

CIRCULAR DATED 6 JULY 2009

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold all your ordinary shares in the capital of MTQ Corporation Limited (the "Company"), please forward this Circular and the attached Proxy Form immediately to the purchaser or to the agent through whom the sale was effected for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited takes no responsibility for the accuracy of any of the statements or opinions made or reports contained in this Circular.



MTQ CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Co. Reg. No. 196900057Z)

CIRCULAR TO SHAREHOLDERS

in relation to the

PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

IMPORTANT DATES AND TIMES:

Last date and time for lodgment of Proxy Form	:	21 July 2009 at 10.15 a.m.
Date and time of Extraordinary General Meeting	:	23 July 2009 at 10.15 a.m. (or as soon thereafter following the conclusion or adjournment of the 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	:	Carlton Hotel, Esplanade Room 1, Level 4, 76 Bras Basah Road, Singapore 189558

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DEFINITIONS

In this Circular, the following definitions apply throughout except where the context otherwise requires:

“Articles”	:	Articles of Association of the Company
“CDP”	:	The Central Depository (Pte) Limited
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore
“Directors” or “Board”	:	The directors of the Company for the time being
“EGM”	:	The extraordinary general meeting of the Company to be held on 23 July 2009, notice of which is set out on pages 22 to 23 of this Circular
“EPS”	:	Earnings per Share
“Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	The latest practicable date prior to printing of this Circular, being 15 June 2009
“Listing Manual”	:	The listing manual of the SGX-ST
“MTQ” or the “Company”	:	MTQ Corporation Limited
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Memorandum”	:	Memorandum of Association of the Company
“NTA”	:	Net tangible assets
“Registrar”	:	Registrar of Companies appointed under the Companies Act and includes any Deputy or Assistant Registrar of Companies
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Securities Account”	:	A securities account maintained by a Depositor with CDP
“Shareholders”	:	Persons who are registered holders of the Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to those Shares, mean Depositors whose Securities Accounts are credited with Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“per cent.” or “%”	:	Per centum or percentage

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A 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 under the Companies Act or any statutory modification thereof and not otherwise defined in the Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

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

MTQ CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Co. Reg. No. 196900057Z)

Directors:

Kuah Kok Kim (Chairman and CEO)
Ho Han Siong Christopher (Non-Independent, Non-Executive Director)
Huang Yuan Chiang (Independent, Non-Executive Director)
Kuah Boon Wee (Non-Independent, Non-Executive Director)
Ong Choo Eng (Non-Independent, Non-Executive Director)
Ian Wayne Spence (Independent, Non-Executive Director)

Registered Office:

182 Pandan Loop
Singapore 128373

6 July 2009

To: The Shareholders of
MTQ Corporation Limited

Dear Shareholders

1. INTRODUCTION

- 1.1 The Directors are convening an EGM to be held on 23 July 2009 to seek Shareholders' approval for the proposed renewal of the share buyback mandate.
- 1.2 The purpose of the Circular is to provide Shareholders with information relating to the proposal referred to above.

2. PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

2.1 Background

The Shareholders had granted a share buyback mandate to the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares (the "**Share Buyback Mandate**") at an extraordinary general meeting of MTQ held on 14 April 2003 which mandate was renewed subsequently, the latest renewal being on 23 July 2008.

The Share Buyback Mandate will expire on the date of the forthcoming Annual General Meeting (the "**AGM**") to be held on 23 July 2009 immediately preceding the EGM. Accordingly, the Directors propose that the Share Buyback Mandate be renewed at the EGM immediately following the AGM.

2.2 Rationale for Share Buyback Mandate

The rationale for the Company to undertake the purchase or acquisition of its issued Shares is as follows:

- (i) The Directors and management constantly seek to increase Shareholders' value and to improve, *inter alia*, the return on equity of the Group. The proposed Share Buyback Mandate will give the Directors the flexibility to purchase or acquire Shares if and when the circumstances permit;
- (ii) Share purchases or acquisitions provide the Company with an easy mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost efficient manner;

- (iii) Share purchases or acquisitions also allow the Directors to exercise control over the Company's share structure with a view to enhancing the EPS and/or net asset value per Share; and
- (iv) The Share Buyback Mandate will also give the Company the opportunity to purchase or acquire Shares when such Shares are under valued, to help mitigate short-term market volatility and to offset the effects of short-term speculation.

