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If you have sold or transferred all of your shares in the capital of Uni-Asia Holdings Limited (the “**Company**”), you should immediately forward this Appendix together with the Notice of Annual General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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UNI-ASIA HOLDINGS LIMITED

Registration No: CR - 72229

(Incorporated in the Cayman Islands with limited liability on 17 March 1997)

APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING DATED 7 APRIL 2016

**Independent Financial Adviser to the Independent Directors
in relation to the Proposed Adoption of the Shareholders' Mandate
for Interested Person Transactions**



SAC Capital

SAC CAPITAL PRIVATE LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration Number: 200401542N)

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DEFINITIONS

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

“Annual General Meeting”	:	The annual general meeting of the Company to be held on 29 April 2016
“Approval Date”	:	The date of the forthcoming Annual General Meeting at which the renewal of the Share Purchase Mandate is proposed to be approved
“Audit Committee”	:	The audit committee of the Company, comprising Ang Miah Khiang, Lee Gee Aik, Ronnie Teo Heng Hock, Rajan Menon and Wu Kuang-hui
“Cayman Companies Law”	:	The Companies Law (2013 Revision) of the Cayman Islands
“CDP”	:	The Central Depository (Pte) Limited
“Code”	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
“Company”	:	Uni-Asia Holdings Limited, an exempted company incorporated with limited liability in the Cayman Islands
“Directors”	:	The directors of the Company from time to time
“EPS”	:	Earnings per Share
“Group”	:	The Company and its subsidiaries, collectively
“IFA”	:	SAC Capital Private Limited, being the independent financial adviser to the Independent Directors in relation to the proposed adoption of the Shareholders’ Mandate for Interested Person Transactions
“Independent Directors”	:	The Directors who are considered to be independent in relation to the proposed adoption of the Shareholders’ Mandate for Interested Person Transactions, being, as at the Latest Practicable Date, Michio Tanamoto, Masaki Fukumori, Ang Miah Khiang, Lee Gee Aik, Ronnie Teo Heng Hock, Rajan Menon and Wu Kuang-hui
“Latest Practicable Date”	:	24 March 2016, being the latest practicable date prior to the printing of this Appendix
“Listing Manual”	:	The listing manual of the SGX-ST, as amended and modified from time to time
“Listing Rules”	:	The listing rules of the SGX-ST as set out in the Listing Manual
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“NTA”	:	Total net assets less intangible assets

“Ordinary Resolution”	:	A resolution passed by a simple majority being greater than 50.0 per cent. or more of the total number of votes cast for or against such resolution at a meeting of Shareholders convened in accordance with the Articles of Association of the Company
“Relevant Period”	:	<p>The period on and from the date of the Annual General Meeting at which the Share Purchase Mandate is renewed up to:</p> <p>(a) the date on which the next annual general meeting of the Company is held or required by law or the Articles of Association of the Company to be held;</p> <p>(b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or</p> <p>(c) the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,</p> <p>whichever is the earliest, provided that the authority shall be valid for a period not exceeding 12 months from the passing of the resolution approving the renewal of the Share Purchase Mandate</p>
“Securities Accounts”	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Purchase Mandate”	:	The general and unconditional share purchase mandate to permit the Company to purchase Shares
“Shareholders”	:	Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares
“Shareholders’ Mandate” or “Shareholders’ Mandate for Interested Person Transactions”	:	The general mandate for interested person transactions pursuant to Chapter 9 of the Listing Manual
“Shares”	:	Ordinary shares in the capital of the Company
“Singapore Companies Act”	:	The Companies Act, Chapter 50 of Singapore
“Uni-Asia Performance Share Plan”	:	The Uni-Asia Performance Share Plan adopted by the Company on 29 April 2015

“ Uni-Asia Share Option Scheme ”	:	The Uni-Asia Share Option Scheme adopted by the Company on 26 June 2007
“%” or “ per cent. ”	:	Per centum
“ S\$ ”	:	The lawful currency of Singapore
“ US\$ ” or “ US cents ”	:	The lawful currency of the United States of America

The terms “**Depositor**” and “**Depository Agent**” shall have the meanings ascribed to them in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

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

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

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Singapore Companies Act or the Listing Manual or any statutory modification thereof and not otherwise defined in this Appendix shall have the same meaning assigned to it under the Singapore Companies Act or the Listing Manual or any statutory modification thereof, as the case may be.

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

Any discrepancies in figures included in this Appendix between the amounts listed and the totals thereof are due to rounding.

1. INTRODUCTION

- 1.1 Background.** The Company refers to Resolutions 10 and 11 of the Notice of Annual General Meeting of the Company. Resolutions 10 and 11 are Ordinary Resolutions to be proposed at the Annual General Meeting for (a) the proposed renewal of the Share Purchase Mandate (as defined in paragraph 2.1 below); and (b) the proposed adoption of the Shareholders' Mandate for Interested Person Transactions (as defined in paragraph 3.1 below), respectively.
- 1.2 Appendix.** The purpose of this Appendix is to provide Shareholders with information relating to Resolutions 10 and 11.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

- 2.1 Introduction.** At the extraordinary general meeting of the Company held on 29 April 2015 (the "2015 EGM"), Shareholders had, *inter alia*, authorised and approved the renewal of a general and unconditional share purchase mandate to permit the Company to purchase Shares for and on behalf of the Company from time to time (the "**Share Purchase Mandate**").

The rationale for, the authority and limitations on, and the financial effects arising from, the Share Purchase Mandate were set out in the Circular to Shareholders dated 7 April 2015. The Share Purchase Mandate was expressed to take effect on the date of the passing of the Ordinary Resolution relating thereto at the 2015 EGM and expire on the earliest of: (a) the date on which the next annual general meeting of the Company is held or required by law or the Articles of Association of the Company to be held; (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or (c) the date on which share purchases are carried out to the full extent mandated.

Accordingly, the Directors are proposing to seek the approval of Shareholders at the Annual General Meeting for the renewal of the Share Purchase Mandate.

- 2.2 Rationale for the renewal of the Share Purchase Mandate.** While it is not possible to anticipate in advance any specific circumstances in which the Directors might think it appropriate to purchase or acquire Shares, the Directors believe that the grant of a general and unconditional mandate to purchase or acquire Shares would give the Company the flexibility to undertake such purchases or acquisitions at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. The purchases or acquisitions may, depending on market conditions at the relevant time, lead to an enhancement of the net asset value and/or earnings per Share and would allow the Company to optimally allocate its resources and maximise share value.

