CIRCULAR DATED 11 AUGUST 2015

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Circular is issued by SHS Holdings Ltd. (the "Company", and with its subsidiaries, the "Group"). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should at once hand this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

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

YOUR ATTENTION IS DRAWN TO SECTION ENTITLED "RISK FACTORS" WHICH YOU SHOULD REVIEW CAREFULLY AND COLLECTIVELY.

SHS HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197502208Z)

CIRCULAR TO SHAREHOLDERS

In relation to

THE PROPOSED DIVERSIFICATION OF THE CORE BUSINESSES OF THE GROUP TO INCLUDE THE SOLAR POWER BUSINESS

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	25 August 2015 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	27 August 2015 at 10.00 a.m.
Place of Extraordinary General Meeting	:	81 Tuas South Street 5 Singapore 637651

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DEFINITIONS

For the purpose of this circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

"**Board**" or "**Directors**"	:	The directors of the Company as at the date of this Circular
"**CDP**"	:	The Central Depository (Pte) Limited
"**Circular**"	:	This circular to Shareholders dated 11 August 2015
"**Companies Act**"	:	The Companies Act (Chapter 50) of Singapore
"**Company**"	:	SHS Holdings Ltd. (formerly known as See Hup Seng Limited)
"**CPF**"	:	Central Provident Fund
"**EGM**"	:	The extraordinary general meeting of Shareholders to be held on 27 August 2015, notice of which is set out on page 22 of this Circular
"**Electricity Act**"	:	The Electricity Act (Chapter 89A) of Singapore
"**EPC**"	:	Engineering, procurement and construction
"**Existing Core Businesses**"	:	The Group's existing core businesses, which are currently undertaken by the Company and its wholly owned subsidiaries, are as follows: (a) investment holding for the other businesses of the Group and other strategic investments undertaken by the Company and/or its subsidiaries; (b) design, engineering and construction of integrated structures created from steel, aluminum and glass materials which is undertaken by Hetat Holdings Pte. Ltd. and its subsidiaries; (c) distribution of refined petroleum products which is undertaken by Tat Petroleum Pte Ltd and its subsidiaries; and (d) provision of corrosion prevention services to the marine, oil and gas, construction and infrastructure industries which is undertaken by See Hup Seng CP Pte. Ltd. and its subsidiaries
"**FY**"	:	Financial year ended, or ending, as the case may be, on 31 December
"**Group**"	:	The Company and its subsidiaries
"**Large Scale Project**"	:	Solar power projects with an output of 1MWp and above are considered large scale projects

"**Latest Practicable Date**"	:	31 July 2015, being the latest practicable date prior to the printing of this Circular
"**Listing Manual**"	:	The Listing Manual of the SGX-ST
"**Proposed Diversification**"	:	The proposed diversification of the Group's Existing Core Businesses to include the Solar Power Business
"**Proxy Form**"	:	Has the meaning ascribed to it in Section 5 of this Circular
"**Securities Account**"	:	Securities account maintained by a Depositor with CDP (but does not include a sub-securities account maintained with a Depository Agent)
"**Securities and Futures Act**"	:	The Securities and Futures Act (Chapter 289) of Singapore
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context admits, mean the Depositors whose Securities Accounts are credited with such Shares
"**Shares**"	:	Ordinary shares in the share capital of the Company
"**Small Scale Project**"	:	Solar power projects with an output of less than 1MWp are considered small scale projects
"**Solar Power Business**"	:	The solar power business, which comprises the: (a) EPC of solar power systems for third parties; (b) leasing of solar power systems that the Group owns to third parties; (c) EPC of solar power systems for the sale of electric power produced by such solar power systems owned by the Group; (d) acquisition of solar power systems from third parties for the Group's operations for the sale of electric power produced by such solar power systems owned by the Group; and (e) sale of electric power produced by solar power systems owned by the Group
"**Substantial Shareholder**"	:	A person who holds directly and/or indirectly 5.0% or more of the total issued share capital of the Company
"**%**" or "**per cent.**"	:	Percentage or per centum
"**kVA**"	:	Kilovolt-ampere

"**kWp**"	:	Kilowatt-Peak
"**MWp**"	:	Megawatt-Peak
"**S$**" and "**cents**"	:	Singapore dollars and cents, respectively
"**sq m**"	:	Square metre

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the same meanings ascribed to them respectively in Section 130A of the Companies Act.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 6 of the Companies Act.

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

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

The words "**written**" and "**in writing**" include any means of visible reproduction.

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the Securities and Futures Act or the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Securities and Futures Act or the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

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

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

SHS HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197502208Z)

LETTER TO SHAREHOLDERS

Directors:	**Registered Office:**
Ng Han Kok, Henry (*Group Chief Executive Officer*)	81 Tuas South Street 5
Goh Koon Seng (*Executive Director*)	Singapore 637651
Lee Kuo Chuen, David (*Independent Non-Executive Director*)	
Oh Eng Bin, Kenneth (*Independent Non-Executive Director*)	
Lee Gee Aik (*Independent Non-Executive Director*)	
Chew Hoe Soon (*Non-Executive Director*)	

11 August 2015

To: The Shareholders of Company

Dear Sir/Madam

THE PROPOSED DIVERSIFICATION OF THE EXISTING CORE BUSINESSES OF THE GROUP TO INCLUDE THE SOLAR POWER BUSINESS

1. INTRODUCTION

1.1. The Group's existing core businesses ("**Existing Core Businesses**"), which are currently undertaken by the Company and its wholly owned subsidiaries, are as follows:

(a) investment holding for the other businesses of the Group and other strategic investments undertaken by the Company and/or its subsidiaries;

(b) design, engineering and construction of integrated structures created from steel, aluminum and glass materials which is undertaken by Hetat Holdings Pte. Ltd. and its subsidiaries;

(c) distribution of refined petroleum products which is undertaken by Tat Petroleum Pte Ltd and its subsidiaries; and

(d) provision of corrosion prevention services to the marine, oil and gas, construction and infrastructure industries which is undertaken by See Hup Seng CP Pte. Ltd. and its subsidiaries.