The purchase or acquisition of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the EPS and/or NTA per Share of the Company.

2.3 Authority and Limits on the Share Buyback Mandate

The authority and limits on the Share Buyback Mandate, if renewed at the EGM, are as follows:

2.3.1 *Maximum Number of Shares*

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Buyback Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares of the Company as at the date of the EGM at which the renewal of the Share Buyback Mandate is approved. Any of the Company's Shares held as treasury shares shall be disregarded for the purposes of computing the 10% limit.

2.3.2 *Duration of Authority*

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM at which the renewal of the Share Buyback Mandate is approved up to:

- (a) the date on which the next Annual General Meeting of the Company is held or required by law to be held; or
- (b) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting,

whichever is the earlier.

2.3.3 *Manner of Purchases or Acquisitions of Shares*

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

- (a) on-market purchases ("**Market Purchases**"), transacted on the SGX-ST through the SGX-ST's Central Limit Order Book trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (b) off-market purchases ("**Off-Market Purchases**") effected pursuant to an equal access scheme (as defined in Section 76C of the Companies Act).

The Directors may impose such terms and conditions which are consistent with the Share Buyback Mandate, the Listing Manual and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. Under the Companies Act, an Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those 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:
 - (aa) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
 - (bb) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and
 - (cc) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Additionally, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document containing at least the following information:

- (I) the terms and conditions of the offer;
- (II) the period and procedures for acceptances;
- (III) the reasons for the proposed share buyback;
- (IV) the consequences, if any, of share buybacks by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (V) whether the share buybacks, if made, could affect the listing of the Shares on the SGX-ST; and
- (VI) details of any share buyback made by the Company in the previous 12 months (whether through 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, where relevant, and the total consideration paid for the purchases.

2.3.4 **Purchase Price**

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

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
 - (b) in the case of an Off-Market Purchase, 120% of the Highest Last Dealt Price,
- in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

“Average Closing Price” means (1) the average of the closing market prices of the Shares over the last 5 Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase and (2) deemed to be adjusted for any corporate action which occurs after the relevant 5-day period;

“Highest Last Dealt Price” means the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; 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 Shares**

Shares purchased or acquired by the Company will be deemed cancelled immediately on purchase or acquisition and all rights and privileges attached to the Shares will expire on cancellation, unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are cancelled and not held as treasury shares.

2.5 **Treasury Shares**

The Company may hold or deal with Shares purchased or acquired by it as treasury shares. A summary of some of the provisions on treasury shares under the Companies Act is set out below:

2.5.1 **Maximum Holdings**

As the Company has shares of only one class, the number of Shares held as treasury shares shall not at any time exceed 10% of the total number of issued Shares.

2.5.2 **Voting and Other Rights**

The Company shall not exercise any right in respect of treasury shares and any purported exercise of such right is void. 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.

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 permitted if the total value of the treasury shares before and after the subdivision or consolidation remains the same.

2.5.3 **Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister for Finance may by order prescribe.

Under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares; the purpose of such sale, transfer, cancellation and/or use of such treasury shares; the number of treasury shares which have been sold, transferred, cancelled and/or used; the number of treasury shares before and after such sale, transfer, cancellation and/or use; the percentage of the number of treasury shares 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 such sale, transfer, cancellation and/or use; and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.6 **Sources of Funds**

Any payment made by the Company in consideration of the purchase or acquisition of its Shares may be made out of the Company's distributable profits as well as out of capital, so long as the Company is solvent.

The Company will use internal resources and/or external borrowings to finance the Company's purchase or acquisition of its Shares. However, in exploring the option of external financing, the Directors will consider the financial position of the Company and the Group, particularly the working capital requirements and prevailing gearing levels of the Group.