In addition, purchases or acquisitions pursuant to the Share Purchase Mandate would continue to provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. It also allows the Directors greater flexibility to exercise control over the Company's share capital structure, dividend policy and cash reserves with a view to enhancing the earnings per Share and/or net asset value per Share. Shares purchased by the Company and held in treasury may also be transferred to any person, whether or not for valuable consideration, including for the purposes of or pursuant to employees' share schemes implemented by the Company. The use of treasury shares in lieu of issuing new Shares would also mitigate the dilution impact on existing Shareholders.

The Directors do not propose to carry out purchases or acquisitions pursuant to the Share Purchase Mandate to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Company.

- 2.3 Applicable Laws and Regulations.** As the Company is incorporated in Cayman Islands, it is not subject to the provisions of the Singapore Companies Act in respect of purchases or acquisitions of its own Shares. Any purchase or acquisition of Shares by the Company will have to be made in accordance with, and in the manner prescribed by the Articles of Association of the Company, the Cayman Companies Law, the Listing Rules and such other laws and regulations as may for the time being be applicable.

Under the Cayman Companies Law and the Articles of Association of the Company, the Company may purchase its own Shares for cancellation or acquire them as treasury shares, subject to compliance with the conditions set out in the Cayman Companies Law, such as satisfaction of the solvency test.

If Shares purchased are cancelled upon completion of the purchase, the amount of the Company's issued share capital shall be diminished by the nominal value of those Shares accordingly but the purchase of and subsequent cancellation of such Shares shall not be taken as reducing the amount of the Company's authorised share capital. All rights and privileges attached to purchased Shares expire on cancellation. Certificates in respect of purchased Shares will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase.

Shares which are subject to creation by the Company as treasury shares, instead of being cancelled, shall be held by the Company as treasury shares, subject to compliance with the conditions set out in the Cayman Companies Law. All rights and privileges attached to such treasury shares shall be subject to the provisions of the Cayman Companies Law and the Articles of Association of the Company. Shares purchased by the Company and held in treasury may also be transferred to any person, whether or not for valuable consideration, including for the purposes of or pursuant to employees' share schemes implemented by the Company.

Only funds legally available for purchasing or acquiring Shares in accordance with the Cayman Companies Law may be utilised. Under the Cayman Companies Law, any purchase or acquisition of Shares must be effected out of the capital paid-up on the Shares to be purchased or acquired or out of the funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for that purpose. Any premium payable on such purchase or acquisition of Shares over the par value of the Shares must be provided for out of the funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are purchased or acquired. The Company intends to utilise its internal funds for such share purchases.

2.4 Authority and Limits on the Share Purchase Mandate. The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Purchase Mandate, if renewed at the Annual General Meeting, are substantially the same as previously approved by Shareholders at the 2015 EGM and are summarised below:

2.4.1 Maximum Number of Shares

The Company will only purchase or acquire Shares which are issued and fully paid-up. The total number of Shares which may be purchased or acquired pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10 per cent. of the total number of issued Shares, excluding treasury shares, of the Company as at the date on which the Share Purchase Mandate is renewed at the Annual General Meeting (subject to any proportionate adjustments as may result from any capital subdivision and/or consolidation of the Company).

For illustrative purposes only: on the basis of 46,979,280 Shares in issue, excluding treasury shares, as at 24 March 2016 (the "**Latest Practicable Date**") and assuming no further Shares are issued on or prior to the Annual General Meeting at which the Share Purchase Mandate is renewed and before the expiry of the Relevant Period (as defined below), not more than 4,697,928 Shares (representing 10 per cent. of the total number of issued Shares, excluding treasury shares) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate during the Relevant Period.

In the event that (a) any of the options to subscribe for Shares granted or to be granted to an employee of the Group pursuant to the Uni-Asia Share Option Scheme ("**Options**") that have vested are exercised; and/or (b) any of the awards to acquire Shares granted or to be granted to an employee of the Group pursuant to the Uni-Asia Performance Share Plan

(“**Awards**”) that have vested are released, during the period between the Latest Practicable Date and the date of the Annual General Meeting, only those new Shares that are allotted and issued by the date of the Annual General Meeting (“**Approval Date**”) pursuant to the exercise of such vested Options and/or the release of such vested Awards will be taken into account for the purposes of determining the total number of Shares as at the Approval Date.

2.4.2 ***Duration of Authority***

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the Annual General Meeting at which the Share Purchase Mandate is renewed up to:

- (a) the date on which the next annual general meeting of the Company is held or required by law or the Articles of Association of the Company to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or
- (c) the date on which the purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest, provided that the authority shall be valid for a period not exceeding 12 months from the passing of the resolution approving the renewal of the Share Purchase Mandate (the “**Relevant Period**”).

2.4.3 ***Manner of Purchases or Acquisitions of Shares***

Purchases or acquisitions of Shares may be made by way of:

- (a) an on-market purchase (“**On-Market Purchase**”) transacted through the SGX-ST; and/or
- (b) an off-market purchase (“**Off-Market Purchase**”) effected pursuant to an equal access scheme (as defined in Section 76C of the Singapore Companies Act) as may be determined or formulated by the Directors as they consider fit, which scheme shall satisfy all the conditions prescribed by the Singapore Companies Act and the Listing Rules.

Under the Singapore Companies Act, an Off-Market Purchase effected in accordance with an equal access scheme must satisfy all of the following conditions:

- (i) the offers under the scheme are to be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons have a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers are the same except that there shall be disregarded:
 - a. differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
 - b. differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - c. differences in the offers introduced solely to ensure that each member is left with a whole number of Shares.

In addition, the Listing Rules provide that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which contains at least the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed share purchase;
- (4) the consequences, if any, of share purchases that will arise under the Code or other applicable takeover rules;
- (5) whether the share purchase, if made, could affect the listing of the Shares on the SGX-ST;
- (6) details of any share purchases made by the Company in the previous 12 months (whether On-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
- (7) whether the Shares purchased will be cancelled or kept as treasury shares.

2.4.4 **Maximum Purchase Price**

The purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share in the event of any share purchase shall be determined by the Directors, but in any event, shall not exceed the maximum price ("**Maximum Price**"), which:

- (a) in the case of an On-Market Purchase, shall mean the price per Share based on not more than five per cent. above the average of the closing market prices of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded immediately preceding the day of the On-Market Purchase and deemed to be adjusted for any corporate action occurring after such five market day period; and
- (b) in the case of an Off-Market Purchase, shall mean the price per Share based on not more than 20 per cent. above the average of the closing market prices of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded immediately preceding the day on which the Company makes an announcement of an offer under an equal access scheme.