2. THE PROPOSED DIVERSIFICATION OF CORE BUSINESSES OF THE GROUP

2.1 The Proposed Diversification

The Directors propose to convene the EGM to seek the approval of Shareholders for the proposed diversification of the Group's Existing Core Businesses ("**Proposed Diversification**"), to include the solar power business ("**Solar Power Business**") which comprises the:

(a) engineering, procurement and construction ("**EPC**") of solar power systems for third parties;

(b) leasing of solar power systems that the Group owns to third parties;

(c) EPC of solar power systems for the sale of electric power produced by such solar power systems owned by the Group;

(d) acquisition of solar power systems from third parties for the Group's operations for the sale of electric power produced by such solar power systems owned by the Group; and

(e) sale of electric power produced by solar power systems owned by the Group.

The purpose of this Circular is to provide Shareholders with information relating to, explain the rationale for, and to seek Shareholders' approval for the Proposed Diversification at the forthcoming EGM, as set out in the Notice of EGM.

2.2 Details of the Proposed Diversification

Upon the approval of Shareholders for the Proposed Diversification being obtained at the EGM, the Group intends to expand its Existing Core Businesses to include the Solar Power Business, as and when appropriate opportunities arise. The Group aims to venture into the Solar Power Business cautiously by actively seeking out opportunities to engage in such business on a project basis.

The Group does not have a prior track record, experience and expertise in the Solar Power Business. The Group intends to commence the Solar Power Business in countries within Asia ex-Japan. Each project will be evaluated and assessed by the Board on its own merits. When undertaking any possible investments or business opportunities, the Board will consider, *inter alia*, cash flow requirements of the Group and returns on the business opportunities or investments.

With the Proposed Diversification, the Group aims to undertake projects for solar power systems of different sizes. The size of the solar power system determines its output, for example solar power systems with floor areas of approximately 6,400 sq m will have an output of approximately 1MWp. Projects with an output of less than 1MWp are considered small scale projects ("**Small Scale Project**"), while those with an output of 1MWp and above are considered large scale projects ("**Large Scale Project**").

Solar power systems are easily customised to achieve the varying outputs desired by different customers. As such, the Group envisages the customers for the Solar Power Business to comprise a wide range of customers ranging from individual residential unit owners, to factory owners in industrial area, owners of huge complexes such as government agencies, and solar farmers. The solar power generated from the leasing of such systems will be for the direct benefit of the building owners and the amount to be paid by them for such solar power will be derived from the output levels of the systems.

Due to the wide range of solar power systems, the production capacity of and the capital resources required for such solar power systems will depend on the requirements of each project undertaken by the Group.

The Group may foster partnerships with various third parties in the solar power industry to assist it in undertaking the Solar Power Business more effectively and efficiently as the Group seeks to build its expertise and capabilities in this field. Such partnerships may be done either on a case by case basis or on a term basis. The decision whether a project should be undertaken by the Group on its own or in collaboration with third parties will be taken by the Group after taking into consideration various factors such as the nature and scale of the project, amount of investment required, nature of expertise required and the period of time that is required to complete the project.

Where necessary, work may be outsourced to third parties who have expertise in the relevant area in relation to the projects concerned. In selecting its partners, the Group will take into account the specific expertise and competencies required for the project in question and the experience, historical track record and financial standing of the party concerned.

2.3 Rationale for the Proposed Diversification

The Group proposes to diversify its Existing Core Businesses to include the Solar Power Business for the following reasons:

Approval Not Required from Shareholders for Major Transactions that do not Change Risk Profile

Pursuant to Rules 1013 and 1014 of the Listing Manual, a major transaction is a transaction where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20% (a "**Major Transaction**"). A Major Transaction must be made conditional upon approval by Shareholders in general meeting. For further details on Rules 1006, 1013 and 1014, please refer to the Listing Manual.

Pursuant to Practice Note 10.1 of the Listing Manual, save where the acquisition changes the risk profile of the issuer, Shareholders' approval is not required for a Major Transaction if the acquisition will result in an expansion of the issuer's existing core business. Practice Note 10.1 further states that the SGX-ST takes the view that it should not in normal circumstances require an issuer to seek Shareholders' approval if the expansion is by way of an acquisition of a similar business, when other means to expand its business that are open to the issuer will not require Shareholders' approval.

With the Proposed Diversification, the Group will, in its normal course of business, be able to enter into any transaction relating to the Solar Power Business without need for further Shareholders' approval even though such transaction constitutes a Major Transaction, unless such transaction changes the risk profile of the Group. As such, the Company need not convene separate general meetings from time to time to seek Shareholders' approval as and when potential transactions which are Major Transactions relating to the Solar Power Business arise, thereby substantially reducing the administrative time and expenses in convening such meetings and consequently, facilitating the Group's pursuit of its corporate objectives and increasing the Group's responsiveness to business opportunities that avail to the Group.

For the avoidance of doubt, notwithstanding the Proposed Diversification, in respect of transactions:

(a) where the Group entered into the first Major Transaction (the "**First Major Transaction**") involving the Solar Power Business, or where the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual in respect of several transactions aggregated (the "**Aggregated Transactions**") over the course of a financial year exceeds 20%, such First Major Transaction or, as the case may be, the last of the Aggregated Transactions will be made conditional upon approval by Shareholders in general meeting;

(b) which fall within the definition of Rule 1002(1) of the Listing Manual, Rules 1005, 1010 and 1014 will still apply;

(c) where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 100% or results in a change in control of the issuer, Rule 1015 of the Listing Manual will still apply to such transactions and such transactions must be, among others, pursuant to Rule 1015(1)(b) made conditional upon approval by the SGX-ST and Shareholders in general meeting;

(d) where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual is a negative figure, pursuant to Rule 1007(1), Chapter 10 of the Listing Manual may still apply to such transactions at the discretion of the SGX-ST, and the issuer should consult the SGX-ST; and

(e) which constitute an "interested person transaction" as defined under the Listing Manual, Chapter 9 of the Listing Manual will apply to such transaction and the Company will comply with the provisions of Chapter 9 of the Listing Manual.