2.7 **Financial Effects**

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buyback Mandate will depend on, *inter alia*, the number of Shares purchased or acquired, the price paid for such Shares, whether the Shares are purchased or acquired out of profits and/or capital of the Company and whether the Shares purchased or acquired are held by the Company as treasury shares or cancelled.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 March 2009, are based on the assumptions set out below.

2.7.1 **Number of Shares Acquired or Purchased**

As at the Latest Practicable Date, the total number of issued and paid-up Shares of the Company is 95,541,117, of which 7,482,000 Shares are held by the Company as treasury shares. Assuming:

- (a) no further Shares are issued;
- (b) no further Shares held by the Company as treasury shares are transferred pursuant to the Company's employees' share schemes; and
- (c) no further Shares are purchased or acquired by the Company and no Shares purchased or acquired by the Company are held by the Company as treasury shares,

on or prior to the EGM, not more than 8,805,911 Shares (representing 10% of the 88,059,117 Shares in issue (excluding Shares held by the Company as treasury shares)) as at that date may be purchased or acquired by the Company pursuant to the proposed Share Buyback Mandate.

2.7.2 **Purchase or Acquisition out of Profits and/or Capital**

Under the Companies Act, the Company may purchase or acquire its Shares out of its profits and/or capital 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, 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, this will not reduce the amount available for the distribution of cash dividends by the Company.

2.7.3 **Maximum Price Paid for Shares Acquired or Purchased**

Based on the audited financial statements of the Company and the Group for the financial year ended 31 March 2009, the Company has distributable profits of approximately S\$21.188 million.

In the case of Market Purchases by the Company, assuming that the Maximum Price is S\$0.732 for one Share (being the price equivalent to 5% above the average of the closing market prices of the Shares over the last 5 Market Days preceding the Latest Practicable Date on which transactions in the Shares were recorded), the maximum amount of funds required for the purchase or acquisition of 8,805,911 Shares is S\$6.446 million. If payment is made out of the Company's said distributable profits, the Company is able to purchase for the duration of the proposed Share Buyback Mandate the maximum 8,805,911 Shares, representing 10% of the total number of issued Shares as at the Latest Practicable Date (excluding Shares held by the Company as treasury shares).

In the case of an Off-Market Purchase by the Company, assuming that the Maximum Price is S\$0.834 for one Share (being the price equivalent to 20% above the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the Latest Practicable Date), the maximum amount

of funds required for the purchase or acquisition of 8,805,911 Shares is S\$7.344 million. If payment is made out of the Company's said distributable profits, the Company is able to purchase for the duration of the proposed Share Buyback Mandate the maximum 8,805,911 Shares representing 10% of the total number of issued Shares as at the Latest Practicable Date (excluding Shares held by the Company as treasury shares).

2.7.4 **Illustrative Financial Effects**

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Buyback Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the price paid at the relevant time, whether the purchase or acquisition is made out of profits and/or capital and whether the Shares purchased or acquired are cancelled or held in treasury.

For illustrative purposes only and based on the assumptions set out in Clauses 2.7.1 to 2.7.3 of this Circular and further assuming that the Share Purchase Mandate had been effective and the purchase of the Shares took place at the beginning of the financial year on 1 April 2008, the financial effects of:

- (a) the purchase or acquisition of 8,805,911 Shares by way of Market Purchases or Off-Market Purchases pursuant to the Share Buyback Mandate made entirely out of capital and cancelled; and
- (b) the purchase or acquisition of 8,805,911 Shares by way of Market Purchases or Off-Market Purchases pursuant to the Share Buyback Mandate made entirely out of profits and cancelled; and
- (c) the purchase or acquisition of 2,072,111 Shares by way of Market Purchases or Off-Market Purchases pursuant to the Share Buyback Mandate made entirely out of capital and held in treasury (2,072,111 Shares being the maximum number of Shares which may be held as treasury shares under the Companies Act after taking into consideration the 7,482,000 Shares held by the Company as treasury shares as at the Latest Practicable Date); and
- (d) the purchase or acquisition of 2,072,111 Shares by way of Market Purchases or Off-Market Purchases pursuant to the Share Buyback Mandate made entirely out of profits and held in treasury (2,072,111 Shares being the maximum number of Shares which may be held as treasury shares under the Companies Act after taking into consideration the 7,482,000 Shares held by the Company as treasury shares as at the Latest Practicable Date),

on the audited financial statements of the Company and the Group for the financial year ended 31 March 2009 are set out below.