2.5 **Singapore Take-over Implications.**

2.5.1 **Provisions under the Code**

Some of the provisions of the Code are summarised below:

- (a) Under Appendix 2 of the Code, an increase of a Shareholder's proportionate interest in the voting rights of the Company resulting from a share purchase by the Company will be treated as an acquisition for the purposes of Rule 14 of the Code.
- (b) Pursuant to Rule 14 of the Code, a shareholder and persons acting in concert with the shareholder will incur an obligation to make a mandatory takeover offer if, *inter alia*, he and persons acting in concert with him increase their voting rights in the company to 30 per cent. or more or, if they, together holding between 30 per cent. and 50 per cent. of the company's voting rights, increase their voting rights in the company by more than one per cent. in any period of six months.

- (c) 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 Code presumes certain persons to be acting in concert, namely, the following:
- (i) a company, its parent, its subsidiaries and fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights. For this purpose, ownership or control of at least 20 per cent. but not more than 50 per cent. of the voting rights of a company will be the test of associated company status;
 - (ii) a company with any of its directors (together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts);
 - (iii) a company with any of its pension funds and employee share schemes;
 - (iv) a person with any investment company, unit trust or other fund in respect of the portion which the person manages on a discretionary basis;
 - (v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser, and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10 per cent. or more of the client's equity share capital;
 - (vi) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
 - (vii) partners; and
 - (viii) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions, companies controlled by any of the above persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.
- (d) The effect of Rule 14 and Appendix 2 of the Code is that:
- (i) unless exempted, directors and persons acting in concert with them will incur an obligation to make a takeover offer if, as a result of the company purchasing or acquiring its own shares, the voting rights of such shareholders and their concert parties increase to 30 per cent. or more, or if such shareholders and their concert parties hold between 30 per cent. and 50 per cent. of the voting rights of the company, such voting rights increase by more than one per cent. in any period of six months; and
 - (ii) a shareholder not acting in concert with the directors will not be required to make a takeover offer if, as a result of the company purchasing or acquiring its own shares, the voting rights of such shareholder would increase to 30 per cent. or more or, or if such shareholder holds between 30 per cent. and 50 per cent. of the Company's voting rights, his voting rights increase by more than one per cent. in any period of six months as a result of the company buying back its shares. Such shareholder need not abstain from voting in respect of the resolution approving the renewal of the Share Purchase Mandate.

2.5.2 **Directors' and substantial Shareholders' Interest**

Based on the 46,979,280 Shares in issue, excluding treasury shares, as at the Latest Practicable Date, and assuming that:

- (a) there is no change in the total number of issued Shares between the Latest Practicable Date and the date of the Annual General Meeting;
- (b) the Company purchases or acquires 4,697,928 Shares being the maximum 10 per cent. of the total number of issued Shares, excluding treasury shares, as at the Latest Practicable Date under the Share Purchase Mandate; and
- (c) there is no change in the number of issued Shares held or deemed to be held by the Directors or the substantial Shareholders as set out in the table below,

the aggregate interest (direct and deemed) in Shares of the Directors and the substantial Shareholders as at the date of the Annual General Meeting and after the purchase or acquisition by the Company of 10 per cent. of the total number of issued Shares, excluding treasury shares, pursuant to the Share Purchase Mandate are as follows:

Name	Direct Interest (Number of Shares)	Deemed Interest (Number of Shares)	Before Purchase/ Acquisition (%)	After Purchase/ Acquisition (%)
<u>Directors</u>				
Michio Tanamoto (Chairman and Chief Executive Officer)	1,005,312	–	2.14	2.38
Masaki Fukumori (Executive Director and Chief Operating Officer)	962,220	–	2.05	2.28
Ang Miah Kiang (Lead Independent Non-Executive Director)	–	–	–	–
Lee Gee Aik (Independent Non-Executive Director)	–	–	–	–
Ronnie Teo Heng Hock (Independent Non-Executive Director)	–	–	–	–
Rajan Menon (Independent Non-Executive Director)	–	–	–	–
Wu Kuang-hui (Non-Executive Director)	–	–	–	–
<u>Substantial Shareholders</u>				
Yamasa Co., Ltd	–	15,721,411 ⁽¹⁾	33.46 ⁽¹⁾	37.18
Evergreen International S.A.	4,687,500	–	9.98	11.09

Note:

- (1) Shares registered in the name of DBS Vickers Securities (Singapore) Pte Ltd.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors will become obligated to make a mandatory offer in the event the Company purchases the maximum number of 4,697,928 Shares under the Share Purchase Mandate. Based on the Register of Substantial Shareholders of the Company as at the Latest Practicable Date, the Directors are not aware of any substantial Shareholder (together with persons acting in concert with them) who may become obligated to make a mandatory offer in the event

that the Company purchases the maximum number of 4,697,928 Shares under the Share Purchase Mandate. In this regard, Yamasa Co., Ltd has a shareholding interest of 33.46% in the Company as at the Latest Practicable Date, and each of the Directors has confirmed that he is not acting in concert with Yamasa Co., Ltd to obtain or consolidate effective control of the Company.

The Share Purchase Mandate is not intended to assist any Shareholder or its concert parties to obtain or consolidate effective control of the Company. The Directors will decide when, how many and on what terms to repurchase any Shares pursuant to the Share Purchase Mandate in the interests of the Company and its Shareholders as a whole, taking into account various commercial considerations such as the financial effects of the share purchases on the Company.

Notwithstanding the foregoing, Shareholders are advised to consult their professional advisers at the earliest opportunity as to whether an obligation to make a general offer would arise by reason of any share purchases or acquisitions by the Company.

- 2.6 Effect of the Share Purchase Mandate on the SGX-ST Listing.** Rule 723 of the Listing Manual requires a listed company to ensure that at least 10 per cent. of any class of its listed securities (excluding treasury shares, preference shares and convertible equity securities) must be held by the public. The term “public” is defined in the Listing Manual as persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of a company and its subsidiaries, as well as the associates of such persons. As at the Latest Practicable Date, approximately 51.34 per cent. of the total number of issued Shares are held by public shareholders. Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10 per cent. limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.
- 2.7 Details of Share Purchases.** The Company did not purchase or acquire any Shares during the 12-month period ended on the Latest Practicable Date, pursuant to the Share Purchase Mandate approved by the Shareholders at the 2015 EGM.
- 2.8 Financial Effects.** The financial effects on the Company and the Group arising from share purchases made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the number of Shares purchased or acquired and the price paid for such Shares.

As the consideration paid by the Company for a share purchase will only be made out of profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2015, are based on the assumptions set out below:

2.8.1 Number of Shares purchased or acquired

For illustrative purposes only, on the basis of 46,979,280 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the Annual General Meeting at which the Share Purchase Mandate is renewed and before the expiry of the Relevant Period, the exercise in full of the Share Purchase Mandate will result in the purchase or acquisition of 4,697,928 Shares, representing 10 per cent. of the Shares in issue as at that date.

