment of the annual general meeting of the Company to be held on the same day and at the same place), and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the EGM.

No.	Resolutions Relating To:	For	Against
1.	To approve the Proposed Diversification		

(Please indicate with a cross [X] in the space provided whether you wish your vote to be cast for or against the resolution as set out in the Notice of the EGM.)

Dated this _____ day of _____ 2017.

Total number of Shares held

--

 Signature of Member(s) or Common Seal

Important: Please read notes overleaf



NOTES:

- (1) Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Cap. 289 of Singapore), you should insert that number of Shares. If you have Shares registered in his name in the Register of Members of the Company, you should insert that number of Shares. If you have Shares registered in your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
- (2) A member who is not a relevant intermediary (as defined under Section 181 of the Companies Act, Cap. 50 of Singapore) is entitled to appoint one (1) or two (2) proxies to attend, speak and vote on his behalf at the EGM. Where a member appoints two (2) proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.
- (3) A member who is a relevant intermediary (as defined in Section 181 of the Companies Act, Cap. 50 of Singapore) is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's Proxy Form 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) A proxy need not be a member of the Company.
- (5) The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 57 Pioneer Road, Singapore 628508 at least 72 hours before the time of the EGM.
- (6) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter of power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
- (7) Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore.
- (8) The sending of a Proxy Form by a member does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.
- (9) The Company shall be entitled to reject a Proxy Form 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 Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
- (10) An investor who buys shares using CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the EGM in person. CPF and SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the EGM.

Personal Data Privacy:

By attending the EGM and/or any adjournment thereof or 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 EGM.