Reducing reliance on and mitigating against volatility of the Group's Existing Core Businesses

The Proposed Diversification is expected to provide additional earning streams for the Group and reduce the Group's reliance on its Existing Core Businesses, which remains competitive and challenging.

Growth Potential of the Renewable Energy Market

The Group is of the view that the renewable energy market, which includes solar power, across many jurisdictions shows potential for growth. The Group is also of the view that many such jurisdictions have high undeveloped energy production potential and increased commitment to renewable energy and environmental sustainability. Accordingly, the Group believes that the growth in demand for renewable energy to be likely.

For example, there are 192 parties to the Kyoto Protocol, an international treaty which extends the United Nations Framework Convention on Climate Change and commits the parties to reducing greenhouse gases emissions. As a growing number of countries aim to reduce their carbon footprint and promote sustainable development, more efforts are being undertaken to develop renewable energy sources and increase energy efficiency.

According to the Sustainable Energy Association of Singapore, renewable energy resources can generate up to 10% of Singapore's power demand by the year 2020 and solar power was identified as one of the key renewable energy sources in the country.

2.4 Risk Factors

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

To the best of the Directors' knowledge and belief, all risk factors which are material to Shareholders in making an informed decision on the Proposed Diversification have been set out below. If any of the factors and/or uncertainties described below develops into actual events, this may have a material and adverse impact on the Proposed Diversification and consequently, the overall results of operations, financial condition and prospects of the Group could be similarly impacted.

The risks described below are not intended to be exhaustive. New risk factors emerge from time to time, and it is not possible for the Board and the management to predict all risk factors, nor can the Group assess the impact of all factors on the Proposed Diversification or the extent to which any factor, or combination of factors, may affect the Proposed Diversification. There may also be other risks associated with the entry into the Proposed Diversification and markets in which the Proposed Diversification intends to be engaged in which are not presently known to the Group, or that the Group may currently deem immaterial and as such have not been included in the discussion below.

The following is a list of risks factors that are generally associated with the Solar Power Business:

RISKS RELATING TO THE SOLAR POWER BUSINESS

The Group has no prior track record and operating experience in the Solar Power Business

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

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

The Group will also be exposed to the risks associated with a different competitive landscape and a different operating environment. In particular, the Group will be affected by factors affecting the solar power industry, as well as the trends and developments affecting the renewable energy market in general. The renewable energy market is also affected by general economic conditions such as relevant government policies and measures.

The Group's future plans with regard to the Solar Power Business may not be profitable, may not achieve sales levels and profitability that justify the investments to be made or may take a long period of time before the Group could realise any return. The Solar Power Business may entail financial and operational risks, including diversion of management attention, difficulty in recruiting suitable personnel and possible negative impacts on the Group's existing business relationships with its clients who may also be solar power systems contractors themselves.

Further, such future plans and new initiatives could be capital intensive and could also result in potentially dilutive issuances of equity securities, the incurrence of capital commitments, debt and contingent liabilities as well as increased operating expenses, all of which may materially and adversely affect the business of the Group. The Group may face significant financial risks before it can realise any benefits from its future investments in the Solar Power Business.

The Group may not have the ability or sufficient expertise to execute the Proposed Diversification

The Group's ability to successfully diversify into the Solar Power Business is dependent upon its ability to adapt its existing knowledge and expertise and to understand and navigate the Solar Power Business. There is no assurance that the Group will be able to hire and subsequently retain employees with the relevant experience and knowledge or adequately outsource its manpower requirements to contractors with the relevant experience and knowledge. The Group may not successfully implement the Solar Power Business and the Group's financial performance and financial condition may be adversely affected.

The Group is exposed to risks associated with acquisitions, joint ventures and strategic alliances

Depending on available opportunities, feasibility and market conditions, the Group's expansion into the Solar Power Business may involve acquisitions, joint ventures or strategic alliances with third parties in overseas markets that the Group intends to focus on. There is no assurance that such joint ventures or strategic alliances or the joint management of such enterprises will be successful. Participation in joint ventures, strategic alliances, acquisitions or other investment opportunities involves numerous risks, including the possible diversion of management attention from existing business operations and loss of capital or other investments deployed in such ventures, alliances, acquisitions or opportunities.

Furthermore, the Group may be expected to rely on its joint venture partners at the initial stage of its foray into the Solar Power Business and there is a risk that any of the joint venture partners may fail to perform by not possessing the adequate experience or skill sets expected of them or experience financial or other difficulties which may affect their ability to carry out their contractual obligations, thus delaying the completion of the Group's development projects and/or resulting in additional costs to the Group. In such events, the Group's financial performance may be adversely affected.

As at the Latest Practicable Date, the Group has not identified any specific solar power projects for the Proposed Diversification.

The Group may need various licenses and permits to operate and the non-renewal, non-granting or suspension of its licenses and permits may affect its operations, financial performance, and financial condition

The Group may be required to obtain various licences and permits to conduct the Solar Power Business, For example, in Singapore, under the Electricity Act, the Group is required to obtain (a) the electrical installation licence for installation of all non-residential electrical installations of solar power systems, with demand exceeding 45 kVA; and (b) the generation licence or wholesaler (generation) licence for the sale of electric power from its solar power systems, depending on the output levels of the solar power system, from the Energy Market Authority of Singapore.

The Group will obtain all licences and permits required for the Solar Power Business as and when the Group has identified any specific solar power projects in the relevant geographical territory. These licences and permits are generally subject to conditions stipulated therein and/or the relevant laws or regulations under which such licences and permits are issued. Failure to comply with such conditions could result in non-renewal, non-granting or suspension of the relevant licence or permit. As such, the Group will have to constantly monitor and ensure compliance with such conditions. Should there be any failure to comply with such conditions resulting in the cancellation, revocation or non-renewal of any of the licences and permits, it may not be able to carry out its operations. In such event, its operations, financial performance and financial condition will be materially and adversely affected.