2.8.2 *Maximum price to be paid for share purchases*

For illustrative purposes only, in the case of an On-Market purchase by the Company and assuming that the Company purchases or acquires 4,697,928 Shares at the Maximum Price of S\$1.232 per share (being five per cent. above the average of the closing market prices of the Shares for the five Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 4,697,928 Shares is approximately S\$5,787,847 (or approximately US\$4,224,706 after translation based on an exchange rate of US\$1.00 to S\$1.37).

For illustrative purposes only, in the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires 4,697,928 Shares at the Maximum Price of S\$1.408 per Share (being 20 per cent. above the average of the closing market prices of the Shares for the five Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 4,697,928 Shares is approximately S\$6,614,683 (or approximately US\$4,828,235 after translation based on an exchange rate of US\$1.00 to S\$1.37).

For illustrative purposes only, and based on the assumptions set out above, the financial effects of the share purchases pursuant to the Share Purchase Mandate on the audited accounts of the Company and the Group for the financial year ended 31 December 2015 as if the Share Purchase Mandate had been effective on 31 December 2015 are as follows:

(a) On-Market Purchases made entirely out of profits and held as treasury shares

	Group		Company	
	Before the Share Purchase US\$'000	After the Share Purchase US\$'000	Before the Share Purchase US\$'000	After the Share Purchase US\$'000
As at 31 December 2015				
Equity excluding treasury shares	140,174	140,174	111,306	111,306
Treasury shares	–	(4,225)	–	(4,225)
Total equity including treasury shares	140,174	135,949	111,306	107,081
NTA	140,105	135,880	111,306	107,081
Current assets	64,554	60,329	27,183	22,958
Current liabilities	61,803	61,803	14,300	14,300
Total borrowings	164,366	164,366	14,451	14,451
Cash and cash equivalents	30,334	26,109	8,051	3,826
Net profit/ (loss) attributable to owners of parent	2,696	2,696	2,440	2,440
Total number of issued Shares ('000)	46,979	42,281	46,979	42,281
Financial Ratios				
NTA per Share (US\$)	2.98	3.21	2.37	2.53
Gearing (%)	117.3%	120.9%	13.0%	13.5%
Current ratio (times)	1.04	0.98	1.90	1.61
EPS (US cents)	5.74	6.38	5.19	5.77

(b) Off-Market Purchases made entirely out of profits and held as treasury shares

	Group		Company	
	Before the Share Purchase US\$'000	After the Share Purchase US\$'000	Before the Share Purchase US\$'000	After the Share Purchase US\$'000
As at 31 December 2015				
Equity excluding treasury shares	140,174	140,174	111,306	111,306
Treasury shares	–	(4,828)	–	(4,828)
Total equity including treasury shares	140,174	135,346	111,306	106,478
NTA	140,105	135,277	111,306	106,478
Current assets	64,554	59,726	27,183	22,355
Current liabilities	61,803	61,803	14,300	14,300
Total borrowings	164,366	164,366	14,451	14,451
Cash and cash equivalents	30,334	25,506	8,051	3,223
Net profit/ (loss) attributable to owners of parent	2,696	2,696	2,440	2,440
Total number of issued Shares ('000)	46,979	42,281	46,979	42,281
Financial Ratios				
NTA per Share (US\$)	2.98	3.20	2.37	2.52
Gearing (%)	117.3%	121.4%	13.0%	13.6%
Current ratio (times)	1.04	0.97	1.90	1.56
EPS (US cents)	5.74	6.38	5.19	5.77

(c) On-Market Purchases made entirely out of profits and cancelled

	Group		Company	
	Before the Share Purchase US\$'000	After the Share Purchase US\$'000	Before the Share Purchase US\$'000	After the Share Purchase US\$'000
As at 31 December 2015				
Equity excluding treasury shares	140,174	135,949	111,306	107,081
Treasury shares	–	–	–	–
Total equity including treasury shares	140,174	135,949	111,306	107,081
NTA	140,105	135,880	111,306	107,081
Current assets	64,554	60,329	27,183	22,958
Current liabilities	61,803	61,803	14,300	14,300
Total borrowings	164,366	164,366	14,451	14,451
Cash and cash equivalents	30,334	26,109	8,051	3,826
Net profit/ (loss) attributable to owners of parent	2,696	2,696	2,440	2,440
Total number of issued Shares ('000)	46,979	42,281	46,979	42,281
Financial Ratios				
NTA per Share (US\$)	2.98	3.21	2.37	2.53
Gearing (%)	117.3%	120.9%	13.0%	13.5%
Current ratio (times)	1.04	0.98	1.90	1.61
EPS (US cents)	5.74	6.38	5.19	5.77

(d) Off-Market Purchases made entirely out of profits and cancelled

As at 31 December 2015	Group		Company	
	Before the Share Purchase US\$'000	After the Share Purchase US\$'000	Before the Share Purchase US\$'000	After the Share Purchase US\$'000
Equity excluding treasury shares	140,174	135,346	111,306	106,478
Treasury shares	–	–	–	–
Total equity including treasury shares	140,174	135,346	111,306	106,478
NTA	140,105	135,277	111,306	106,478
Current assets	64,554	59,726	27,183	22,355
Current liabilities	61,803	61,803	14,300	14,300
Total borrowings	164,366	164,366	14,451	14,451
Cash and cash equivalents	30,334	25,506	8,051	3,223
Net profit/ (loss) attributable to owners of parent	2,696	2,696	2,440	2,440
Total number of issued Shares ('000)	46,979	42,281	46,979	42,281
Financial Ratios				
NTA per Share (US\$)	2.98	3.20	2.37	2.52
Gearing (%)	117.3%	121.4%	13.0%	13.6%
Current ratio (times)	1.04	0.97	1.90	1.56
EPS (US cents)	5.74	6.38	5.19	5.77

Shareholders should note that the financial effects illustrated above are based on certain assumptions and purely for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical audited accounts of the Company and the Group for the financial year ended 31 December 2015 and is not necessarily representative of the future financial performance of the Company or the Group.

Although the Share Purchase Mandate would authorise the Company to purchase 10 per cent. of the total number of issued Shares, the Company may not necessarily purchase or be able to purchase the entire 10 per cent. of the total number of issued Shares, nor to such an extent that would materially and adversely affect the financial position of the Company or the Group.

Share purchases will only be effected after assessing the relative impact of a share purchase taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements) and non-financial factors (such as share market conditions and the performance of the Shares).

