CIRCULAR DATED 3 OCTOBER 2013

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the contents herein or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Cordlife Group Limited (the "Company"), you should immediately forward this Circular together with the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or to the transferee, or to the bank, stockbroker or agent through whom the sale was effected for onward transmission to the purchaser or the transferee.

Singapore Exchange Securities Trading Limited has approved in-principle the listing and quotation of the new Shares (as defined herein) to be allotted and issued pursuant to the proposed Share Grant Plan (as defined herein). Such approval is not to be taken as an indication of the merits of the proposed Share Grant Plan, the Shares, the Company and/or its subsidiaries.

Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

CORDLIFE GROUP LIMITED
(Company Registration Number: 200102883E)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS
IN RELATION TO:

(1) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE; AND

(2) THE PROPOSED SHARE GRANT PLAN

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form : Wednesday, 16 October 2013 at 11.00 a.m.

Date and time of Extraordinary General Meeting : Friday, 18 October 2013 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the upcoming Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place)

Place of Extraordinary General Meeting : Auditorium 302, Level 3, NTU@one-north Executive Centre, 11 Slim Barracks Rise (off North Buona Vista Road), Singapore 138664
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DEFINITIONS

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

"2012 AGM" : Shall have the meaning ascribed to it in paragraph 2.1 of this Circular

"2012 Share Purchase Mandate" : Shall have the meaning ascribed to it in paragraph 2.1 of this Circular

"AGM" : The annual general meeting of the Company

"Associated Company" : A company in which at least 20% but not more than 50% of its shares are held by the Company and/or its subsidiaries, or a subsidiary of such company, and over whose management the Company has control

"Associated Company Employees" : Any employee of an Associated Company (including any Associated Company Executive Director)

"Associated Company Executive Director" : A director of an Associated Company who performs an executive function

"associates" : Shall have the meaning ascribed to it in the Listing Manual

"Average Closing Market Price" : Shall have the meaning ascribed to it in paragraph 2.3(d) of this Circular

"Award" : A (contingent) award of Shares granted under the Share Grant Plan

"Award Date" : In relation to an Award, the date on which the Award is granted pursuant to the Share Grant Plan

"Award Letter" : A letter in such form as the Remuneration Committee shall approve confirming an Award granted to a Participant by the Remuneration Committee

"Board" : The board of Directors

"CDP" : The Central Depository (Pte) Limited

"Companies Act" : The Companies Act (Chapter 50 of Singapore), as amended, modified or supplemented from time to time

"Company" or "Cordlife" : Cordlife Group Limited

"controlling shareholder" : Shall have the meaning ascribed to it in the Listing Manual

"day of the making of the offer" : Shall have the meaning ascribed to it in paragraph 2.3(d) of this Circular

"Directors" : The Directors of the Company for the time being
"EGM" : The extraordinary general meeting of the Company, notice of which is set out on pages 37 to 39 of this Circular

"EPS" : Earnings per Share

"FRS 102" : Shall have the meaning ascribed to it in paragraph 3.9(a) of this Circular

"Group" : The Company and its subsidiaries

"Group Employee" : Any employee of the Group (including any Group Executive Director)

"Group Executive Director" : A director of the Company and/or any of its subsidiaries, as the case may be, who performs an executive function

"Independent Director" : An independent Non-Executive Group Director of the Company

"Latest Practicable Date" : 23 September 2013, being the latest practicable date prior to the printing of this Circular

"Listing Manual" : The Listing Manual of the SGX-ST, as amended, modified and supplemented from time to time

"Listing Rules" : The listing rules of the SGX-ST, as set out in the Listing Manual

"Market Day" : A day on which the SGX-ST is open for securities trading

"Market Purchases" : Shall have the meaning ascribed to it in paragraph 2.3(c) of this Circular

"Maximum Price" : Shall have the meaning ascribed to it in paragraph 2.3(d) of this Circular

"Non-Executive Associated Company Director" : A director of an Associated Company, other than an Associated Company Executive Director

"Non-Executive Directors" : The Non-Executive Group Directors and Non-Executive Associated Company Directors, collectively

"Non-Executive Group Director" : A director of the Company and/or any of its subsidiaries, other than a Group Executive Director

"Non-Independent Non-Executive Director" : A Non-Executive Director who is not an Independent Director

"NTA" : Net tangible assets

"Off-Market Purchases" : Shall have the meaning ascribed to it in paragraph 2.3(c) of this Circular

"Participant" : The holder of an Award

"Performance-related Award" : An Award in relation to which a Performance Condition is specified
"Performance Condition" : In relation to a Performance-related Award, the condition specified on the Award Date in relation to that Award

"Performance Period" : In relation to a Performance-related Award, a period, the duration of which is to be determined by the Remuneration Committee on the Award Date, during which the Performance Condition is to be satisfied

"Record Date" : The date as at the close of business (or such other time as may have been prescribed by the Company) on which Shareholders must be registered in order to participate in the dividends, rights, allotments or other distributions (as the case may be)

"Release" : In relation to an Award, the release at the end of the Vesting Period relating to that Award of all or some of the Shares to which that Award relates in accordance with the Share Grant Plan and, to the extent that any Shares which are the subject of the Award are not released pursuant to the Share Grant Plan, the Award in relation to those Shares shall lapse accordingly, and "Released" shall be construed accordingly

"Release Schedule" : In relation to an Award, a schedule (if any) in such form as the Remuneration Committee shall approve, in accordance with which Shares which are the subject of that Award shall be Released

"Released Award" : An Award in respect of which the Vesting Period relating to that Award has ended and which has been released in accordance with the Share Grant Plan

"Relevant Period" : The period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date the resolution relating to the Share Purchase Mandate is passed

"Remuneration Committee" : The remuneration committee of the Company, which will administer the Share Grant Plan

"Retention Period" : In relation to an Award, such period commencing on the Vesting Date in relation to that Award as may be determined by the Remuneration Committee on the Award Date

"SFA" : 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

"Share Grant Plan" : The proposed Cordlife Share Grant Plan to be adopted by the Company, as the same may be modified or altered from time to time

"Share Purchase" : Purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate
"Share Purchase Mandate" : A general mandate given by Shareholders to authorise the directors of the Company to purchase or acquire, on behalf of the Company, Shares in accordance with the terms of this Circular, as well as the rules and regulations set forth in the Companies Act and the Listing Rules

"Shareholders" : Registered holders for the time being of the Shares (other than CDP), or in the case of depositors, depositors who have Shares entered against their names in the Depository Register

"Shares" : Ordinary shares in the share capital of the Company

"Substantial Shareholder" : A Shareholder who has an interest in one or more voting Shares in the Company, and the total votes attached to that Share, or those Shares, is 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

"Take-over Code" : The Singapore Code on Take-overs and Mergers

"Vesting" : In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and "Vest" and "Vested" shall be construed accordingly

"Vesting Date" : In relation to Shares which are the subject of a Released Award, the date (as determined by the Remuneration Committee and notified to the relevant Participant) on which those Shares shall be Vested pursuant to the Share Grant Plan

"Vesting Period" : In relation to an Award, a period or periods (if any), the duration of which is to be determined by the Remuneration Committee at the Award Date, after the expiry of which Shares which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, subject to the Share Grant Plan

"Yearly Limit" : Shall have the meaning ascribed to it in paragraph 3.2

"%" or "per cent." : Percentage or per centum

The terms "depositor" and "Depository Register" shall have the meanings ascribed to them respectively in Section 130A of the Companies Act. The term "subsidiary" shall bear 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. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

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 in the Companies Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it in the Companies Act or any statutory modification thereof, as the case may be. Summaries of the provisions of any laws and regulations contained in this Circular are of such laws and regulations as at the Latest Practicable Date.
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 in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in this Circular between the listed amounts and the totals thereof and/or the respective percentages are due to rounding.
To: The Shareholders of Cordlife Group Limited

Dear Sir / Madam

1. INTRODUCTION

1.1 EGM. The Directors are convening the EGM to be held on 18 October 2013 to seek Shareholders' approval for:

(a) the proposed renewal of the Share Purchase Mandate; and

(b) the proposed adoption of the Share Grant Plan.

1.2 Circular. The purpose of this Circular is to provide Shareholders with information relating to the proposals to be tabled at the EGM.

1.3 SGX-ST. The SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 Introduction

Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by, the Companies Act, the Listing Rules and such other laws and regulations as may, for the time being, be applicable. The Company is also required to obtain approval of its Shareholders at a general meeting of its Shareholders if it wishes to purchase or acquire its own Shares.

At the AGM held on 19 October 2012 ("2012 AGM"), the Shareholders had approved a mandate to enable the Company to purchase or otherwise acquire its issued Shares (the "2012 Share Purchase Mandate"). The rationale for, the authority and limitations on, and the financial effects of the 2012 Share Purchase Mandate were set out in the Company's Letter to Shareholders dated 4 October 2012.