(a) Purchases of 8,805,911 Shares made entirely out of capital and cancelled

	GROUP			COMPANY		
	Before Share Buyback	After Share Buyback (via Market Purchases) ⁴	After Share Buyback (via Off-Market Purchases) ⁵	Before Share Buyback	After Share Buyback (via Market Purchases) ⁴	After Share Buyback (via Off-Market Purchases) ⁵
(S\$'000)						
As at 31 March 2009						
Share Capital	28,159	21,713	20,815	28,159	21,713	20,815
Reserves	33,328	33,328	33,328	21,188	21,188	21,188
	61,487	55,041	54,143	49,347	42,901	42,003
Treasury Shares	(3,992)	(3,992)	(3,992)	(3,992)	(3,992)	(3,992)
Shareholders' funds	57,495	51,049	50,151	45,355	38,909	38,011
NTA ¹	51,601	45,155	44,257	45,355	38,909	38,011
Current assets	57,295	50,849	49,951	27,132	26,913	26,913
Current liabilities	22,032	22,032	22,032	2,569	8,796	9,694
Working capital	35,263	28,817	27,919	24,563	18,117	17,219
Total borrowings	4,663	4,663	4,663	—	—	—
Cash and cash equivalents	21,984	15,538	14,640	219	—	—
Net cash ²	17,321	10,875	9,977	219	—	—
Number of Shares (excluding Shares held as treasury shares) ('000)	88,059	79,253	79,253	88,059	79,253	79,253
Weighted Average Number of Shares	90,789	81,983	81,983	90,789	81,983	81,983
Financial Ratios						
NTA per Share (Cents)	58.60	56.98	55.84	51.51	49.09	47.96
EPS (Cents)	12.10	13.40	13.40	15.16	16.79	16.79
Current ratio (times) ³	2.60	2.31	2.27	10.56	3.06	2.78

Notes:

- 1 NTA equals shareholders' funds less intangible assets.
- 2 Net cash equals cash and cash equivalents less total borrowings.
- 3 Current ratio equals current assets divided by current liabilities.
- 4 Assumes that the Company purchases 8,805,911 Shares at the Maximum Price of S\$0.732 for one Share, which is 5% above the average of the closing market prices of the Shares over the last 5 Market Days immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded. Accordingly, the maximum amount of funds required for the purchase is S\$6.446 million.
- 5 Assumes that the Company purchases 8,805,911 Shares at the Maximum Price of S\$0.834 for one Share, which is 20% above the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the Latest Practicable Date. Accordingly, the maximum amount of funds required for the purchase is S\$7.344 million.

(b) Purchases of 8,805,911 Shares made entirely out of profits and cancelled

	GROUP			COMPANY		
	Before Share Buyback	After Share Buyback (via Market Purchases) ⁴	After Share Buyback (via Off-Market Purchases) ⁵	Before Share Buyback	After Share Buyback (via Market Purchases) ⁴	After Share Buyback (via Off-Market Purchases) ⁵
(S\$'000)						
As at 31 March 2009						
Share Capital	28,159	28,159	28,159	28,159	28,159	28,159
Reserves	33,328	26,882	25,984	21,188	14,742	13,844
	61,487	55,041	54,143	49,347	42,901	42,003
Treasury Shares	(3,992)	(3,992)	(3,992)	(3,992)	(3,992)	(3,992)
Shareholders' funds	57,495	51,049	50,151	45,355	38,909	38,011
NTA ¹	51,601	45,155	44,257	45,355	38,909	38,011
Current assets	57,295	50,849	49,951	27,132	26,913	26,913
Current liabilities	22,032	22,032	22,032	2,569	8,796	9,694
Working capital	35,263	28,817	27,919	24,563	18,117	17,219
Total borrowings	4,663	4,663	4,663	—	—	—
Cash and cash equivalents	21,984	15,538	14,640	219	—	—
Net cash ²	17,321	10,875	9,977	219	—	—
Number of Shares (excluding Shares held as treasury shares) ('000)	88,059	79,253	79,253	88,059	79,253	79,253
Weighted Average Number of Shares	90,789	81,983	81,983	90,789	81,983	81,983
Financial Ratios						
NTA per Share (Cents)	58.60	56.98	55.84	51.51	49.09	47.96
EPS (Cents)	12.10	13.40	13.40	15.16	16.79	16.79
Current ratio (times) ³	2.60	2.31	2.27	10.56	3.06	2.78