2.9 Listing Rules – Reporting Requirements.

Rule 886 of the Listing Manual provides that a listed company shall notify the SGX-ST of any share purchase as follows:

- in the case of an On-Market Purchase, by 9.00 a.m. on the Market Day following the day on which it purchases shares; and
- in the case of an Off-Market Purchase under an equal access scheme, by 9.00 a.m. on the second Market Day after the close of acceptances of the offer.

The notification of such share purchases to the SGX-ST shall be in such form and shall include such details as the SGX-ST may prescribe, such as the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable.

In addition, in accordance with Rule 704(28) of the Listing Manual, the Company will announce any sale, transfer, cancellation and/or use of treasury shares, stating the following:

- (i) date of the sale, transfer, cancellation and/or use;
- (ii) purpose of such sale, transfer, cancellation and/or use;
- (iii) number of treasury shares sold, transferred, cancelled and/or used;
- (iv) number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (v) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

The Company may not undertake any purchases or acquisitions of its Shares prior to the announcement of any price-sensitive information by the Company, until such time as the price sensitive information has been publicly announced or disseminated in accordance with the requirements of the Listing Manual.

The Company may not effect any purchases or acquisitions of Shares on the SGX-ST during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year, or one month before the announcement of the Company's financial statements for its financial year, as the case may be, and ending on the date of announcement of the relevant results.

3. THE PROPOSED ADOPTION OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

3.1 Introduction. The Company is proposing the implementation of a general mandate for interested person transactions, pursuant to Chapter 9 of the Listing Manual (the "**Shareholders' Mandate**" or "**Shareholders' Mandate for Interested Person Transactions**"), to enable the Company, its subsidiaries and associated companies that are considered to be "entities at risk" to enter in the ordinary course of business into certain types of transactions with specified classes of the Company's "interested persons", provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such transactions.

3.2 Chapter 9 of the Listing Manual.

3.2.1 Chapter 9 of the Listing Manual governs transactions between a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be "at risk", with the listed company's interested persons.

3.2.2 Except for any transaction which is below S\$100,000 in value and certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested persons and hence are excluded from the ambit of Chapter 9, when this Chapter applies to a transaction with an interested person and the value of the transaction alone or in aggregation with other transactions conducted with the same interested person during the financial year reaches or exceeds certain materiality thresholds (which are based on the listed company's latest audited consolidated NTA), the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval for the transaction. In particular, shareholders' approval is required for an interested person transaction of a value equal to, or exceeding:

- (a) 5.0% of the listed company's latest audited consolidated NTA; or
 - (b) 5.0% of the listed company's latest audited consolidated NTA, when aggregated with the values of all other transactions entered into with the "same interested person" (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.
- 3.2.3 Based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2015, the consolidated NTA of the Group was US\$140,105,000. Accordingly, in relation to the Company, for the purposes of Chapter 9 of the Listing Manual, in the current financial year and until such time as the audited consolidated financial statements of the Group for the financial year ending 31 December 2016 are published, 5.0% of the Group's latest audited consolidated NTA would be US\$7,005,250.
- 3.2.4 Chapter 9 of the Listing Manual, however, allows a listed company to seek a mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not for the purchase or sale of assets, undertakings or businesses) which may be carried out with the listed company's interested persons. A general mandate is subject to annual renewal.
- 3.2.5 For the purposes of Chapter 9 of the Listing Manual:
- (a) an "**approved exchange**" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles as Chapter 9;
 - (b) an "**associate**" in relation to an interested person who is a director, chief executive officer or controlling shareholder, includes an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder, the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family or the controlling shareholder/his immediate family is a beneficiary, or in the case of a discretionary trust, is a discretionary object, and any company in which the director/his immediate family, the chief executive officer/his immediate family or the controlling shareholder/his immediate family has or have an aggregate interest (directly or indirectly) of 30% or more, and, where a controlling shareholder is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30% or more;
 - (c) an "**associated company**" means a company in which at least 20% but not more than 50% of its shares are held by the listed company or group;
 - (d) an "**entity at risk**" means:
 - (i) the listed company;
 - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the "**listed group**"), or the listed group and its interested person(s), has control over the associated company;
 - (e) an "**interested person**" means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder;

- (f) an “**interested person transaction**” means a transaction between an entity at risk and an interested person;
- (g) a “**transaction**” includes the provision or receipt of financial assistance; the acquisition, disposal or leasing of assets; the provision or receipt of services; the issuance or subscription of securities; the granting of or being granted options; and the establishment of joint ventures or joint investments, whether or not entered into in the ordinary course of business, and whether entered into directly or indirectly; and
- (h) in interpreting the term “**same interested person**” for the purpose of aggregation of the values of all transactions entered into with the same interested person during the same financial year under Rules 905 and 906 of Chapter 9 of the Listing Manual, the following applies:
 - (i) transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person; and
 - (ii) if an interested person (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit committees whose members are completely different.

3.3 Rationale and Benefit to Shareholders.

3.3.1 It is envisaged that in the ordinary course of their businesses, transactions between companies in the Entity at Risk Group (as defined below) and the Company’s interested persons are likely to occur from time to time. Such transactions would include, but are not limited to, the provision of services in the ordinary course of business by the Entity at Risk Group to the Company’s interested persons.

3.3.2 In view of the time-sensitive and recurrent nature of commercial transactions, the obtaining of the Shareholders’ Mandate pursuant to Chapter 9 of the Listing Manual will enable:

- (a) the Company;
- (b) subsidiaries of the Company (excluding other subsidiaries listed on the SGX-ST or an approved exchange); and
- (c) associated companies of the Company (other than an associated company that is listed on the SGX-ST or an approved exchange) over which the Company, or the Company and its interested person(s), has or have control,

(together, the “**Entity at Risk Group**”), or any of them, in the ordinary course of their businesses, to enter into the categories of transactions (“**Mandated Transactions**”) set out in paragraph 3.6 below with the specified classes of the Company’s interested persons (“**Mandated Interested Persons**”) set out in paragraph 3.5 below, provided such Mandated Transactions are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

- 3.3.3 The Shareholders' Mandate (and its subsequent renewal thereafter on an annual basis) will enhance the ability of companies in the Entity at Risk Group to pursue business opportunities which are time-sensitive in nature, and will eliminate the need for the Company to announce, or to announce and convene separate general meetings, on each occasion to seek shareholders' prior approval for the entry by the relevant company in the Entity at Risk Group into such transactions. This will substantially reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficacy considerably, and allow manpower resources and time to be channelled towards attaining corporate objectives.
- 3.3.4 During the last financial year ended 31 December 2015, the Entity at Risk Group has, in the ordinary course of business, provided services falling within the categories of Mandated Transactions to the Mandated Interested Persons and has charged a fee(s) for such services depending on the nature of the services provided.