The authority conferred pursuant to the 2012 Share Purchase Mandate may be exercised by the Directors at any time during the period commencing from the date of the 2012 AGM and...
expiring on the date when the next AGM of the Company is held, or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

Accordingly, the Directors shall seek the approval of the Shareholders for the renewal of the Share Purchase Mandate at the upcoming EGM.

2.2 Rationale for the proposed Renewal of the Share Purchase Mandate

The Share Purchase Mandate, if renewed, will give the Company the flexibility to undertake purchases or acquisitions of its Shares at any time, subject to market conditions, during the period that the Share Purchase Mandate is in force. Share buybacks 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. The Directors believe that share buybacks by the Company will also help mitigate short-term market volatility, offset the effects of short-term speculation and bolster shareholder confidence. In addition, share buybacks will also allow management to effectively manage and minimise the dilution impact (if any) on existing Shareholders associated with any issuance of Shares.

It should be noted that the purchase or acquisition of Shares pursuant to the Share Purchase Mandate will only be undertaken if it can benefit the Company and Shareholders. If and when circumstances permit, the Directors will decide whether to effect the share purchases via Market Purchases or Off-Market Purchases, after taking into account the amount of cash available, the prevailing market conditions and the most cost-effective and efficient approach. The Directors do not propose to carry out purchases 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 Group and/or affect the listing status of the Company on the SGX-ST.

2.3 Authority and Limitations of the Share Purchase Mandate

The authority and limitations placed on Share Purchases by the Company under the Share Purchase Mandate, if renewed at the EGM, are similar in terms to those previously approved by Shareholders at the 2012 AGM, and for the benefit of Shareholders, are summarised below.

(a) **Maximum Number of Shares**

Only Shares which are issued and fully paid-up may be purchased by the Company. The total number of Shares that may be purchased is limited to that number of Shares representing not more than 5% of the total number of issued Shares (ascertained as at the date of the last AGM or at the date of the general meeting at which renewal of the Share Purchase Mandate is approved, whichever is the higher, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company as altered). Any Shares which are held as treasury shares will be disregarded for the purposes of computing the 5% limit. As at the Latest Practicable Date, the Company has 200,000 Shares held as treasury shares.

*For illustrative purposes only*, on the basis of 232,487,354 Shares in issue as at the Latest Practicable Date (excluding the 200,000 Shares held as treasury shares as at that date) and assuming that no further Shares are issued on or prior to the EGM, then not more than 11,624,367 Shares (representing 5% of the total number of issued Shares (excluding the 200,000 Shares held as treasury shares) as at that date) may be purchased or acquired by the Company pursuant to the proposed Share Purchase
While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 5% limit, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out up to the full 5% as authorised, or at all. In particular, no purchase or acquisition of the Shares would be made in circumstances which would have or may have a material adverse effect on the financial position of the Company.

(b) 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 EGM at which the renewal of the Share Purchase Mandate is approved, up to the earliest of:

(i) the date on which the next AGM of the Company is held or required by law to be held;
(ii) the date on which the Share Purchases are carried out to the full extent mandated; or
(iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in a general meeting.

The authority conferred on the Directors by the Share Purchase Mandate to purchase or acquire Shares may be renewed at the next AGM or at an extraordinary general meeting of the Company to be convened immediately after the conclusion or adjournment of the next AGM. When seeking the approval of the Shareholders for the Share Purchase Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the Share Purchase Mandate made during the previous 12 months, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases.

(c) Manner of Purchase or Acquisition of Shares

Purchases or acquisitions of Shares may be made on the SGX-ST ("Market Purchases") and/or otherwise than on the SGX-ST, in accordance with an equal access scheme ("Off-Market Purchases").

Market Purchases refer to purchases or acquisitions of Shares by the Company effected through the SGX-ST’s trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose.

Off-Market Purchases refer to purchases or acquisitions of Shares by the Company made under an equal access scheme or schemes for the purchase or acquisition of Shares from Shareholders. The Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate, the Listing Rules and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme or schemes. Under the Companies Act, an equal access scheme must satisfy all the following conditions:

(i) the offers under the scheme shall be made to every person who holds issued shares to purchase or acquire the same percentage of their issued shares;
(ii) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made; and

(iii) the terms of all the offers shall be the same, except that there shall be disregarded:

(A) differences in consideration attributable to the fact that the offers relate to shares with different accrued dividend entitlements;

(B) (if applicable) 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 person is left with a whole number of shares.

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

(1) the terms and conditions of the offer;

(2) the period and procedures for acceptances;

(3) the reasons for the proposed Share Purchases;

(4) the consequences, if any, of Share Purchases by the Company that will arise under the Take-over Code then in force or other applicable takeover rules;

(5) whether the Share Purchases, if made, would have any effect on 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 Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases of Shares, where relevant, and the total consideration paid for the purchases; and

(7) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

(d) **Maximum Purchase Price**

The purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the purchase price must not exceed:

(i) in the case of a Market Purchase, 105% of the Average Closing Market Price of the Shares; and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 105% of the Average Closing Market Price of the Shares, (the "Maximum Price") in either case, excluding related expenses of the purchase or acquisition.
For the above purposes:

"Average Closing Market Price" means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5)-day period; and

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

2.4 Status of Purchased or Acquired Shares

Any Share which is purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share will expire on such cancellation), unless such Share is held by the Company as a treasury share. All Shares (excluding Shares held by the Company as treasury shares) purchased or acquired by the Company will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares. At the time of each purchase or acquisition of Shares by the Company, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company at that time.

2.5 Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below.

(a) Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

(b) Voting and Other Rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company’s assets may be made, to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.
(c) **Disposal and Cancellation**

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

(i) sell the treasury shares for cash;

(ii) transfer the treasury shares for the purposes of or pursuant to an employees’ share scheme;

(iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(iv) cancel the treasury shares; or

(v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the "usage"). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares of the usage, the number of treasury shares before and after the usage, the percentage of the number of treasury shares comprised in the usage against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.6 **Source of Funds**

The Companies Act permits the Company to purchase or acquire its Shares out of capital, as well as from its distributable profits so long as the Company is solvent.

The Company intends to use internal sources of funds to finance purchases or acquisitions of Shares pursuant to the Share Purchase Mandate. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the liquidity and capital of the Company and the Group would be materially adversely affected.

2.7 **Financial Effects**

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Purchase Mandate on the net asset value and EPS as the resultant effect would depend on, *inter alia*, whether the purchase or acquisition is made out of capital or profits, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The Directors do not propose to exercise the Share Purchase Mandate to such extent that it would materially affect the working capital requirements or the gearing of the Company. The
purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirement, the availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions.

**For illustrative purposes only,** the financial effects of the Share Purchase Mandate on the Company and the Group, based on the audited financial accounts of the Group for the financial year ended 30 June 2013, are based on the assumptions set out below:

(i) based on 232,487,354 Shares in issue as at the Latest Practicable Date (excluding the 200,000 Shares held as treasury shares as at that date) and assuming no further Shares are issued on or prior to the EGM, not more than 11,624,367 Shares (representing 5% of the total number of issued Shares of the Company (excluding the 200,000 Shares held as treasury shares) as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate;

(ii) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires the 11,624,367 Shares at the Maximum Price of S$1.361 for one (1) Share (being the price equivalent to 5% above the Average Closing Market Price of the Shares for the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 11,624,367 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S$15,821,000; and

(iii) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires the 11,624,367 Shares at the Maximum Price of S$1.361 for one (1) Share (being the price equivalent to 5% above the Average Closing Market Price of the Shares for the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 11,624,367 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S$15,821,000.