Notes:

- 1 NTA equals shareholders' funds less intangible assets.
- 2 Net cash equals cash and cash equivalents less total borrowings.
- 3 Current ratio equals current assets divided by current liabilities.
- 4 Assumes that the Company purchases 8,805,911 Shares at the Maximum Price of S\$0.732 for one Share, which is 5% above the average of the closing market prices of the Shares over the last 5 Market Days immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded. Accordingly, the maximum amount of funds required for the purchase is S\$6.446 million.
- 5 Assumes that the Company purchases 8,805,911 Shares at the Maximum Price of S\$0.834 for one Share, which is 20% above the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the Latest Practicable Date. Accordingly, the maximum amount of funds required for the purchase is S\$7.344 million.

(c) Purchases of 2,072,111 Shares made entirely out of capital and held as treasury shares

	GROUP			COMPANY		
	Before Share Buyback	After Share Buyback (via Market Purchases) ⁴	After Share Buyback (via Off-Market Purchases) ⁵	Before Share Buyback	After Share Buyback (via Market Purchases) ⁴	After Share Buyback (via Off-Market Purchases) ⁵
(S\$'000)						
As at 31 March 2009						
Share Capital	28,159	28,159	28,159	28,159	28,159	28,159
Reserves	33,328	33,328	33,328	21,188	21,188	21,188
	61,487	61,487	61,487	49,347	49,347	49,347
Treasury Shares	(3,992)	(5,509)	(5,720)	(3,992)	(5,509)	(5,720)
Shareholders' funds	57,495	55,978	55,767	45,355	43,838	43,627
NTA ¹	51,601	50,084	49,873	45,355	43,838	43,627
Current assets	57,295	55,778	55,567	27,132	26,913	26,913
Current liabilities	22,032	22,032	22,032	2,569	3,867	4,078
Working capital	35,263	33,746	33,535	24,563	23,046	22,835
Total borrowings	4,663	4,663	4,663	—	—	—
Cash and cash equivalents	21,984	20,467	20,256	219	—	—
Net cash ²	17,321	15,804	15,593	219	—	—
Number of Shares (excluding Shares held as treasury shares) ('000)	88,059	85,987	85,987	88,059	85,987	85,987
Weighted Average Number of Shares	90,789	88,717	88,717	90,789	88,717	88,717
Financial Ratios						
NTA per Share (Cents)	58.60	58.25	58.00	51.51	50.98	50.74
EPS (Cents)	12.10	12.38	12.38	15.16	15.52	15.52
Current ratio (times) ³	2.60	2.53	2.52	10.56	6.96	6.60

Notes:

- 1 NTA equals shareholders' funds less intangible assets.
- 2 Net cash equals cash and cash equivalents less total borrowings.
- 3 Current ratio equals current assets divided by current liabilities.
- 4 Assumes that the Company purchases 2,072,111 Shares at the Maximum Price of S\$0.732 for one Share, which is 5% above the average of the closing market prices of the Shares over the last 5 Market Days immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded. Accordingly, the maximum amount of funds required for the purchase is S\$1.517 million.
- 5 Assumes that the Company purchases 2,072,111 Shares at the Maximum Price of S\$0.834 for one Share, which is 20% above the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the Latest Practicable Date. Accordingly, the maximum amount of funds required for the purchase is S\$1.728 million.