3.4 Scope and Validity Period of the Shareholders' Mandate.

- 3.4.1 The Shareholders' Mandate covers various types of Mandated Transactions under each category of activities to which the Shareholders' Mandate applies, and describes the review procedures for ensuring that such transactions will be entered into with the specified classes of Mandated Interested Persons on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.
- 3.4.2 The Shareholders' Mandate will not apply to any transaction by a company in the Entity at Risk Group with a Mandated Interested Person that:
- (a) is below S\$100,000 in value, as the threshold and aggregation requirements contained in Chapter 9 of the Listing Manual would not apply to such transactions; or
 - (b) is equal to or exceeds S\$100,000 in value, but qualifies as an excepted transaction for the purposes of Chapter 9 of the Listing Manual and is thus exempted from the threshold and aggregation requirements contained in Chapter 9 of the Listing Manual.

Transactions with interested persons (including the Mandated Interested Persons) that do not fall within the ambit of either of the exceptions in (a) or (b) above, or the scope of the Shareholders' Mandate, will be subject to the relevant provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.

- 3.4.3 The Shareholders' Mandate will take effect from the passing of Resolution 11, being the Ordinary Resolution relating thereto, and will continue in force until the conclusion of the next annual general meeting of the Company (unless sooner revoked or varied by the Company in general meeting). Approval from Shareholders will be sought for the renewal of the Shareholders' Mandate at the next annual general meeting and at each subsequent annual general meeting of the Company, subject to satisfactory review by the Audit Committee of its continued application to the Mandated Transactions.

3.5 Classes of Mandated Interested Persons. The Shareholders' Mandate will apply to the Mandated Transactions that are carried out with Yamasa Co., Ltd (a controlling shareholder of the Company) and its associates. The Group currently provides services to Yamasa Co., Ltd and/or its associates. The Group currently has and may from time to time also have a minority equity investment in some of these associates¹. Accordingly, the Shareholders' Mandate will also apply to the Mandated Transactions that are carried out with these associates.

¹ Such associates in which the Group had a minority equity investment, as at the Latest Practicable Date, are Olive Bulkship S.A., Polaris Bulkship S.A., Quest Bulkship S.A., Stella Bulkship S.A., Tiara Bulkship S.A., Unicorn Bulkship S.A. and Victoria Bulkship S.A.. As at the Latest Practicable Date, the Group has an equity interest of 18% in each of these associates.

3.6 Categories of Mandated Transactions. The Mandated Transactions to which the Shareholders' Mandate will apply are set out below:

- 3.6.1 the provision by the Entity at Risk Group of brokerage services for the charter of ships, and the sale and purchase of ships and properties;
- 3.6.2 the provision by the Entity at Risk Group of administrative services (including but not limited to the establishment and maintenance of bank account(s), bookkeeping, preparation of insurance and tax records);
- 3.6.3 the provision by the Entity at Risk Group of commercial management services for ships (including but not limited to the arrangement of employment, bunker fuels, insurance and surveys for the ships and the appointment of agents for the ships);
- 3.6.4 the provision by the Entity at Risk Group of (a) technical consultancy services for newbuildings (including but not limited to services relating to advice on newbuilding specifications, and the review and approval of drawings of newbuildings) and (b) shipbuilding supervision services (including but not limited to services relating to inspection of materials, machinery and equipment before installation on the newbuilding, attendance of sea trials and surveys, and monitoring of the progress of construction work);
- 3.6.5 the provision by the Entity at Risk Group of construction management services for small residential property development projects (including but not limited to services relating to sourcing for suitable sites and overseeing design and construction of projects);
- 3.6.6 the provision by the Entity at Risk Group of property management services for completed residential properties (including but not limited to services relating to leasing management);
- 3.6.7 the provision by the Entity at Risk Group of advisory services (including but not limited to advisory services relating to investment advice on asset acquisitions); and
- 3.6.8 the provision by the Entity at Risk Group of such other services which are incidental to or in connection with the provision of services in paragraphs 3.6.1 to 3.6.7 above.

3.7 Review Procedures for Mandated Transactions with Mandated Interested Persons.

The Entity at Risk Group has an internal control system in place to ensure that Mandated Transactions with the Mandated Interested Persons are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders, and are consistent with the Entity at Risk Group's usual policies and practices.

In particular, the following review procedures have been implemented:

3.7.1 Review Procedures

- (a) all contracts entered into or transactions with Mandated Interested Persons by the Entity at Risk Group are to be carried out at prevailing market rates or prices on terms which are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to unrelated third parties in recent transactions or otherwise in accordance with applicable industry norms. At least two most recent comparable contracts entered into by the Entity at Risk Group with unrelated third parties will be used as a basis for comparing and determining the price and commercial terms to be offered to the Mandated Interested Persons, after taking into account, amongst others, if applicable, factors such as but not limited to prevailing market conditions (such as supply and demand for such services); and
- (b) in the limited circumstances where the prevailing market rates or prices are not available due to the nature of service to be provided or in the circumstances where it is impractical or impossible to compare against recent contracts entered into by the Entity at Risk Group with unrelated third parties, the Entity at Risk Group's pricing

for such services to be provided to Mandated Interested Persons is determined in accordance with the Entity at Risk Group's usual business practices and pricing policies, consistent with the usual margin to be obtained by the Entity at Risk Group for the same or substantially similar type of contract or transaction with unrelated third parties. In determining the transaction price payable by the Mandated Interested Persons for such services, non-price factors such as, but not limited to, customer requirements, specifications, duration of contract, strategic purposes of the transaction (including benefits of, and rationale for, transacting with the Mandated Interested Persons), customers' credit standing, transaction volume, size of the transaction, delivery requirements, resources available to the Entity at Risk Group, length of business relationship, potential for future repeat business, prevailing market conditions and demand for such services will be taken into account.

3.7.2 **Threshold Limits**

For the purposes of sub-paragraphs (a), (b) and (c) below, the "Financial Limit" shall be the amount equivalent to 3.0% of the Group's audited consolidated NTA for the time being, as determined by reference to the Group's latest announced audited consolidated financial statements.