**For illustrative purposes only,** and based on the assumptions set out in sub-paragraphs (i) to (iii) above and assuming that (A) the purchase or acquisition of Shares is financed by internal sources of funds available as at 30 June 2013; (B) the Share Purchase Mandate had been effective on 1 July 2012; and (C) the Company had purchased or acquired the 11,624,367 Shares (representing 5% of the total number of issued Shares of the Company (excluding the 200,000 Shares held as treasury shares) as at the Latest Practicable Date) on 1 July 2012 (for the purposes of computing the effect of the Share Purchases on the EPS) and 30 June 2013 (for all other cases), the financial effects of the purchase or acquisition of the 11,624,367 Shares by the Company pursuant to the Share Purchase Mandate:

(1) by way of purchases made entirely out of capital and held as treasury shares; and

(2) by way of purchases made entirely out of capital and cancelled,

on the audited financial accounts of the Company and the Group for the financial year ended 30 June 2013 are set out below:
(1) Purchases made entirely out of capital and held as treasury shares

(A) Market Purchases

<table>
<thead>
<tr>
<th></th>
<th>Group Before Share Purchase</th>
<th>Group After Share Purchase</th>
<th>Company Before Share Purchase</th>
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<td>As at 30 June 2013</td>
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<tr>
<td>Profit after income tax attributable to Shareholders (S$'000)</td>
<td>13,483</td>
<td>13,483</td>
<td>7,813</td>
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<td>Share capital (S$'000)</td>
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<td>53,548</td>
<td>53,548</td>
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<td>Other reserves (S$'000)</td>
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<td>(2,013)</td>
<td>422</td>
<td>422</td>
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<td>Accumulated profits (S$'000)</td>
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<td></td>
<td>77,711</td>
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<tr>
<td>Treasury shares (S$'000)</td>
<td>(103)</td>
<td>(15,924)</td>
<td>(103)</td>
<td>(15,924)</td>
</tr>
<tr>
<td>Shareholders’ funds (S$'000)</td>
<td>77,608</td>
<td>61,787</td>
<td>70,685</td>
<td>54,864</td>
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<tr>
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<td>54,728</td>
</tr>
<tr>
<td>Non-controlling interests (S$'000)</td>
<td>(45)</td>
<td>(45)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Current assets (S$'000)</td>
<td>27,086</td>
<td>20,765</td>
<td>18,063</td>
<td>11,742</td>
</tr>
<tr>
<td>Current liabilities (S$'000)</td>
<td>17,151</td>
<td>17,151</td>
<td>12,648</td>
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</tr>
<tr>
<td>Total borrowings (S$'000)</td>
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<td>6,197</td>
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<td>6,197</td>
</tr>
<tr>
<td>Number of issued Shares</td>
<td>232,487</td>
<td>220,863</td>
<td>232,487</td>
<td>220,863</td>
</tr>
<tr>
<td>Number of treasury shares</td>
<td>200</td>
<td>11,824</td>
<td>200</td>
<td>11,824</td>
</tr>
<tr>
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<td>220,942</td>
</tr>
<tr>
<td>Financial ratios</td>
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<tr>
<td>EPS (cents)</td>
<td>5.80</td>
<td>6.10</td>
<td>3.36</td>
<td>3.54</td>
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</tbody>
</table>
## (B) Off-Market Purchases

<table>
<thead>
<tr>
<th>Group</th>
<th>Before Share Purchase</th>
<th>After Share Purchase</th>
<th>Company Before Share Purchase</th>
<th>Company After Share Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Profit after income tax attributable to Shareholders ($S'000)</td>
<td>13,483</td>
<td>13,483</td>
<td>7,813</td>
</tr>
<tr>
<td></td>
<td>Share capital ($S'000)</td>
<td>53,548</td>
<td>53,548</td>
<td>53,548</td>
</tr>
<tr>
<td></td>
<td>Other reserves ($S'000)</td>
<td>(2,013)</td>
<td>(2,013)</td>
<td>422</td>
</tr>
<tr>
<td></td>
<td>Accumulated profits ($S'000)</td>
<td>12,693</td>
<td>12,693</td>
<td>9,005</td>
</tr>
<tr>
<td></td>
<td>Treasury shares ($S'000)</td>
<td>(103)</td>
<td>(15,924)</td>
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</tr>
<tr>
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<td></td>
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<td>70,549</td>
</tr>
<tr>
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<tr>
<td></td>
<td>Financial ratios</td>
<td></td>
<td></td>
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<td></td>
<td>EPS (cents)</td>
<td>5.80</td>
<td>6.10</td>
<td>3.36</td>
</tr>
</tbody>
</table>
### Purchases made entirely out of capital and cancelled

#### (A) Market Purchases

<table>
<thead>
<tr>
<th></th>
<th>Group Before Share Purchase</th>
<th>Group After Share Purchase</th>
<th>Company Before Share Purchase</th>
<th>Company After Share Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 30 June 2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit after income tax attributable to Shareholders (S$'000)</td>
<td>13,483</td>
<td>13,483</td>
<td>7,813</td>
<td>7,813</td>
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<td>37,727</td>
<td>53,548</td>
<td>37,727</td>
</tr>
<tr>
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<td>(2,013)</td>
<td>422</td>
<td>422</td>
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<tr>
<td>Accumulated profits (S$'000)</td>
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<td>12,693</td>
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<td>(103)</td>
<td>(103)</td>
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</tr>
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<td></td>
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<td>1.21</td>
<td>1.43</td>
<td>0.93</td>
</tr>
<tr>
<td>EPS (cents)</td>
<td>5.80</td>
<td>6.10</td>
<td>3.36</td>
<td>3.54</td>
</tr>
</tbody>
</table>
### Off-Market Purchases

<table>
<thead>
<tr>
<th></th>
<th>Group Before Share Purchase</th>
<th>Group After Share Purchase</th>
<th>Company Before Share Purchase</th>
<th>Company After Share Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 30 June 2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit after income tax attributable to Shareholders (S$’000)</td>
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<td>13,483</td>
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<tr>
<td></td>
<td>77,711</td>
<td>61,890</td>
<td>70,788</td>
<td>54,967</td>
</tr>
<tr>
<td>Treasury shares (S$’000)</td>
<td>(103)</td>
<td>(103)</td>
<td>(103)</td>
<td>(103)</td>
</tr>
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<td>5.80</td>
<td>6.10</td>
<td>3.36</td>
<td>3.54</td>
</tr>
</tbody>
</table>
Shareholders should note that the financial effects set out above are purely for illustrative purposes only. Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 5% of the total number of issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 5% of the total number of issued Shares. In addition, the Company may cancel all or part of the Shares purchased or acquired or hold all or part of the Shares repurchased in treasury. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a Share Purchase before execution.

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the Share Purchase Mandate or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisers.

2.8 Listing Status of the Shares

Rule 723 of the Listing Rules requires a listed company to ensure that at least 10% of any class of its listed securities (excluding Shares held as treasury shares) is held by public shareholders. The "public", as defined in the Listing Rules, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the Company and its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, there are 134,540,593 Shares in the hands of the public (as defined in the Listing Rules), representing approximately 57.87% of the total number of issued Shares of the Company (excluding the 200,000 Shares held as treasury shares). Assuming that the Company purchases or acquires its Shares through Market Purchases up to the full 5% limit pursuant to the Share Purchase Mandate from the public, the number of Shares in the hands of the public would be reduced to 122,916,226 Shares, representing approximately 55.65% of the reduced total number of issued Shares of the Company (excluding the 200,000 Shares held as treasury shares).

In undertaking any purchase of its Shares through Market Purchases, the Directors will use their best efforts to ensure that a sufficient number of Shares remain in public hands so that the Share Purchases will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

2.9 Listing Rules

Under the Listing Rules, a listed company may purchase or acquire shares by way of Market Purchases at a price per share which is not more than 5% above the "average closing market price", being the average of the closing market prices of a share over the last five (5) Market Days on which transactions in the shares were recorded, before the day on which the purchases or acquisitions were made (which is deemed to be adjusted for any corporate action that occurs after such five (5)-Market Day period). The Maximum Price for a Share in relation to Market Purchases by the Company, referred to in paragraph 2.3(d) above, conforms to this restriction. Although the Listing Rules do not prescribe a maximum price in relation to purchases or acquisitions of shares by way of off-market purchases, the Company has set a cap of 5% above the average closing market price of a Share as the Maximum Price for a Share to be purchased or acquired by way of an Off-Market Purchase.

While the Listing Rules do not expressly prohibit purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be considered an "insider" in relation to any buy back of its shares, the Company will not buy any Shares after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been publicly announced. In particular, the Company will
not purchase or acquire any Shares through Market Purchases during the period of two (2) weeks immediately preceding the announcement of the Company's financial statements for each of the first three (3) quarters of its financial year, and one (1) month immediately preceding the announcement of the Company's financial statement for the financial year, as the case may be.

2.10 Reporting Requirements

Within 30 days of the passing of a Shareholders' resolution to approve the purchases or acquisitions of Shares by the Company, the Company shall lodge a copy of such resolution with the Registrar of Companies.

The Company shall notify the Registrar of Companies within 30 days of a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification shall include details of the purchase or acquisition, including the date of the purchase or acquisition, the total number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before the purchase or acquisition of Shares, the Company's issued share capital after the purchase or acquisition of Shares, the amount of consideration paid by the Company for the purchase or acquisition, whether the Shares were purchased or acquired out of profits or the capital of the Company, and such other particulars as may be required in the prescribed form.

The Listing Rules specify that a listed company shall notify the SGX-ST of all purchases or acquisitions of its Shares not later than 9.00 a.m.:

(a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and

(b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

2.11 Details of Previous Share Purchases

Details of purchases or acquisitions of Shares by the Company pursuant to the 2012 Share Purchase Mandate in the 12-month period preceding the Latest Practicable Date are as follows:

<table>
<thead>
<tr>
<th>Date of purchase or acquisition</th>
<th>Aggregate number of Shares purchased or acquired</th>
<th>Purchase price per Share</th>
<th>Total consideration paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>21 November 2012</td>
<td>200,000 (by way of a Market Purchase)</td>
<td>S$0.515$^{(1)}</td>
<td>S$103,306.43$^{(2)}</td>
</tr>
</tbody>
</table>

Notes:

(1) Excluding stamp duties, clearing charges, commission, brokerage and goods and services tax.