The Group may be exposed to risk of non-compliance with governmental and regulatory requirements

There is no assurance that the Group will be able to meet all the regulatory requirements and guidelines, or comply with all the applicable regulations at all times, or that it will not be subject to sanctions, fines or other penalties in the future as a result of non-compliance. If sanctions, fines and other penalties are imposed on the Group for failing to comply with applicable requirements, guidelines or regulations, its business, reputation, financial condition and results of operations may be materially and adversely affected.

The Group may face disruptions of supply of electricity caused by equipment failure

The breakdown of generation equipment or failure of other key equipment or of a civil structure in solar power systems that the Group may acquire or construct may disrupt the generation of electricity. This may result in reduced revenues and increased maintenance costs of the Group. Furthermore, any breakdown or failure of one or more of the transmission systems may disrupt transmission of electricity by solar power systems to the power grid, which may lead to the Group's failure to supply electricity to its customers continuously.

The Group may face disruptions to business caused by disasters and human fault

The solar power systems that the Group may acquire or develop may be damaged by flooding, drought, debris flow, landslide, earthquake, other natural disasters, human error, fault or negligence or the operations may have to be suspended during repair of the damaged systems or when there is a drought.

Such unpredictable disasters may not only significantly obstruct the Group's access to solar energy, disrupt the power generation and damage the power generation facilities and equipment, but may also significantly reduce the general demand of electricity. The Group's operation may be seriously disrupted by such disasters which may materially and adversely affect its results of operation.

Competition in power industry

The Group will be competing in markets with other local power generation companies in Asia ex-Japan such as (a) Singapore Power, the Sunseap group of companies and Seraya Energy Pte Ltd in Singapore; (b) Tenaga Malaysia in Malaysia; (c) Perusahaan Listrik Negara in Indonesia; and (d) Tata Power and NTPC Limited in India. These power companies and a number of other power producers may have substantially greater financial, infrastructural or other resources than the Group. The Group may also face competition from new entrants to the solar power industry having business objectives similar to the Group and they may have greater financial resources.

There is also increasing competition among operating solar power systems for the provision electric power and land use rights. In particular, there may be keen competition on the acquisition or development of solar power systems. If the Group is unable to compete successfully, the Group's growth opportunities to increase generating capacity may be limited and its revenue and profitability may be adversely affected. In the future, competitive bidding may extend to solar power systems and further increase price competition among domestic power generation companies. There is no assurance that increased competition in the future will not have a material adverse effect on the Group's results of operations and growth prospects.

Competition between the demand for solar power systems and other sources of energy

The demand for solar power systems that produce electricity from renewable energy sources depends in part on the cost of generation from other sources of energy. The terms and costs under which supplies of petroleum, coal, natural gas and other fossil fuels, as well as uranium, can be obtained are key factors in determining the economic interest in using these energy sources rather than renewable energy sources. The principal energy sources in competition with renewable energy sources are petroleum, coal, natural gas and nuclear energy. A decline in the competitiveness of electricity from renewable energy sources in terms of cost of generation, technological progress in the exploitation of other energy sources, discovery of large new deposits of oil, gas or coal, could weaken demand for electricity generated from renewable energy sources.

In the renewable energy sector, competition primarily exists with regard to factors such as bidding for available sites, performance of sites in generation, quality of technologies used, price of power produced and scope and quality of services provided, including operation and maintenance services. A decline in the competitiveness of electricity generated from solar power sources in terms of such factors could weaken demand for solar power. Should solar power production become uncompetitive with other forms of renewable energy production, or if fossil fuel productions become more cost competitive, the construction of solar power systems may slow down, thus reducing the pool of potential acquisition targets of the Group and limiting the ability of the Group to grow and the revenue of the Group may decline.

The growth of the Solar Power Business may be limited

As at the Latest Practicable Date, the Group has not identified any specific solar power projects for the Proposed Diversification. While the Group intends to actively seek for opportunities for new projects in the Solar Power Business, there is no assurance that it will be able to identify such suitable projects which suit its risk and return profile. In the event that the Group is not able to identify suitable projects, it does not intend to undertake any further projects in the Solar Power Business. Further, there is no assurance that such projects undertaken will be profitable or successful.

There is no assurance that the Group's future plans for the Solar Power Business will be successful

As part of the Group's future business plans for the Solar Power Business, the Group intends to acquire solar power systems in various countries in Asia ex-Japan. These expansion plans may involve significant investments as well as additional working capital requirements. For example, the Group anticipates that it will undertake Small Scale Projects and Large Scale Projects with project costs of up to S$2 million and S$140 million respectively. Such expansion plans may also divert the management's attention and expose its business to unforeseen risks associated with entering into new markets. There is no assurance that such expansion plans will be commercially successful or that the Group's profitability will increase or that the Group will not incur losses due to a potential increase in the Group's operating costs that may be incurred to finance the growth and expansion.

The Group may also not be successful in integrating any acquired businesses and might not achieve the anticipated synergies or cost benefits. If the Group fails to achieve a sufficient level of revenue or if the Group's expansion plans result in performance problems with an acquired company, potential dilutive issuance of equity securities or the incurrence of debt, contingent liabilities, possible impairment charges related to goodwill or other intangible assets or any other unanticipated events or circumstances, the Group's future financial condition and performance will be materially and adversely affected.