In addition to the above review procedures, the following review and approval procedures will apply to the Mandated Transactions:

- (a) transactions equal to or exceeding S\$100,000 but below the Financial Limit (as defined above) each in value, will be reviewed and approved prior to their entry by, as the case may be:
 - (i) **where the transaction involves the provision of services to a Mandated Interested Person in which the Group has an equity investment:** the Review Committee of the Company (the "**Review Committee**"), being a committee appointed by the Company's Chief Executive Officer and authorised to review and approve, amongst others, transactions entered into in connection with investments to be made by the Group (such as services provided to a joint venture between the Group and a Mandated Interested Person). As at the Latest Practicable Date, the members of the Review Committee comprise of Michio Tanamoto (Chairman and Chief Executive Officer), Masaki Fukumori (Executive Director and Chief Operating Officer), Masahiro Iwabuchi (Senior Managing Director) and Lim Kai Ching (Group Chief Financial Officer); or
 - (ii) **where the transaction involves the provision of services to a Mandated Interested Person in which the Group does not have an equity investment:** the Management Committee of the Company (the "**Management Committee**"), being a committee appointed by the Company's Chief Executive Officer and authorised to review and approve, amongst others, transactions that do not involve investments to be made by the Group or transactions which are not entered into in connection with such investments. As at the Latest Practicable Date, the members of the Management Committee comprise of Michio Tanamoto (Chairman and Chief Executive Officer), Masaki Fukumori (Executive Director and Chief Operating Officer), Masahiro Iwabuchi (Senior Managing Director), Kenji Fukuyado (Managing Director), Zac K. Hoshino (Managing Director), Lim Kai Ching (Group Chief Financial Officer), Katsuro Ouchi (President, Vista Hotel Management Co., Ltd) and Yukihiro Toda (President, Uni-Asia Capital (Japan) Ltd.).

Transactions equal to or exceeding S\$100,000 but below the Financial Limit are also tabled for review by the Audit Committee on a quarterly basis;

- (b) transactions equal to or exceeding the Financial Limit each in value will be reviewed and approved by the Audit Committee prior to their entry;

- (c) where the value of a transaction, when aggregated with previous transactions of the same kind in any particular financial year, is equal to or exceeds the Financial Limit, such transaction, and all future transactions of the same kind in that particular financial year will be reviewed and approved by the Audit Committee prior to their entry; and
- (d) the Review Committee, the Management Committee or, as the case may be, the Audit Committee, may, as it deems fit, request for additional information pertaining to the transaction under review from independent sources or advisers.

3.7.3 **Other Review Procedures**

The following will apply to the review and approval process:

- (a) if any member of the Review Committee or, as the case may be, the Management Committee has an interest in the transaction or is a nominee for the time being of the Mandated Interested Person, he shall abstain from participating in the review and approval process of the Review Committee or, as the case may be, the Management Committee in relation to that transaction;
- (b) if the members of the Review Committee or, as the case may be, the Management Committee have an interest in the transaction or are nominees for the time being of the Mandated Interested Person, the review and approval process shall be undertaken by the Chairman of the Audit Committee or another member of the Audit Committee (who is not a nominee of the Mandated Interested Person and has no interest in the transaction) designated by the Chairman of the Audit Committee from time to time for such purpose; and
- (c) if a member of the Audit Committee has an interest in a transaction or is a nominee for the time being of the Mandated Interested Person, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction.

3.7.4 **Register of Mandated Transactions**

The Company will maintain a register of Mandated Transactions carried out with Mandated Interested Persons (recording the basis on which they are entered into), and the Company's annual internal audit plan will incorporate a review of the Mandated Transactions recorded in the register to ascertain that the guidelines and review procedures for Mandated Transactions have been complied with.

3.7.5 **Audit Committee Review**

The Audit Committee will review the internal audit reports on an annual basis to ascertain that the guidelines and review procedures for Mandated Transactions have been complied with.

If during any of the reviews by the Audit Committee, the Audit Committee is of the view that the guidelines and review procedures for Mandated Transactions have become inappropriate or insufficient in the event of changes to the nature of, or manner in which, the business activities of the Entity at Risk Group or the Mandated Interested Persons are conducted, the Company will revert to Shareholders for a fresh general mandate based on new guidelines and review procedures so that Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

3.8 Disclosures. In accordance with the requirements of Chapter 9 of the Listing Manual, the Company will:

3.8.1 disclose in the Company's annual report the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the Shareholders' Mandate during the financial year (as well as in the annual reports for subsequent financial years that the Shareholders' Mandate continues in force); and

3.8.2 announce the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the Shareholders' Mandate for the financial periods that it is required to report on pursuant to Rule 705 of the Listing Manual (which relates to quarterly reporting by listed companies) within the time required for the announcement of such report.

3.9 Independent Financial Adviser. SAC Capital Private Limited (the "IFA") has been appointed as the independent financial adviser to the Independent Directors in relation to the proposed adoption of the Shareholders' Mandate. Having regard to the matters set out in their letter dated 7 April 2016 to the Independent Directors, the IFA is of the opinion that the review procedures set out in paragraph 3.7 above for determining transaction prices under the Shareholders' Mandate, if adhered to, are sufficient to ensure that the Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. The IFA's letter dated 7 April 2016 to the Independent Directors is reproduced in the Annex to this Appendix.

3.10 Consent. The IFA has given and has not withdrawn its written consent to the issue of this Appendix with the inclusion of its name, its letter to the Independent Directors dated 7 April 2016 and all references thereto, in the form and context in which they appear in this Appendix.

4. DIRECTORS' RECOMMENDATIONS

4.1 The Proposed Renewal of the Share Purchase Mandate. Having considered, amongst others, the terms and the rationale for, and the financial effects of the proposed renewal of the Share Purchase Mandate set out in this Appendix, the Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the interests of the Company and Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of Resolution 10, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate.

4.2 The Proposed Adoption of the Shareholders' Mandate for Interested Person Transactions. Having considered the opinion of the IFA, the Independent Directors are of the opinion that the entry by the Entity at Risk Group into the Mandated Transactions with the Mandated Interested Persons in the ordinary course of business will enhance the efficiency of the Group, and is in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 11, being the Ordinary Resolution relating to the proposed adoption of the Shareholders' Mandate for Interested Person Transactions.

4.3 Abstention from Voting. Yamasa Co., Ltd will abstain from voting, whether in person or by representative or proxy, and will procure that its associates will abstain from voting, their shareholdings, if any, in respect of Resolution 11.

5. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix on the proposed renewal of the Share Purchase Mandate and the proposed adoption of the Shareholders' Mandate for Interested Person Transactions constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, the proposed adoption of the Shareholders' Mandate for Interested Person Transactions, the Company and its subsidiaries which are relevant to the proposed renewal of the Share Purchase Mandate and the proposed adoption of the Shareholders' Mandate for Interested Person Transactions, and that they are not aware of any facts the omission of which would make any statement in this Appendix on the proposed renewal of the Share Purchase Mandate and the proposed adoption of the Shareholders' Mandate for Interested Person Transactions misleading. Where information in this Appendix on the proposed renewal of the Share Purchase Mandate and the proposed adoption of the Shareholders' Mandate for Interested Person Transactions has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at 8 Shenton Way #37-04, AXA Tower Singapore 068811 during usual business hours from the date of hereof up to and including the date of the Annual General Meeting:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the annual report of the Company for the financial year ended 31 December 2015;
- (c) the IFA's letter to the Independent Directors referred to in paragraph 3.9 above; and
- (d) the IFA's letter of consent referred to in paragraph 3.10 above.