(2) Including, clearing charges, commission and brokerage but excluding goods and services tax.

Such Shares purchased or acquired by the Company were kept and held as treasury Shares.
2.12 Take-over Implications

Requirement to make a general offer

Under Rule 14 of the Take-over Code, a person will be required to make a general offer for a public company if:

(a) he acquires 30% or more of the voting rights of the company; or

(b) he holds between 30% and 50% of the voting rights of the company and he increases his voting rights in the company by more than 1% in any six (6)-month period.

If the proportionate shareholding in the voting capital of the company of a shareholder and persons acting in concert with him increases as a result of the company buying back its shares, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in the shareholder and persons acting in concert with him obtaining or consolidating effective control of the company, they may be obliged to make a take-over offer under Rule 14 of the Take-over Code.

Persons acting in concert

Under the Take-over Code, the following persons are deemed to be acting in concert unless the contrary is established:

(i) a company with its parent company, subsidiaries, its 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;

(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 investment account which the person manages on a discretionary basis;

(v) a financial or other professional advisor, with its client in respect of the shareholdings of the advisor and the persons controlling, controlled by or under the same control as the advisor; and all the funds which the advisor manages on a discretionary basis, where the shareholdings of the advisor and any of those funds in the client total 10% 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 them, 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, 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.
For this purpose, ownership or control of at least 20% but not more than 50% of the equity share capital of the company will be regarded as the test of associated company status.

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

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out under Appendix 2 of the Take-over Code.

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring the Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months.

Under Appendix 2 of the Take-over Code, a Shareholder who is not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company buying back its own Shares, the voting rights of the Shareholder will increase to 30% or more, or, if he holds between 30% and 50% of the Company's voting rights, his voting rights increase by more than 1% in any period of six (6) months as a result of the Company buying back its Shares.

In addition, under Appendix 2 of the Take-over Code, a Shareholder and persons acting in concert with him will incur an obligation to make a take-over offer after a Share Purchase if, inter alia, their voting rights increase to 30% or more as a result of a Share Purchase by the Company and they acquire any Shares between the date of the notice of resolution to authorise the Share Purchase Mandate and the next AGM of the Company, or, if they already hold between 30% and 50% of the Company's voting rights and as a result of a Share Purchase by the Company their voting rights increase by more than 1% in any period of six (6) months and they acquire Shares between the date of the notice of resolution to authorise the Share Purchase Mandate and the next AGM of the Company.

Based on the substantial shareholder notifications received by the Company as at the Latest Practicable Date from the Substantial Shareholders as set out in paragraph 4.2 below, none of the Substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate of the maximum limit of 5% of the total number of issued Shares (excluding the 200,000 Shares held as treasury shares) as at the Latest Practicable Date.

Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the proposed Share Purchase Mandate are advised to consult their professional advisors and/or the Securities Industry Council of Singapore before they acquire any Shares during the period when the proposed Share Purchase Mandate is in force.
3. THE PROPOSED SHARE GRANT PLAN

3.1 The Proposed Share Grant Plan

The Company proposes to adopt a share incentive scheme known as the "Cordlife Share Grant Plan" which will be subject to Shareholders' approval at the EGM to be held on 18 October 2013. A summary of the principal rules of the Share Grant Plan is set out in paragraph 3.5 of this Circular.

3.2 Rationale for the Share Grant Plan

The Share Grant Plan is proposed to increase the Group’s flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve superior performance. The Share Grant Plan will strengthen the Group’s competitiveness in attracting and retaining talented key senior management and employees.

The Share Grant Plan will provide incentives to high-performing key senior management and employees to excel in their performance and encourage greater dedication and loyalty to the Company. Through the Share Grant Plan, the Company will be able to motivate key senior management and employees to continue to strive for the Company’s long-term shareholder value, by providing an opportunity for them to participate in the equity of the Company, thereby inculcating a stronger sense of identification with the long term prosperity of the Company and promoting their organisational commitment, dedication and loyalty towards the Company.

In addition, the Share Grant Plan aims to foster a greater ownership culture within the Company which more directly aligns the interests of key senior management and employees with the interests of Shareholders, and to improve performance and achieve sustainable growth for the Company in the changing business environment.

The Company believes that the Share Grant Plan will be an effective tool in motivating key senior management and employees to strive to deliver long-term shareholder value.

A Participant’s Award under the Share Grant Plan will be determined at the sole discretion of the Remuneration Committee. In considering an Award to be granted to a Participant, the Remuneration Committee may take into account, inter alia, the Participant’s performance during the relevant period, and his capability, entrepreneurship, scope of responsibility and skills set.

The Share Grant Plan contemplates the award of fully-paid Shares, when and after pre-determined performance or service conditions are accomplished. Any performance targets set under the Share Grant Plan are intended to be based on longer-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. Examples of performance targets to be set aside include targets based on criteria such as total shareholders’ return, return on invested capital, economic value added, or on the Company meeting certain specified corporate target(s). It is also currently intended that a retention period of at least one (1) year after the Vesting Date, during which the relevant Shares awarded may not be transferred or otherwise disposed of, will be imposed in respect of 50% of all Shares awarded to the Participants under the Share Grant Plan. The Remuneration Committee nonetheless retains its absolute discretion to set out in the Award Letter a different retention period after taking into account all circumstances on a case-by-case basis.

In addition, the Share Grant Plan will also enable grants of fully paid Shares to be made to Non-Executive Directors as part of their remuneration in respect of their office as such in lieu of cash. No Performance Conditions may be attached to Awards granted to the Independent Directors under the Share Grant Plan.
The aggregate number of Shares to be issued under the Share Grant Plan will be subject to a maximum limit of 15% of the Company’s total number of issued Shares (excluding treasury shares) from time to time. The Remuneration Committee currently does not intend, in any given year, to grant Awards under the Share Grant Plan which would comprise more than 1.5% of the total number of issued Shares (excluding treasury shares) from time to time (the “Yearly Limit”). However, if such an intended annual sub-limit of 1.5% is not fully utilised in any given year, the balance of the unutilised sub-limit may be used by the Company to make grants of Awards in subsequent years.

The Share Grant Plan will be administered by the Remuneration Committee, which comprises Non-Executive Group Directors duly authorised and appointed by the Board to administer the Share Grant Plan. Where a member of the Remuneration Committee is also a proposed Participant, he will not be involved in the deliberations of the Remuneration Committee in respect of the Awards granted, or to be granted, to him.

3.3 Participation by Associated Company Employees in the Share Grant Plan

While the Share Grant Plan caters principally to Group Employees, it is recognised that there may be individuals who are able to make significant contributions to the Group through their close working relationship with the Group, even though they are not employed within the Group. Such persons include the Associated Company Employees.

Associated Company Employees are expected to work closely with the Group to provide services, knowledge, expertise, assistance and support to the Group on a continuing basis in the development and implementation of business strategies, investments and projects in which the Company or the Group has interests. The extension of the Share Grant Plan to Associated Company Employees allows the Group to have a fair and equitable system to reward Associated Company Employees who have made and who continue to make significant contributions to the long-term growth of the Group and provides another means of rewarding such persons apart from the usual cash remuneration.

In deciding whether to grant Award(s) to Associated Company Employees, the Company will consider, inter alia, the contributions of such individuals to the success and development of the Company and/or the Group before selecting them for participation in the Share Grant Plan. For the purposes of assessing their contributions, the Remuneration Committee may adopt a performance framework which incorporates financial and/or non-financial performance criteria.

3.4 Participation by Non-Executive Group Directors (including Independent Directors) and Non-Executive Associated Company Directors in the Share Grant Plan

It is also intended that Non-Executive Directors will be eligible to participate in the Share Grant Plan. Although the Non-Executive Directors (including Independent Directors) are not involved in the day-to-day running of the Group, they also play an invaluable role in the Group’s success by leveraging on their different professions and working backgrounds, bringing to the Company their wealth of knowledge, business expertise and contacts in the business community. They play an important role in helping the Company shape its business strategy by allowing the Company to draw on their diverse backgrounds and working experience. Non-Executive Directors also serve an important function in ensuring good corporate governance of the Group through their appointments as members of the Audit Committee, the Remuneration Committee and Nominating Committee of the Company. It is crucial for the Company to attract and retain these Non-Executive Directors.

The Directors are of the view that including the Non-Executive Directors in the Share Grant Plan will show the Company’s appreciation for, and further motivate them in their contribution
towards the success of the Company. However, the Company recognises that their services and contributions cannot be measured in the same way as the full-time employees of the Company.