(d) Purchases of 2,072,111 Shares made entirely out of profits and held as treasury shares

	GROUP			COMPANY		
	Before Share Buyback	After Share Buyback (via Market Purchases) ⁴	After Share Buyback (via Off-Market Purchases) ⁵	Before Share Buyback	After Share Buyback (via Market Purchases) ⁴	After Share Buyback (via Off-Market Purchases) ⁵
(S\$'000)						
As at 31 March 2009						
Share Capital	28,159	28,159	28,159	28,159	28,159	28,159
Reserves	33,328	33,328	33,328	21,188	21,188	21,188
	61,487	61,487	61,487	49,347	49,347	49,347
Treasury Shares	(3,992)	(5,509)	(5,720)	(3,992)	(5,509)	(5,720)
Shareholders' funds	57,495	55,978	55,767	45,355	43,838	43,627
NTA ¹	51,601	50,084	49,873	45,355	43,838	43,627
Current assets	57,295	55,778	55,567	27,132	26,913	26,913
Current liabilities	22,032	22,032	22,032	2,569	3,867	4,078
Working capital	35,263	33,746	33,535	24,563	23,046	22,835
Total borrowings	4,663	4,663	4,663	—	—	—
Cash and cash equivalents	21,984	20,467	20,256	219	—	—
Net cash ²	17,321	15,804	15,593	219	—	—
Number of Shares (excluding Shares held as treasury shares) ('000)	88,059	85,987	85,987	88,059	85,987	85,987
Weighted Average Number of Shares	90,789	88,717	88,717	90,789	88,717	88,717
Financial Ratios						
NTA per Share (Cents)	58.60	58.25	58.00	51.51	50.98	50.74
EPS (Cents)	12.10	12.38	12.38	15.16	15.52	15.52
Current ratio (times) ³	2.60	2.53	2.52	10.56	6.96	6.60

Notes:

- 1 NTA equals shareholders' funds less intangible assets.
- 2 Net cash equals cash and cash equivalents less total borrowings.
- 3 Current ratio equals current assets divided by current liabilities.
- 4 Assumes that the Company purchases 2,072,111 Shares at the Maximum Price of S\$0.732 for one Share, which is 5% above the average of the closing market prices of the Shares over the last 5 Market Days immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded. Accordingly, the maximum amount of funds required for the purchase is S\$1.517 million.
- 5 Assumes that the Company purchases 2,072,111 Shares at the Maximum Price of S\$0.834 for one Share, which is 20% above the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares immediately preceding the Latest Practicable Date. Accordingly, the maximum amount of funds required for the purchase is S\$1.728 million.

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE PURELY FOR ILLUSTRATIVE PURPOSES ONLY. IN PARTICULAR, IT IS IMPORTANT TO NOTE THAT THE ABOVE ILLUSTRATIONS ARE BASED ON HISTORICAL FIGURES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009 AND ARE NOT NECESSARILY REPRESENTATIVE OF FUTURE FINANCIAL PERFORMANCE.

Although the Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of its issued Shares (excluding any Shares held by the Company as treasury shares), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of its issued Shares (excluding any Shares held by the Company as treasury shares). In particular, the Directors do not intend to exercise the Share Buyback Mandate up to the maximum limit and to such an extent if such exercise would materially and adversely affect the liquidity and/or the orderly trading of the Shares and/or the financial position of the Group. Further, the Company may cancel all or part of the Shares purchased or hold all or part of the Shares purchased in treasury.

2.8 **Taxation**

Shareholders who are in doubt as to their respective tax positions or the tax implications of Share purchases by the Company, or, who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.9 **Take-over**

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note.

2.9.1 ***Obligation to make a Take-over Offer***

If, as a result of any purchase or acquisition by the Company of the Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

2.9.2 ***Persons Acting in Concert***

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);

- (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) 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;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
 - (c) a company with any of its pension funds and employee share schemes;
 - (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
 - (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of:
 - (i) the adviser and persons controlling, controlled by or under the same control as the adviser; and
 - (ii) all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
 - (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
 - (g) partners; and
 - (h) the following persons and entities:
 - (i) an individual;
 - (ii) the close relatives of (i);
 - (iii) the related trusts of (i);
 - (iv) any person who is accustomed to act in accordance with the instructions of (i);
 - (v) companies controlled by any of (i), (ii), (iii) or (iv); and
 - (vi) 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 voting rights of a company will be regarded as the test of associated company status.