ANNEX

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

SAC CAPITAL PRIVATE LIMITED

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

1 Robinson Road
#21-02 AIA Tower
Singapore 048542

7 April 2016

Uni-Asia Holdings Limited
8 Shenton Way
#37-04 AXA Tower
Singapore 068811

Attention: The Directors who are considered to be independent in relation to the Shareholders' Mandate (the "**Independent Directors**")

Michio Tanamoto
Masaki Fukumori
Ang Miah Khiang
Lee Gee Aik
Ronnie Teo Heng Hock
Rajan Menon
Wu Kuang-hui

Dear Sirs

THE PROPOSED ADOPTION OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

*Unless otherwise defined or the context otherwise requires, all terms defined in the Appendix to the Notice of Annual General Meeting dated 7 April 2016 (the "**Appendix**") shall have the same meanings herein.*

1. INTRODUCTION

Uni-Asia Holdings Limited (the "**Company**") wishes to seek the approval of the shareholders of the Company (the "**Shareholders**") for the proposed adoption of a general mandate (the "**Shareholders' Mandate**") for interested person transactions (the "**Mandated Transactions**") between (a) the Company, (b) subsidiaries of the Company, excluding other subsidiaries listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") or an approved exchange, and (c) associated companies of the Company (other than an associated company that is listed on the SGX-ST or an approved exchange) over which the Company, or the Company and its interested person(s), has or have control (collectively, the "**Entity at Risk Group**") and Yamasa Co., Ltd (a controlling shareholder of the Company) and its associates (collectively, the "**Yamasa Group**" or the "**Mandated Interested Persons**").

The Shareholders' Mandate will apply to Mandated Transactions with the Yamasa Group that relate to, *inter alia*, (a) the provision of brokerage services for the charter of ships, and the sale and purchase of ships and properties; (b) the provision of administrative services; (c) the provision of commercial management services for ships; (d) the provision of (i) technical consultancy services for newbuildings and (ii) shipbuilding supervision services; (e) the provision of construction management services for small residential property development projects; (f) the provision of property management services for completed residential properties; and (g) the provision of advisory services, including but not limited to advisory services relating to investment advice on asset acquisitions, by the Entity at Risk Group.

Pursuant to Chapter 9 of the Listing Manual (the "**Listing Manual**") of the SGX-ST, the Company has appointed us as the independent financial adviser (the "**IFA**") to the Independent Directors.

This letter, which sets out our evaluation of the review procedures under the Shareholders' Mandate, will form part of the Appendix to seek the approval of the Shareholders for the Shareholders' Mandate.

2. TERMS OF REFERENCE

We have been appointed as the IFA to the Independent Directors to express an opinion, for the purposes of Chapter 9 of the Listing Manual, on whether the review procedures of the Company for determining transaction prices of the Mandated Transactions, if adhered to, are sufficient to ensure that the Mandated Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

We were not privy to the negotiations entered into by the Company in relation to the Mandated Transactions as contemplated under the Shareholders' Mandate nor were we involved in the deliberations leading up to the decision of the directors of the Company (the "**Directors**") to adopt the Shareholders' Mandate. We do not, by this letter, warrant the merits of the Shareholders' Mandate. We have also not conducted a comprehensive independent review of the business, operations or financial condition of the Entity at Risk Group or any of the Mandated Interested Persons.

For the purposes of arriving at our opinion in respect of the Shareholders' Mandate, we have considered the review procedures of the Company for determining transaction prices for the Mandated Transactions but have not evaluated, and have not been requested to comment on, the strategic or commercial merits or risks of the Shareholders' Mandate or the prospects or earnings potential of the Entity at Risk Group after the adoption of the Shareholders' Mandate.

In the course of our evaluation, we have held discussions with the Directors and the management of the Company (the "**Management**") and have relied on the information and representations, whether written or verbal, provided to us by the Directors and the Management, including information contained in the Appendix. The Directors (including those who may have delegated detailed supervision of the Appendix) have confirmed that, having made all reasonable enquiries and to the best of their knowledge and belief, (a) all material information available to them in connection with the Shareholders' Mandate has been disclosed in the Appendix; (b) such information is true and accurate in all material respects; and (c) there is no other information or fact, the omission of which would cause any information disclosed in the Appendix to be inaccurate, incomplete or misleading in any material respect. We have not independently verified such information or representations and accordingly cannot and do not warrant or accept responsibility for the accuracy, completeness or adequacy of these information or representations. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or facts. We have, however, made reasonable enquiries and exercised our judgment (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on.

Our opinion, as set out in this letter, is based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as of 24 March 2016 (the “**Latest Practicable Date**”). Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion in the light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein.

Our opinion in relation to the Shareholders’ Mandate should be considered in the context of the entirety of this letter and the Appendix.

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

3. THE SHAREHOLDERS’ MANDATE FOR INTERESTED PERSON TRANSACTIONS

3.1 Rationale and Benefit to Shareholders

The rationale and benefit of the Shareholders’ Mandate are set out on paragraph 3.3 of the Appendix, and Shareholders are advised to read the information carefully.

3.2 Scope and Validity Period of the Shareholders’ Mandate

The scope and validity period of the Shareholders’ Mandate are set out in paragraph 3.4 of the Appendix, and Shareholders are advised to read the information carefully.

3.3 Classes of Mandated Interested Persons

The classes of mandated interested persons are set out in paragraph 3.5 of the Appendix, and Shareholders are advised to read the information carefully.

3.4 Categories of Mandated Transactions

The categories of Mandated Transactions to which the Shareholders’ Mandate will apply are set out in paragraph 3.6 of the Appendix, and Shareholders are advised to read the information carefully.

3.5 Review Procedures for Mandated Transactions with Mandated Interested Persons

The review procedures for the Mandated Transactions are set out in paragraph 3.7 of the Appendix, and Shareholders are advised to read the information carefully.

4. OUR OPINION

Having considered, *inter alia*, the rationale and benefits of the Shareholders’ Mandate, the review procedures of the Company for the Mandated Transactions and the role of the Audit Committee of the Company in enforcing the Shareholders’ Mandate, and subject to the qualifications and assumptions set out herein, we are of the opinion that the review procedures for determining transaction prices of the Mandated Transactions as set out in paragraph 3.7 of the Appendix, if adhered to, are sufficient to ensure that the Mandated Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

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

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

Yours faithfully
For and on behalf of
SAC CAPITAL PRIVATE LIMITED

Bernard Lim
Executive Director