For the purpose of assessing the contributions of the Non-Executive Directors and the number of Awards to be offered (in accordance with the Share Grant Plan), the Remuneration Committee will take into consideration the nature and extent of their input, assistance and expertise rendered to the committees on which they sit and the impact thereof on the growth, success and development of the Company and the Group, as well as their involvement and commitment to the Board.

In order to minimise any possible conflicts of interest, and so as not to compromise the objectivity and independence of the Independent Directors, the Independent Directors would continue to be primarily remunerated for their services by way of Directors’ fees. There will be no Performance-related Awards granted to such Independent Directors.

It is also envisaged that the Vesting of Awards, and hence the number of Shares to be delivered to the Non-Executive Directors based on the criteria set out above will be relatively small in terms of frequency and numbers. Based on this, the Directors are of the view that the participation by the Independent Directors in the Share Grant Plan will not compromise their independent status. In addition, for good corporate governance, only the Independent Directors of the Remuneration Committee shall participate in any deliberation or decision in respect of the Performance Condition(s) of any Performance-related Award granted or to be granted to Non-Independent Non-Executive Director(s).

The Non-Executive Group Directors may be appointed as members of the Remuneration Committee. However, the rules of the Share Grant Plan provide that no member of the Remuneration Committee shall be involved in any deliberation in respect of Awards to be granted to him.

3.5 Summary of Rules of the Share Grant Plan

The following are summaries of the principal rules of the Share Grant Plan.

3.5.1 Eligibility

The following persons, unless they are also controlling shareholders of the Company or associates of such controlling shareholders, shall be eligible to participate in the Share Grant Plan at the absolute discretion of the Remuneration Committee:

(a) Group Employees whose employment have been confirmed and who have attained the age of 21 years and hold such rank as may be designated by the Remuneration Committee from time to time;

(b) Associated Company Employees whose employment have been confirmed and who have attained the age of 21 years and hold such rank as may be designated by the Remuneration Committee from time to time and who, in the opinion of the Remuneration Committee, have contributed or will contribute to the success of the Group;

(c) Non-Independent Non-Executive Directors who, in the opinion of the Remuneration Committee, have contributed or will contribute to the success of the Group; and
(d) in respect of the non-Performance-related Awards only, Independent Directors who, in the opinion of the Remuneration Committee, have contributed or will contribute to the success of the Group.

Controlling shareholders of the Company and associates of such controlling shareholders shall not be eligible to participate in the Share Grant Plan.

3.5.2 Grant of Awards

Awards represent the right conferred by the Company on a Participant to be issued or transferred Shares in the Company, free of charge, in accordance with the Share Grant Plan.

Shares which are allotted and issued or transferred to a Participant pursuant to the grant of an Award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during a specified period (as prescribed by the Remuneration Committee in the award letter), except to the extent approved by the Remuneration Committee.

The Remuneration Committee may, in its absolute discretion, Release an Award, wholly or partly, in the form of cash rather than Shares.

3.5.3 Participants

The selection of a Participant and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Share Grant Plan shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account such relevant criteria as it considers fit, including (but not limited to) his rank, job performance, years of service and potential for future development, his Board and committee (if any) appointment and attendance, his contribution to the success and development of the Group and (in the case of a Performance-related Award) the difficulty with which the Performance Condition may be achieved within the stipulated period.

3.5.4 Details of Awards

The Remuneration Committee shall decide, in relation to an Award:

(a) the Participant;

(b) the Award Date;

(c) the number of Shares which are the subject of the Award;

(d) in the case of a Performance-related Award:

(i) the Performance Condition;

(ii) the Performance Period; and

(iii) the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period;
(e) the Vesting Period(s);
(f) the Vesting Date(s);
(g) the Release Schedule;
(h) the Retention Period, if any; and
(i) any other condition which the Remuneration Committee may determine in relation to that Award.

Awards under the Share Grant Plan represent the right of a Participant to receive fully paid Shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed target(s) (if any) (including performance targets in the case of a performance-related share grant) are met and upon the expiry of the Vesting Periods which will be determined by the Remuneration Committee at the Award Date.

As mentioned at paragraph 3.4 above, while all Non-Executive Directors (including Independent Directors) will be eligible to participate in the Share Grant Plan, the Company recognises that the grant of Awards, which are subject to Performance Conditions, to the Independent Directors may compromise the independence and objectivity of the Independent Directors. As such, no Performance-related Awards will be granted in respect of Independent Directors. In addition, for good corporate governance, only the Independent Directors of the Remuneration Committee shall participate in any deliberation or decision in respect of the Performance Condition(s) of any Performance-related Award granted or to be granted to Non-Independent Non-Executive Director(s).

3.5.5 **Events Prior to Vesting**

Unless otherwise decided in the absolute discretion of the Remuneration Committee, an Award shall, to the extent not yet Released, immediately lapse without any claim whatsoever against the Company in any of the following events:

(a) in the event that an order is made or resolution is passed for the winding-up of the Company on the basis, or by reason, of its insolvency; or
(b) in the event of misconduct on the part of a Participant as determined by the Remuneration Committee in its absolute discretion; or
(c) subject to paragraph 3.5.5(ii) below, in the event that the Participant who is a Group Employee or an Associated Company Employee ceases at any time to be in the employment of the Group or the relevant Associated Company, as the case may be, for any reason whatsoever.

In any of the following events, namely:

(i) the bankruptcy of a Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;

(ii) where the Participant being a Group Employee or an Associated Company Employee ceases at any time to be in the employment of the Group or the relevant Associated Company, as the case may be, by reason of:
ill health, injury or disability (in each case, evidenced to the satisfaction of the Remuneration Committee); or

redundancy; or

retirement at or after the legal retirement age; or

retirement before the legal retirement age with the consent of the Remuneration Committee; or

the company by which he is employed ceasing to be a company within the Group or an Associated Company, as the case may be, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group or to an Associated Company, as the case may be; or

his transfer to any Ministry, governmental or statutory body or corporation at the direction of the Company or, as the case may be, the relevant Associated Company; or

(where applicable) his transfer of employment from the Group to an Associated Company or vice versa; or

any other event approved by the Remuneration Committee; or

(iii) where a Participant, being a Non-Executive Director, ceases to be a director of the Company, the relevant subsidiary or, as the case may be, the relevant Associated Company, for any reason whatsoever;

(iv) the death of a Participant; or

(v) any other event approved by the Remuneration Committee,

an Award then held by that Participant shall, to the extent not yet Released, lapse without any claim whatsoever against the Company, unless otherwise determined by the Remuneration Committee in its absolute discretion.

If before a Vesting date, any of the following occurs:

(1) a take-over offer for the Shares becomes or is declared unconditional; or

(2) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by Shareholders of the Company and/or sanctioned by the court under the Companies Act; or

(3) an order being made or a resolution passed for the winding-up of the Company (other than as provided sub-paragraph (a) above or for amalgamation or reconstruction),

the Remuneration Committee will consider, at its discretion, whether or not to Release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Remuneration Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Remuneration Committee
will (if applicable) have regard to the proportion of the Vesting Period(s) which has elapsed and, in the case of a Performance-related Award, the extent to which the performance condition has been satisfied. Where Awards are Released, the Remuneration Committee will, as soon as practicable after the Awards have been Released, procure the allotment or transfer to each Participant of the number of Shares so determined. If the Remuneration Committee so determines, the Release of Awards may be satisfied in cash as provided in the Rules.

3.5.6 **Limitation on the Size and Duration of the Share Grant Plan**

The total number of new Shares which may be issued or Shares which may be delivered pursuant to Awards granted under the Share Grant Plan, when added to the total number of new Shares issued and issuable or existing Shares delivered and deliverable in respect of:

(a) all Awards granted under the Share Grant Plan; and

(b) all Shares, options or awards granted under any other share scheme of the Company then in force,

shall not exceed 15% of the issued share capital of the Company (excluding treasury shares) on the day preceding the relevant date of the Award.

Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Remuneration Committee under the Share Grant Plan.

The Remuneration Committee currently does not intend, in any given year, to grant Awards under the Share Grant Plan which would comprise more than 1.5% of the total number of issued Shares (excluding treasury shares) from time to time. However, if the Yearly Limit is not fully utilised in any given year, the balance of the unutilised Yearly Limit may be used by the Company to make grants of Awards in subsequent years.

The Share Grant Plan shall continue to be in operation at the discretion of the Remuneration Committee for a maximum period of 10 years commencing on the date on which the Share Grant Plan is adopted by the Company in general meeting, provided always that the Share Grant Plan may, subject to applicable laws and regulations, continue beyond the above stipulated period with the approval of the Shareholders of the Company by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The expiry or termination of the Share Grant Plan shall not affect Awards which have been granted to Participants prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) by the Remuneration Committee or not.