The Group may be exposed to risk of loss and potential liabilities that may not be covered by insurance

The operation of solar power systems involves different risks and hazards, such as failure of power generation or transmission systems, industrial accidents and natural disasters, which are beyond the control of the Group as well as human error, fault and negligence. The Group's operating costs for the solar power systems that the Group may acquire or develop may increase due to business interruptions or compensations for personal injuries and replacement or repair of damaged property. The Group intends to have insurance over its fixed assets and intends to maintain third party liability insurance to cover claims in respect of bodily injuries or property or environmental damages arising from accidents or natural disasters on the Group's property or relating to its operations. The Group does not intend to carry business interruption insurance. If the Group shall incur uninsured losses or pay compensation for uninsured risks, the Group's results of operations and financial condition of the Group may be materially and adversely affected. Notwithstanding that the Group does not intend to carry such insurance policies, the Group believes that its insurance coverage is adequate and is in line with the practice for the power industry.

The Group may be involved in legal or other proceedings arising from its operations in the Solar Power Business

The Group may be involved from time to time in disputes with various parties involved in the projects that the Group undertakes. These parties include contractors, sub-contractors, suppliers, construction companies, purchasers of the Group's properties and other partners. These disputes may lead to legal and other proceedings. The Group may also have disagreements with regulatory bodies and these may subject it to administrative proceedings.

In the event that unfavourable judgments are passed by the courts or unfavourable rulings are made by the regulatory bodies, the Group may suffer not only financial losses but also a delay in the construction or completion of the Group's solar power projects.

The Solar Power Business is subject to the general risk of doing business overseas

The Group plans to commence engaging in the Solar Power Business in Asia ex-Japan. As such, the Group may be subject to the general risk of doing business overseas. These general risks include unexpected changes in regulatory requirements, difficulties in staffing and managing foreign operations, maintaining good union and labour relations, social and political instability, fluctuations in currency exchange rates, nationalisation and expropriation of assets, potentially adverse tax consequences, legal uncertainty regarding liability, tariffs and other trade barriers variable and unexpected changes in local law and barriers to the repatriation of capital or profits, any of which could materially affect the overseas operations of the Group. These risks if materialised may affect the Group's business and financial condition.

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

Changes in government legislations, regulations or policies may directly or indirectly affect the Solar Power Business

Changes in government legislations, regulations or policies of countries in which the Group undertakes its Solar Power Business may result in the Group being unable to complete its solar power projects on time, or at all, or result in an increase in costs, or adversely affect the businesses which are relevant to the solar power industry. Such changes may include delays in procuring the necessary approvals, licenses or certificates from government bodies, and changes in laws, regulations and policies in relation to the construction sector in general. This may adversely affect the financial position of the Group.

The Group is susceptible to fluctuations in foreign exchange rates that could result in the Group incurring foreign exchange losses

The revenue from the Solar Power Business may be generated from sales to markets, which may include overseas markets. To the extent that the Group's revenue, purchases and operating costs are not matched in the same currency and to the extent there are timing differences between invoicing and collection of payment, as the case may be, the Group may be exposed to any unfavourable fluctuations of such currencies of the jurisdictions in which the Group will be engaging in to conduct its business, and the Group's operating results may be materially or adversely affected.

The Group may be adversely affected by an outbreak of communicable diseases

An outbreak of infectious disease in the markets where the operations of the Solar Power Business is based may have an adverse impact on the Group's operations and the Group's financial performance. Market sentiment and consumer confidence could be affected and may lead to a deterioration of economic conditions. Further, in the event that the Group's employees or those of the Group's contractors or sub-contractors are infected or suspected of being infected with any communicable disease, the Group may be required by health authorities to temporarily shut down the affected project sites and quarantine the relevant workers to prevent the spread of the disease. This will result in project delay and have an adverse impact on the Group's business, financial performance and financial condition.

Substantial reduction or elimination of government subsidies and economic incentives for solar power applications may adversely affect the Group

Many jurisdictions are turning to tax relief to promote renewable energy sources, including solar power, for power generation and have adopted the same or substantially the same model of offering such incentives. Government support for renewable energy investments comes in a wide variety of tax incentives including but not limited to credits, grants, tax holidays, accelerated depreciation and non-tax incentives. As such, the growth of substantially all of the target markets for solar power applications usually depends on the availability and size of government subsidies and economic incentives.

For example, the Singapore government has offered substantial incentives in the form of cash incentives and subsidies for solar power system installations or rebates for electricity produced from solar power and other incentives, to promote the use of solar power and to reduce dependence on non-renewable power. Therefore, in the event that the governments of countries in which the Group may undertake its Solar Power Business substantially reduce or eliminate these government subsidies and economic incentives, it will likely reduce the size of these markets, result in decreased demand for solar products and result in increased price competition, which may adversely affect the Group's results of operations.

Labour activism and unrest may materially and adversely affect the Solar Power Business

Laws permitting the formation of labour unions, combined with weak economic conditions, have resulted, and may result, in labour unrest and activism. These labour laws and regulations may make it more difficult to maintain flexible labour policies in such jurisdictions in which the Group undertakes the Solar Power Business.

For example, the Indonesian government enacted Law No. 13/2003 (the "**Labour Law**") in March 2003 which requires further implementation of regulations that may substantively affect labour relations in Indonesia. The Labour Law requires bipartite forums with participation from employers and employees, and the participation of more than 50% of the employees of a company, in order for a collective labour agreement to be negotiated and, in addition, the Labour Law creates procedures that are more permissive to the staging of strikes.

Further, labour unrest and activism could disrupt operations of the Solar Power Business, and thus could materially and adversely affect the Group's financial condition, results of operations and prospects.

The Group may face difficulties in acquiring new land sites for the Solar Power Business

The Group may acquire land for the Solar Power Business, in particular for the construction of solar power systems for the Group's own operations. The Group is subject to availability of suitable land sites and its ability to acquire them due to various government regulations restricting foreign ownership of land and competition with other local power generation companies for the sourcing of land sites.

The Group may also face difficulties in obtaining ownership of land title or enforcement thereof for new land sites which extend over areas where local communities reside. Even if the Group acquires such land sites, the Group's operations may also impact these local communities negatively. Consequently, local dissatisfaction with the Group may arise and future acquisition of new land sites may be restricted.

There is no assurance that the Group will not face difficulties in acquiring new land sites for the Solar Power Business. If the Group is unable to acquire such land, the Group's business, financial condition, results of operations and prospects may be adversely affected.

The Group may incur additional costs in relation to its warranty obligations for the Solar Power Business

The Group may undertake warranty obligations in respect of the products sold or services provided in respect of the Solar Power Business and may be faced with product liability claims or claims for defects.

In particular, the solar power systems which the Group intends to manufacture and supply are intended to have a warranty period of one (1) year and cover any manufacturing defect in workmanship, materials and construction. The Group intends not to charge its customers for the rectification and repair works needed to be carried out by the Group that are covered under the respective warranties, the cost of which is absorbed by the Group. During the warranty period, as the Group may incur additional costs for such rectification and repair works conducted pursuant to such warranty claims, significant warranty claims may have an adverse effect on the Group's financial performance.

The Group may also enter into power purchase agreements for the production and sale of solar power. In the event that parts of the solar power system used for the production of solar power, for example solar panels which have a warranty period of 25 years, are defective and the Group's suppliers for such particular part fail to fulfil its product warranties by repairing or replacing such defective part at no cost, the Group may incur additional expense in the rectification of such defect. In such an event, the Group's business, financial condition, results of operations and prospects may be adversely affected.

2.5 Management

The Group has recently engaged Mr Chua Kok Keong ("**Mr Chua**") and Mr Lee Kok Leong ("**Mr Lee**") who will be the main drivers of the Solar Power Business. With each of them having nearly two (2) decades of electrical engineering experience, they will provide the strategic vision and policy on the Solar Power Business, and together with the Board manage the Solar Power Business. In making any decision with regard to the Solar Power Business, the Board, will, where necessary and appropriate, seek the advice of reputable external consultants and professional advisers.

Both Mr Chua and Mr Lee are not related to any of the Directors or Substantial Shareholders.

Mr Chua Kok Keong

Mr Chua was appointed in April 2015 as the Chief Executive Officer of Sinenergy Pte. Ltd. ("**Sinenergy**"), a subsidiary of Hetat Holdings Pte. Ltd., which is in turn a subsidiary of the Company. Sinenergy is engaged in the business of supply and installation of mechanical and electrical works (including solar photovoltaic systems).

Mr Chua is responsible for Sinenergy's overall management, including the formulation of business strategies, sales, marketing and daily operations. In respect of the Proposed Diversification, he is responsible for overseeing the integration of the Solar Power Business into the Group's operations. He has extensive experience in electrical, mechanical and solar energy projects.

Mr Chua started his career as a project supervisor in Ho Hup Electrical Engineering Pte Ltd between 1996 and 1998. From 1999 to 2001, he joined Daikin Air-conditioning (Singapore) Pte Ltd as a sales executive and then moved to Mitsubishi Electric Asia Pte Ltd as a senior sales engineer from 2002 to 2003. He left to serve as an assistant sales manager in Woo Kee Hong Marketing Pte Ltd until 2004.

Between 2004 and 2008, Mr Chua joined JSA Gulf Fze and was stationed in Dubai, United Arab Emirates as deputy general manager and was responsible for the trading of consumer electronic products to the Commonwealth Independent States as well as the Middle East and North Africa region. He was also responsible for achieving the company's monthly sales target, exploring new markets to penetrate in the Middle East region and overseeing the daily operations of the company.

Mr Chua was appointed as director of Clear Pte Ltd and PT Clear Energy from June 2008 to March 2015. His responsibilities in these companies included the design and installation of solar energy solutions, sourcing of renewable energy products and sales and marketing of energy-efficient lamps such as light-emitting diode lightings and induction lightings in Singapore and Indonesia.

Through his appointment with Clear Pte Ltd and PT Clear Energy, Mr Chua was involved in several projects including (i) assisting the National Park Board of Singapore with the design and installation of two (2) zero energy parks using solar energy located at Jalan Haji Alias and Jalan Kemuning; (ii) designing the standalone solar CCTV for the Land Transport Authority of Singapore to continuously monitor the traffic conditions at the Keppel Flyover; (iii) helping the Republic Polytechnic of Singapore use solar power to build an integrated sustainable system of power generation and cooling using quarry water at Pulau Ubin; and (iv) designing and building a 200 kWp solar on grid system for a factory located at Tuas Avenue 13.

In addition to the above, Mr Chua participated in various residential solar projects by virtue of his appointment with Clear Pte Ltd and PT Clear Energy, including (i) a 5kWp solar on grid system installed at Thomson Green; (ii) a 3kWp solar on grid system installed at Siglap Road; and (iii) a 25kWp solar on grid system installed on Good class bungalow located at Camden Park.

Mr Chua graduated with a Bachelor of Applied Science (Construction Management) from the RMIT University. He also holds various diplomas including a Diploma in Electrical Engineering from Ngee Ann Polytechnic, an advanced Diploma in Industrial Engineering from Ngee Ann Polytechnic and a Graduate Diploma in Psychology from the Management Development Institute of Singapore.

Mr Lee Kok Leong

Mr Lee was appointed in April 2015 as the Project Director of Sinenergy and is responsible for reviewing designs and assisting Mr Chua in liaising with the engineers and contractors engaged by Sinenergy for solar energy development. He has experience in electrical design and installation in Singapore and Malaysia.

Prior to joining the Group, Mr Lee was an electrician in Highness Electrical Engineering Pte Ltd from 1997 to 1999, and was a project supervisor in Belco Engineering Pte Ltd from 1999 to 2005. During his employment in these companies, Mr Lee was responsible for performing project supervision works and liaising with contractors and consultants relating to various electrical issues onsite, such as (i) wiring, routing and general troubleshooting technicalities; and (ii) coordinating with other subcontractors.