3.5.7 **Operation of the Share Grant Plan**

Subject to the prevailing legislation, the rules of the Listing Manual and guidelines issued by the SGX-ST, the Company will have the flexibility to deliver Shares to Participants upon Vesting of their Awards by way of an issue of new Shares, deemed to be fully paid upon their allotment and issuance, or the delivery of treasury shares. The purchase of existing Shares by the Company under the Share Purchase Mandate, if renewed at the EGM and if held as treasury shares, may be used for the purpose of Vesting the Awards.
In determining whether to issue new Shares or to deliver existing Shares held in treasury by the Company to Participants on Vesting of their Awards (which shall be determined by the Remuneration Committee on or prior to the Vesting Date), the Company will take into account factors such as (but not limited to) the amount of cash available, the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of the various modes of settlement.

The financial effects of the above methods are discussed in paragraph 3.9 below. The Company has the flexibility, and if the circumstances require, to approve the Release of an Award, wholly or partly, in the form of cash rather than Shares.

The Shares to be issued to Participants upon Vesting of their Awards will be fully paid upon their allotment and issuance. Such Shares allotted and issued on the Release of an Award shall rank in full for all entitlements, including dividends or other distribution declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other aspects rank pari passu with other existing Shares then in issue.

3.6 Adjustments and Modifications of the Share Grant Plan

3.6.1 Adjustment Events

If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place or if the Company shall make a capital distribution or a declaration of a special dividend (whether in cash or in specie), then the Remuneration Committee may, in its sole discretion, determine whether:

(a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or

(b) the class and/or number of Shares in respect of which future Awards may be granted under the Share Grant Plan,

shall be adjusted in such manner as the Remuneration Committee may determine to be appropriate, provided that any such adjustment shall be made in such a way that a Participant will not receive a benefit that a Shareholder does not receive.

Unless the Remuneration Committee considers an adjustment to be appropriate:

(i) the issue of securities as consideration for an acquisition or a private placement of securities; or

(ii) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force; or

(iii) the issue of securities by the Company upon the exercise of any options or conversion of any loan stock or any other securities convertible into Shares or subscription rights of any warrants,

shall not normally be regarded as a circumstance requiring adjustment.
Any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the auditors of the Company (acting only as experts and not as arbitrators) to be, in their opinion, fair and reasonable.

3.6.2 Modifications

The Share Grant Plan may be modified and/or altered from time to time by a resolution of the Remuneration Committee, except that:

(a) no modification or alteration shall adversely affect the rights attached to Awards granted prior to such modification or alteration except with the prior written consent of such number of Participants under the Share Grant Plan who, if their Awards were Released to them upon the expiry of all the Vesting Periods applicable to their Awards, would be entitled to not less than 75% of the aggregate number of all the Shares which would fall to be Vested upon Release of all outstanding Awards under the Share Grant Plan upon the expiry of all the Vesting Periods applicable to all outstanding Awards;

(b) no alteration shall be made to particular definitions and rules of the Share Grant Plan to the advantage of Participants except with the prior approval of Shareholders in general meeting; and

(c) no modification or alteration shall be made without the due compliance with the Listing Manual and the prior approval of the SGX-ST and such other regulatory authorities as may be necessary.

Additionally, the Remuneration Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the rules or provisions of the Share Grant Plan in any way to the extent necessary to cause the Share Grant Plan to comply with any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Companies Act) or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

3.7 Disclosures in Annual Report

The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Share Grant Plan continues in operation and as from time to time required by the Listing Manual:

(a) the names of the members of the Remuneration Committee administering the Share Grant Plan;

(b) in respect of the following Participants:

(i) Directors of the Company;

(ii) Participants (other than those in sub-paragraph (i) above) who have been granted Awards under the Share Grant Plan and/or who have received Shares pursuant to the Release of Awards granted under the Share Grant Plan which, in aggregate, represent 5% or more of the aggregate number of Shares available under the Share Grant Plan,

the following information:
(1) the name of the Participant;

(2) the following particulars relating to Shares delivered pursuant to Awards Released under the Share Grant Plan:

   (A) the number of new Shares issued to such Participant during the financial year under review; and

   (B) the number of existing Shares transferred to such Participant during the financial year under review; and

(3) the information set out in paragraph (c) below in relation to such Participant; and

(c) in relation to the Share Grant Plan, the following particulars:

   (i) the aggregate number of Shares comprised in Awards which have Vested since the commencement of the Share Grant Plan to the end of the financial year under review;

   (ii) the aggregate number of Shares comprised in Awards which have Vested since the commencement of the Share Grant Plan to the end of the financial year under review and in respect of such Awards, the proportion of:

       (1) new Shares issued; and

       (2) where applicable, existing Shares transferred and, where existing Shares were purchased for delivery, the range of prices at which such Shares have been purchased,

       upon the Release of Vested Awards granted under the Share Grant Plan; and

   (iii) the aggregate number of Shares comprised in Awards granted under the Share Grant Plan which have not been Released as at the end of the financial year under review; and

(d) such other information as may be required by the Listing Manual or the Companies Act.

If any of the above is not applicable, an appropriate negative statement shall be included therein.

3.8 Role and Composition of the Remuneration Committee

The Remuneration Committee will be designated as the committee responsible for the administration of the Share Grant Plan. The Remuneration Committee currently comprises Ms Jin Lu, Dr Goh Jin Hian, and Mr Ng Tiak Soon, all Non-Executive Group Directors of the Company. In compliance with the requirements of the Listing Manual, a Participant of the Share Grant Plan who is a member of the Remuneration Committee shall not be involved in any deliberation or decision in respect of Awards granted or to be granted to or held by that member of the Remuneration Committee. In addition, for good corporate governance, only the Independent Directors of the Remuneration Committee shall participate in any deliberation or decision in respect of the Performance Condition(s) of any Performance-related Award granted or to be granted to Non-Independent Non-Executive Director(s).
3.9 Financial Effects of the Share Grant Plan

The financial effects of the Company granting Awards under the Share Grant Plan are as follows:

(a) **Cost of Awards**

Financial Reporting Standard 102 ("FRS 102") relating to share-based payments takes effect for all listed companies beginning 1 January 2005. Participants will receive Shares in settlement of the Awards and the Awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Awards would be recognized as a charge to the consolidated income statement over the period between the Award Date and the Vesting Date of an Award. For Awards, the total amount of charge over the Vesting Period is determined by reference to the fair value of each Award granted at the Award Date and the number of Shares Vested at the Vesting Date, with a corresponding credit to reserve account. Before the end of the Vesting Period, at each accounting year end, the estimate of the number of Awards that are expected to Vest by the Vesting Date is revised, and the impact of the revised estimate is recognized in the consolidated income statement with a corresponding adjustment to the reserve account. After the Vesting Date, no adjustment to the charge to the consolidated income statement is made.

The amount charged to the income statement also depends on whether or not the Performance Condition attached to an Award is measured by reference to the market price of the Shares. This is known as a market condition. If the Performance Condition is a market condition, the probability of the Performance Condition being met is taken into account in estimating the fair value of the Award granted at the grant date, and no adjustments to the amounts charged to the income statement are made whether or not the market condition is met. However, if the Performance Condition is not a market condition, the fair value per Share of the Awards granted at the grant date is used to compute the amount to be charged to the income statement at each accounting date, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to Vest. Thus, where the Vesting conditions do not include a market condition, there would be no cumulative charge to the income statement if the Awards do not ultimately Vest.

(b) **Share Capital**

The Share Grant Plan will result in an increase in the Company's issued share capital only if the new Shares are issued to Participants. The number of new Shares issued will depend on, *inter alia*, the size of the Awards granted, and the prevailing market price of the Shares on the SGX-ST. However, if existing Shares are purchased for delivery to Participants or if treasury shares are transferred and delivered to Participants in lieu of issuing new Shares, the Share Grant Plan will have no impact on our Company's issued share capital.

(c) **NTA**

The proposed Share Grant Plan is likely to result in a change to the Company's consolidated income statement over the period from the Award Date to the Vesting Date for the Awards. The amount of the charge will be computed in accordance with FRS102. When new Shares are issued under the Share Grant Plan, there would be no effect on the NTA. However, if instead of issuing new Shares to the Participants under
the Share Grant Plan, existing Shares are purchased for delivery to Participants, the NTA would be impacted by the cost of the Shares purchased.

It should be noted that the delivery of Shares to Participants under the proposed Share Grant Plan will generally be contingent upon the Participants meeting prescribed Performance Conditions and/or service conditions or being recognized as having performed and made contributions to the Group or such other conditions, if any.

(d) EPS

The Share Grant Plan is likely to result in a charge to the Company’s consolidated income statement over the period from the Award Date to the Vesting Date of the Awards. The amount of the charge will be computed in accordance with FRS 102.