Mr Lee held the post of electrical engineer in Poh Siong Electrical Pte Ltd between 2005 and 2009, being responsible for project planning, site coordination, monitoring budgets, preventing cost overruns and ensuring timely completion of projects which include performing (i) electrical maintenance for Kranji Turf Club; and (ii) electrical works at UE Square.

From 2009 to 2014, Mr Lee operated a sole-proprietorship under the name of Jiunn Sub-Contractor. His responsibilities included managing daily operations of the company, sales, and project execution and management and installation of various solar power projects in Singapore.

During his time in Jiunn Sub-Contractor, Mr Lee was involved in several projects including (i) assisting the National Park Board of Singapore with the design and installation of two (2) zero energy parks using solar energy located at Jalan Haji Alias and Jalan Kemuning; (ii) helping the Republic Polytechnic of Singapore use solar power to build an integrated sustainable system of power generation and cooling using quarry water at Pulau Ubin; (iii) designing and building a 200 kWp solar on grid system for a factory at Tuas Avenue 13; (iv) building a lighting protection system at the Paya Lebar Air Base; (v) doing electrical wiring work for the Police Coast Guard of the Singapore Police Force; (vi) performing electrical works at Gardens by the Bay; and (vii) a residential project relating to a 10kWp solar on grid system installed at Frankel Avenue.

The Board will continue to evaluate the manpower and expertise required for the Solar Power Business. The Group will hire qualified staff or in-house or external consultants and professional advisers as and when required in connection with the Solar Power Business.

2.6 Internal Control and Risk Management

The Board recognises the importance of internal control and risk assessment for the smooth running of the Group's business, including the Solar Power Business. In order to better manage the Group's external and internal risks resulting from the Proposed Diversification, the Group will implement a set of operations and compliance procedures.

The Board will review each new project prior to entering into any agreement. In evaluating new projects for the Solar Power Business, the Board will conduct risk and returns assessments and where the need arises, engage and consult professionals before a business decision is taken. The Board will also assess and consider, *inter alia*, (i) the internal rate of returns, cash flow and financial models of such a project; (ii) whether the Group has sufficient financial resources to invest in the project and the gearing ratios of the Group as a result of such a project; (iii) whether the management team has the relevant experience and expertise to manage such a project and whether any lack of such experience can be supplemented by professional advisors; and (iv) whether the project will be able to generate revenue for the Group and optimise risk-adjusted returns to Shareholders.

Additionally, the functions of the audit committee will be expanded to include (i) reviewing with the management, external and internal auditors of the adequacy and effectiveness of the Company's internal controls addressing financial, operational, information technology, compliance risks and risk management systems relating to the Solar Power Business; and (ii) commissioning and reviewing the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. As and when projects are proposed to be undertaken in new jurisdictions, such projects will be reviewed by the audit and risk committee before being undertaken by the Group.

The Board will also review the internal control and risk management systems of the Company on a yearly basis to ensure that there are sufficient guidelines and procedures in place to monitor its operations. The scope of the annual internal audit will be extended to include the review and evaluation of specific matters arising from the Solar Power Business. The Board, together with the audit committee will also opine on an annual basis whether there are in place adequate controls within the Group addressing material financial, operational, information technology, compliance risks and risk management systems relating to the Solar Power Business as at the end of each financial year.

2.7 Funding for the Proposed Diversification

The Group intends to fund the Solar Power Business with internal resources and borrowings from financial institutions. As and when necessary and deemed appropriate, the Group may explore secondary fund raising exercises for purposes of funding its Large Scale Projects and/or Small Scale Projects by tapping into the capital markets including but not limited to rights issues, share placements and/or issuance of debt instruments.

Given that this is a new area of development of the Company, the Group will have an overall funding strategy to ensure that any projects that it undertakes will have the necessary funds available on such timelines in accordance with the requirements of such projects. The Group will determine the amount of financial institution borrowings it requires having regard to its overall funding strategy. At this juncture, the Group anticipates that it will undertake Small

Scale Projects and Large Scale Projects with project costs of up to S$2 million and S$140 million respectively. However, the Group may embark on Large Scale Projects of greater value should they be commercially feasible. The Group will only commence on a project if it has or is able to raise the necessary funds in line with the Group's overall funding strategy.

To illustrate, in the event that the Group undertakes a Large Scale Project which requires funding of S$100 million, the Group plans to leverage on financing from financial institutions for up to 70% of the project costs, with the remaining approximate amount up to S$30 million to be financed by the Group through internal resources. For a Small Scale Project, the project shall be financed solely by the Group's internal resources.

As mentioned above, the Group may, when necessary and deemed appropriate, explore secondary fund raising exercises for purposes of funding its Large Scale Projects and/or Small Scale Projects by tapping into the capital markets including but not limited to rights issues, share placements and/or issuance of debt instruments. To the extent that such funds are raised for the Group's Large Scale Projects and/or Small Scale Projects, financing from financial institutions would not be required.

2.8 Disclosure of Financial Results of the Proposed Diversification

The Solar Power Business will be accounted for as new business segments in the Group's financial statements in line with the Singapore Financial Reporting Standards and accordingly, the Group will disclose the financial results of the Solar Power Business with the Group's financial statements. The financial results of the Solar Power Business together with the Group's segmented financial statements will be announced annually pursuant to the requirements as set out in Chapter 7 of the Listing Manual.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date, as recorded in the Company's Register of Directors' Shareholdings and the Register of Substantial Shareholders respectively, are set out below:

	Direct Interest		**Deemed Interest**	
	No. of Shares	**%[1]**	**No. of Shares**	**%[1]**
Directors				
Ng Han Kok, Henry[2]	21,259,527	3.49	68,302,526	11.23
Goh Koon Seng	130,000	0.02	–	–
Lee Kuo Cheun, David	–	–	–	–
Oh Eng Bin, Kenneth	–	–	–	–
Lee Gee Aik	–	–	–	–
Chew Hoe Soon[3]	14,989,000	2.46	19,020,000	3.13
Substantial Shareholders				
Ng Han Kok, Henry[2]	21,259,527	3.49	68,302,526	11.23
Chew Hoe Soon[3]	14,989,000	2.46	19,020,000	3.13
Teng Choon Kiat[4]	27,718,000	4.56	7,647,000	1.26
Lim Peng Chuan, Terrence[5]	33,004,000	5.42	1,933,000	0.32

Notes:

(1) As a percentage of the issued share capital of the Company comprising 608,513,178 Shares (excluding 17,100,000 treasury shares) as at the Latest Practicable Date.