It should again be noted that the delivery of Shares to Participants under the proposed Share Grant Plan will generally be contingent upon the Participants meeting prescribed Performance Conditions and/or service conditions or being recognized as having performed and made contributions to the Group or such other conditions, if any.

(e) Dilutive Impact

It is expected that any dilutive impact of the Share Grant Plan on the NTA and EPS would not be significant.

3.10 Approvals for the Share Grant Plan

The SGX-ST has on 19 September 2013 granted its in-principle approval for the listing and quotation of the Shares to be allotted and issued pursuant to the Share Grant Plan, subject to

(a) Shareholders’ approval for the Share Grant Plan being obtained; and
(b) the Company’s compliance with the SGX-ST’s listing requirements and guidelines.

Such approval is not to be taken as an indication of the merits of the proposed Share Grant Plan, the Shares, the Company and/or its subsidiaries.

4. DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTERESTS

4.1 Interests of Directors. The interests of the Directors in the Shares, based on information as recorded in the Register of Directors’ Shareholdings of the Company as the Latest Practicable Date are as follows:

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<th>Directors</th>
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<th>Deemed Number of Shares</th>
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<tr>
<td>Ng Tiak Soon</td>
<td>-</td>
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<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
**4.2 Interests of Substantial Shareholders.** The interests of the Substantial Shareholders of the Company in the Shares, based on information as recorded in the Register of Substantial Shareholders of the Company, as at the Latest Practicable Date are as follows:

<table>
<thead>
<tr>
<th>Substantial Shareholders</th>
<th>Number of Shares</th>
<th>% of total issued Shares</th>
<th>Number of Shares</th>
<th>% of total issued Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>China Stem Cells (East) Company Limited</td>
<td>24,366,666</td>
<td>10.48</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>China Stem Cells Holdings Limited</td>
<td>-</td>
<td>-</td>
<td>24,366,666</td>
<td>10.48</td>
</tr>
<tr>
<td>China Cord Blood Services Corporation</td>
<td>-</td>
<td>-</td>
<td>24,366,666</td>
<td>10.48</td>
</tr>
<tr>
<td>China Cord Blood Corporation</td>
<td>-</td>
<td>-</td>
<td>24,366,666</td>
<td>10.48</td>
</tr>
<tr>
<td>Golden Meditech Stem Cells Company Limited</td>
<td>-</td>
<td>-</td>
<td>24,366,666</td>
<td>10.48</td>
</tr>
<tr>
<td>Golden Meditech Holdings Limited</td>
<td>-</td>
<td>-</td>
<td>24,366,666</td>
<td>10.48</td>
</tr>
<tr>
<td>Coop International Pte. Ltd.</td>
<td>24,450,000</td>
<td>10.52</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bonvests Holdings Limited</td>
<td>-</td>
<td>-</td>
<td>24,450,000</td>
<td>10.52</td>
</tr>
<tr>
<td>Wells Spring Pte. Ltd.</td>
<td>25,200,000</td>
<td>10.84</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Providence Investments Pte Ltd</td>
<td>-</td>
<td>-</td>
<td>25,200,000</td>
<td>10.84</td>
</tr>
<tr>
<td>Chye Hin Pte Ltd</td>
<td>-</td>
<td>-</td>
<td>25,200,000</td>
<td>10.84</td>
</tr>
<tr>
<td>Tai Tak Estates Sdn Bhd</td>
<td>-</td>
<td>-</td>
<td>25,200,000</td>
<td>10.84</td>
</tr>
<tr>
<td>SG Investments Pte Ltd</td>
<td>-</td>
<td>-</td>
<td>25,200,000</td>
<td>10.84</td>
</tr>
<tr>
<td>Ho Han Leong Calvin</td>
<td>-</td>
<td>-</td>
<td>25,200,000</td>
<td>10.84</td>
</tr>
<tr>
<td>FIL Limited</td>
<td>-</td>
<td>-</td>
<td>20,925,000</td>
<td>9.00</td>
</tr>
<tr>
<td>FMR LLC</td>
<td>-</td>
<td>-</td>
<td>1,000</td>
<td>0.00</td>
</tr>
</tbody>
</table>

**Notes:**

1. As a percentage of the issued share capital of the Company (excluding the 200,000 Shares held as treasury shares), comprising 232,487,354 Shares.

2. China Stem Cells Holdings Limited is the sole shareholder of China Stem Cells (East) Company Limited and is therefore deemed to be interested in the Shares held by China Stem Cells (East) Company Limited by virtue of Section 4 of the SFA.

3. China Cord Blood Services Corporation is the sole shareholder of China Stem Cells Holdings Limited and is therefore deemed to be interested in the Shares held by China Stem Cells (East) Company Limited by virtue of Section 4 of the SFA.
(4) China Cord Blood Corporation is the sole shareholder of China Cord Blood Services Corporation and is therefore deemed to be interested in the Shares held by China Stem Cells (East) Company Limited by virtue of Section 4 of the SFA.

(5) Golden Meditech Stem Cells Company Limited holds approximately 41.80% equity interests in China Cord Blood Corporation and is therefore deemed to be interested in the Shares held by China Stem Cells (East) Company Limited by virtue of Section 4 of the SFA.

(6) Golden Meditech Holdings Limited is the sole shareholder of Golden Meditech Stem Cells Company Limited and is therefore deemed to be interested in the Shares held by China Stem Cells (East) Company Limited by virtue of Section 4 of the SFA.

(7) Bonvests Holdings Limited is the sole shareholder of Coop International Pte. Ltd. and is therefore deemed to be interested in the Shares held by Coop International Pte. Ltd. by virtue of Section 4 of the SFA.

(8) Providence Investments Pte Ltd is the sole shareholder of Wells Spring Pte. Ltd. and is therefore deemed to be interested in the Shares held by Wells Spring Pte. Ltd. by virtue of Section 4 of the SFA.

(9) Chye Hin Pte Ltd is the sole shareholder of Providence Investments Pte Ltd and is therefore deemed to be interested in the Shares held by Wells Spring Pte. Ltd. by virtue of Section 4 of the SFA.

(10) Tai Tak Estates Sdn Bhd is the sole shareholder of Chye Hin Pte Ltd and is therefore deemed to be interested in the Shares held by Wells Spring Pte. Ltd. by virtue of Section 4 of the SFA.

(11) SG Investments Pte Ltd is the sole shareholder of Tai Tak Estates Sdn Bhd and is therefore deemed to be interested in the Shares held by Wells Spring Pte. Ltd. by virtue of Section 4 of the SFA.

(12) Ho Han Leong Calvin is deemed to be interested in the Shares held by Wells Spring Pte. Ltd. as he is a shareholder of SG Investments Pte Ltd and Tai Tak Estates Sdn Bhd.

(13) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 23 July 2013, FIL Limited is a privately-owned company incorporated under the laws of Bermuda. FMR LLC is a privately owned limited liability company organized under the laws of the state of Delaware, in the United States of America. FIL Limited and FMR LLC have certain directors in common and provide services to each other on an arms’ length basis. Edward C Johnson 3rd is a shareholder and controls a portion of the voting interests of FMR LLC.

5. DIRECTORS’ RECOMMENDATIONS

5.1 Proposed renewal of the Share Purchase Mandate

The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 1 as set out in the Notice of EGM, relating to the proposed renewal of the Share Purchase Mandate.

5.2 Proposed Share Grant Plan

As all the Directors are eligible to participate in, and are therefore interested in, the Share Grant Plan, they have refrained from making any recommendation on, and in the case of Directors who are Shareholders, shall abstain from voting in respect of, Ordinary Resolution 2 as set out in the Notice of EGM. The Directors shall also decline to accept appointment as proxies for any Shareholder to vote in respect of Ordinary Resolution 2, unless the Shareholder concerned shall have given instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Ordinary Resolution 2.

Save as disclosed in this Circular, none of the Directors has any interest, direct or indirect, in the Share Grant Plan.
6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 37 to 39 of this Circular, will be held at Auditorium 302, Level 3, NTU@one-north Executive Centre, 11 Slim Barracks Rise (off North Buona Vista Road), Singapore 138664, on 18 October 2013 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the upcoming AGM to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any modifications, the Ordinary Resolutions as set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

7.1 Appointment of Proxies

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy or proxies to attend and vote on his behalf, he should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company’s Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd) at 80 Robinson Road, #02-00, Singapore 068898 not later than 11.00 a.m. on 16 October 2013. Completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM if he so wishes. Shareholders are reminded not to appoint any Director as their proxy or one of their proxies unless they shall have given instructions in their Proxy Form as to the manner in which their votes are to be cast in respect of Ordinary Resolution 2, failing which the appointment may be invalid.

7.2 Abstention from Voting

Any Shareholder who is eligible to participate in the proposed Share Grant Plan must abstain from voting at the EGM in respect of Ordinary Resolution 2 relating to the adoption of the proposed Share Grant Plan. Such person should also decline to accept appointment as a proxy for any Shareholder to vote in respect of Ordinary Resolution 2, unless the Shareholder concerned shall have given instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Ordinary Resolution 2.

7.3 Note for depositors

A depositor shall not be regarded as a member entitled to attend, speak and vote at the EGM unless his name appears in the Depository Register at least 48 hours before the time appointed for holding the EGM.

8. INSPECTION OF DOCUMENTS

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours on any weekday (public holidays excluded) from the date of this Circular up to and including the date of the EGM:

(a) the Memorandum and Articles of the Company;
(b) the Annual Report of the Company for the financial year ended 30 June 2013; and
(c) the proposed Rules of the Share Grant Plan.
9. 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 renewal of the Share Purchase Mandate and the proposed Share Grant Plan, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

Yours faithfully
For and on behalf of the Board of Directors of
CORDLIFE GROUP LIMITED

Mr. Yee Pinh Jeremy
Executive Director and Chief Executive Officer

The initial public offering of Cordlife Group Limited’s shares was sponsored by PrimePartners Corporate Finance Pte. Ltd. ("Issue Manager"). The Issue Manager assumes no responsibility for the contents of this Circular.
NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("EGM") of Cordlife Group Limited (the "Company") will be held at Auditorium 302, Level 3, NTU@one-north Executive Centre, 11 Slim Barracks Rise (off North Buona Vista Road), Singapore 138664 on 18 October 2013 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the upcoming Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions as Ordinary Resolutions:

All references to the Circular in this Notice of Extraordinary General Meeting shall mean the Company's circular to Shareholders dated 3 October 2013 (the "Circular"). All capitalised terms not otherwise defined herein shall have the meanings given to them in the Circular.

Ordinary Resolution 1

The Proposed Renewal of the Share Purchase Mandate

That:

(a) for the purposes of the Companies Act (Chapter 50 of Singapore) (the "Companies Act"), the exercise by the directors of the Company (the "Directors") of all the powers of the Company to purchase or otherwise acquire issued and fully paid ordinary shares ("Shares") in the share capital of the Company not exceeding in the aggregate the Maximum Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

(i) market purchases or acquisitions of Shares (each a "Market Purchase") on Singapore Exchange Securities Trading Limited (the "SGX-ST"); and/or

(ii) off-market purchases or acquisitions of Shares (each an "Off-Market Purchase") in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");

(b) the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next annual general meeting ("AGM") of the Company is held or required by law to be held;

(ii) the date on which the Share purchases or acquisitions by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; and
(iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in a general meeting;

(c) in this Resolution:

"Average Closing Market Price" means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5)-day period;

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

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

"Maximum Limit" means that number of Shares representing 5% of the total number of issued Shares (excluding any Shares which are held as treasury shares) ascertained as at the date of the last AGM or at the date of the general meeting at which the Share Purchase Mandate is approved, whichever is the higher, unless the Company has effected a reduction in the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company as altered;

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) which shall not exceed:

(i) in the case of a Market Purchase, 105% of the Average Closing Market Price of the Shares; and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 105% of the Average Closing Market Price of the Shares; and

"Relevant Period" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date the resolution relating to the Share Purchase Mandate is passed; and

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

Ordinary Resolution 2

The Proposed Share Grant Plan

That:

(1) a new share incentive scheme to be known as the "Cordlife Share Grant Plan" (the "Share Grant Plan"), under which awards ("Awards") of Shares, their equivalent cash value or combinations thereof will be granted, free of payment, to eligible participants under the Share
Grant Plan, the rules and details of which are set out in the Circular, be and is hereby approved and adopted with effect from the date of the EGM;

(2) the Directors of the Company be and are hereby authorised:

(a) to establish and administer the Share Grant Plan;

(b) to modify and/or alter the Share Grant Plan at any time and from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of the Share Grant Plan, and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the Share Grant Plan; and

(c) subject to the same being allowed by law, to apply any Share purchased under the Share Purchase Mandate (if renewed at the EGM) and to deliver such existing Shares (including any Shares held in treasury) towards the satisfaction of Awards granted under the Share Grant Plan; and

(3) the Directors of the Company be and are hereby authorised to grant Awards in accordance with the provisions of the Share Grant Plan and to allot and issue from time to time such number of fully paid-up Shares as may be required to be delivered pursuant to the vesting of Awards under the Share Grant Plan, provided that the total number of new Shares which may be issued or Shares which may be delivered pursuant to Awards granted under the Share Grant Plan, when added to the total number of new Shares issued and issuable or existing Shares delivered and deliverable in respect of all awards granted under the Share Grant Plan, and all Shares, options or awards granted under any other share scheme of the Company then in force, shall not exceed 15% of the issued share capital of the Company (excluding treasury shares) on the day preceding the relevant date of the Award.

By Order of the Board

Ang Siew Koon
Low Siew Tian
Company Secretaries
Singapore, 3 October 2013

Notes:
1. A Shareholder entitled to attend and vote at the EGM of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his stead.

2. A Shareholder that is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.

3. A proxy need not be a Shareholder.

4. The instrument appointing a proxy or proxies must be deposited at the office of the Company’s Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898, not less than 48 hours before the time appointed for the EGM.

5. The Company intends to use internal sources of funds to finance purchases or acquisitions of Shares pursuant to the Share Purchase Mandate. The Directors do not propose to carry out purchases pursuant to the Share Purchase Mandate to such an extent that would, or in the circumstances that might, result in a material adverse effect on the financial position (including working capital and gearing) of the Company and/or affect the listing status of the Company on the SGX-ST. The amount of financing required for the Company to purchase or acquire its Shares and the impact on the Company’s financial position cannot be ascertained as at the date of this Notice as these will depend on, inter alia, whether the Shares are purchased out of capital or profits of the Company, the price paid for such Shares, the aggregate number of Shares purchased or acquired and whether the Shares purchased are held in treasury or cancelled. An illustration of the financial impact of the Share purchases by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Company and its subsidiaries for the financial year ended 30 June 2013 is set out in the Circular. Shareholders should note that the financial effects set out therein are purely for illustrative purposes only.
IMPORTANT:
1. For investors who have used their CPF monies to buy Cordlife Group Limited shares, this Circular to Shareholders is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Extraordinary General Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

PROXY FORM
EXTRAORDINARY GENERAL MEETING

I/We ______________________________________________________ (Name(s) and NRIC/Passport Number(s))
of _________________________________________________________________________________ (Address)
being a shareholder/shareholders of Cordlife Group Limited (the "Company") hereby appoint:

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>NRIC/Passport No.</th>
<th>Proportion of Shareholdings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>No. of Shares %</td>
</tr>
</tbody>
</table>

and/or (delete as appropriate)

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>NRIC/Passport No.</th>
<th>Proportion of Shareholdings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>No. of Shares %</td>
</tr>
</tbody>
</table>

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf, at the Extraordinary General Meeting of the Company to be held at Auditorium 302, Level 3, NTU@one-north Executive Centre, 11 Slim Barracks Rise (off North Buona Vista Road), Singapore 138664, on 18 October 2013 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the upcoming Annual General Meeting of the Company to be held at 10.00 a.m. 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 resolutions to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Extraordinary General Meeting.

Ordinary Resolutions

<table>
<thead>
<tr>
<th>Resolution 1: Ordinary Resolution</th>
<th>To be used on a show of hands</th>
<th>To be used in the event of a poll</th>
</tr>
</thead>
<tbody>
<tr>
<td>To approve the proposed renewal of the Share Purchase Mandate</td>
<td>For*</td>
<td>Against*</td>
</tr>
<tr>
<td></td>
<td>No. of Votes</td>
<td>For**</td>
</tr>
</tbody>
</table>

Resolution 2: Ordinary Resolution
To approve the proposed adoption of the Share Grant Plan

* If you wish to exercise all your votes "For" or "Against", please indicate with a "v" in the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _______ day of __________________ 2013.

Total number of Shares held

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

IMPORTANT: PLEASE READ NOTES TO PROXY FORM ON REVERSE PAGE
NOTES TO PROXY FORM:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company. **Members are reminded not to appoint any Director as their proxy or one of their proxies unless they shall have given instructions in their Proxy Form as to the manner in which their votes are to be cast in respect of Ordinary Resolution 2, failing which the appointment may be invalid.**

2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.

3. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy or proxies, to the Meeting.

4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act (Chapter 50 of Singapore)), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register as well as shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, the instrument of proxy will be deemed to relate to all the shares held by the member.

5. The instrument appointing a proxy or proxies must be deposited at the office of the Company’s Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898, not less than 48 hours before the time appointed for the Meeting.

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 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.

7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or 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.

8. 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 Meeting, in accordance with Section 179 of the Companies Act (Chapter 50 of Singapore).

**General**

The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument of proxy lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register at least 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.