(2) Mr Ng Han Kok, Henry is deemed interested in 30,000,000 Shares held by Citibank Nominees Singapore Pte Ltd, 14,710,000 Shares held by Phillip Securities Pte Ltd, 300,000 Shares held by OCBC Securities Private Limited, 23,042,526 Shares held by SBS Nominees Private Limited and 250,000 Shares held by his spouse, Mdm Ong Woo.

(3) Mr Chew Hoe Soon is deemed interested in 13,680,000 Shares held by Singaport Cleanseas Pte Ltd, 5,040,000 Shares held by OCBC Securities Private Limited and 300,000 Shares held by his spouse, Mdm Ng Guat Hoon.

(4) Mr Teng Choon Kiat is deemed interested in 2,647,000 Shares held by Entraco Venture Corporation Pte Ltd and 5,000,000 Shares held by McPec Marine and Offshore Engineering Pte Ltd.

(5) Mr Lim Peng Chuan Terrence is deemed interested in 1,933,000 Shares held by his spouse, Mdm Cheok Lay Leng.

None of the Directors or Substantial Shareholders of the Company has any direct or indirect interest in the Proposed Diversification other than through their respective shareholdings in the Company as disclosed above.

4. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 22 of this Circular, will be held at 81 Tuas South Street 5, Singapore 637651 on 27 August 2015 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolution as set out in the Notice of EGM.

5. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy or proxies to attend and vote on their behalf, will find enclosed with this Circular, a proxy form (the "**Proxy Form**") which they are requested to complete, sign and return, in accordance with the instructions printed thereon, as soon as possible and, in any event, so as to arrive at the registered office of the Company at 81 Tuas South Street 5, Singapore 637651, not less than 48 hours before the time appointed for the holding of the EGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM in place of his proxy or proxies if he finds that he is able to do so.

6. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the Proposed Diversification is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the Ordinary Resolution relating thereto to be proposed at the EGM as set out in the Notice of EGM on page 22 of this Circular.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Diversification, and the Company, 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 the Circular in its proper form and context.

8. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 81 Tuas South Street 5, Singapore 637651 during normal business hours from the date hereof up to and including the date of the EGM:

(a) the memorandum and articles of association of the Company; and

(b) the annual report of the Company for FY2014.

Yours faithfully
for and on behalf of the Board of Directors of
SHS Holdings Ltd.

Ng Han Kok, Henry
Group Chief Executive Officer

SHS HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197502208Z)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of **SHS HOLDINGS LTD.** (the "**Company**") will be held at 81 Tuas South Street 5, Singapore 637651 on 27 August 2015 at 10.00 a.m. for the purpose of considering, and if thought fit, passing, with or without modifications:

*Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular dated 11 August 2015 issued by the Company (the "**Circular**").*

AS AN ORDINARY RESOLUTION

RESOLUTION: THE PROPOSED DIVERSIFICATION OF THE EXISTING CORE BUSINESSES OF THE GROUP TO INCLUDE THE SOLAR POWER BUSINESS

THAT:

(a) approval be and is hereby given for the proposed diversification of the Company and its subsidiaries' existing core businesses (the "**Proposed Diversification**") to include the solar power business ("**Solar Power Business**"), which comprises the:

  (i) engineering, procurement and construction ("**EPC**") of solar power systems for third parties;

  (ii) leasing of solar power systems that the Group owns to third parties;

  (iii) EPC of solar power systems for the sale of electric power produced by such solar power systems owned by the Group;

  (iv) acquisition of solar power systems from third parties for the Group's operations for the sale of electric power produced by such solar power systems owned by the Group; and

  (v) sale of electric power produced by solar power systems owned by the Group; and

(b) the Directors or any of them be and are hereby authorised to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they or he may consider necessary, desirable or expedient or in the interest of the Company to give effect to the matters referred to in paragraph (a) of this resolution.

BY ORDER OF THE BOARD

Ng Han Kok, Henry
Group Chief Executive Officer
11 August 2015

SHS HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 197502208Z)

PROXY FORM
FOR EXTRAORDINARY GENERAL MEETING

IMPORTANT

1. For investors who have used their CPF monies to buy shares of SHS Holdings Ltd., this circular to shareholders dated 11 August 2015 is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR THEIR 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.

I/We* ____________________________ (Name) ______________ (NRCIS/Passport No./Company Registration No.) of ____________________________ (Address) being a member/members* of SHS Holdings Ltd. (the "**Company**") appoint

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

And/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing him/her, or either or both of the persons, referred to above, the Chairman of the Extraordinary General Meeting of the Company ("**EGM**") as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll at the EGM to be held at 81 Tuas South Street 5, Singapore 637651 on 27 August 2015 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the ordinary resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the EGM.

Ordinary Resolution	For	Against
To approve the Proposed Diversification of the Existing Core Businesses of the Group to include the Solar Power Business		

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

Dated this ________ day of ________________ 2015

Total number of Shares held in:	No. of Shares
CDP Register	
Register of Members	

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

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and also registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this instrument of proxy will be deemed to relate to all the shares held by you.

2. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.

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, to the meeting.

4. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 81 Tuas South Street 5 Singapore 637651 not less than 48 hours before the time fixed for holding the meeting.

5. Where a member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy and if no proportion is specified, the first-named proxy shall be deemed to represent all of the shareholding and the second-named proxy shall be deemed to be an alternate to the first-named.

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 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 power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument of proxy 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.

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

Personal data privacy:

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