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 in Appendix 2 of the Take-over Code.

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

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 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or, if such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

Mr. Kuah Kok Kim and Mr. Kuah Boon Wee, being father and son, are presumed to be concert parties under the Take-over Code. Based on their shareholdings in the Company as at the Latest Practicable Date as set out in Clause 3.1 of this Circular, none of them would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code if the Company undertakes, as permitted by the proposed Share Buyback Mandate, share purchases up to the maximum limit of 10% of its Shares (excluding any Shares held by the Company as treasury shares) as at the Latest Practicable Date.

Based on substantial shareholder notifications received by the Company under the Companies Act as at the Latest Practicable Date as set out in Clause 3 of this Circular, none of the other substantial shareholders of the Company would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code if the Company undertakes, as permitted by the proposed Share Buyback Mandate, share purchases up to the maximum limit of 10% of its Shares (excluding any Shares held by the Company as treasury shares) as at the Latest Practicable Date.

The Directors confirm that none of the Shareholders are acting in concert with the Directors such that their respective interests in the voting shares in the capital of the Company should or ought to be consolidated and the consequences under the Take-Over Code would result if the Company undertakes the share purchases pursuant to the proposed Share Buyback Mandate.

Shareholders who are in doubt as to their obligations, if any, to make a take-over offer under the Take-over Code as a result of any purchase of Shares by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

2.10 **Details of Previous Share Buybacks**

In the last 12 months prior to the Latest Practicable Date, the Company had, pursuant to and in accordance with the terms of the existing Share Buyback Mandate approved by Shareholders at the extraordinary general meeting of the Company held on 23 July 2008, purchased an aggregate of 4,294,000 Shares by way of Market Purchase effected on the SGX-ST. The highest and lowest price paid was S\$0.68188 and S\$0.44600 per Share respectively and the total consideration paid for all of the purchases was S\$2,459,347.96 excluding commission, brokerage and goods and services tax.

As at the Latest Practicable Date, all of the 4,294,000 Shares purchased or acquired by the Company are held as treasury shares.

2.11 Listing Status

The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by public shareholders.

The expression “public” is defined under the Listing Manual as persons other than (a) the directors, chief executive officer, substantial shareholders or controlling shareholders of a company and its subsidiaries and (b) the associates (as defined in the Listing Manual) of the persons described in paragraph (a).

As at the Latest Practicable Date, there are 32,182,973 Shares in the hands of the public, representing 36.55% of the issued Shares of the Company (excluding the Shares held in treasury). Assuming that the Company purchases its Shares through Market Purchases up to the full 10% limit pursuant to the Share Buyback Mandate from the public on the Latest Practicable Date, the number of Shares in the hands of the public would be reduced to 23,377,062 Shares, representing 29.50% of the issued Shares of the Company (excluding the Shares held in treasury).

Accordingly, the Company is of the view that there is a sufficient number of Shares (excluding the Shares held in treasury) held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the proposed Share Buyback Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

2.12 Rules of Listing Manual

The Listing Manual provides that the price for the purchase or acquisition of shares by way of Market Purchases must be not more than 5% above the Average Closing Price as defined in Clause 2.3.4 of this Circular.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, the Company will not undertake any purchase of Shares pursuant to the Share Buyback Mandate at any time after a price-sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such price-sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares during the period commencing one month immediately preceding the announcement of the Company’s half-year results and full-year results respectively, as the case may be, and ending on the date of announcement of the relevant results.

2.13 Reporting Requirements

Under the Listing Manual, any purchases or acquisitions by the Company of its Shares pursuant to the Share Buyback Mandate must be reported by the Company to the SGX-ST not later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day of purchase of any of its Shares; and

- (b) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptances of the offer.

Such notification shall include, *inter alia*, details of the total number of Shares authorised for purchase, the date of purchase, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as treasury shares, the purchase price per Share or the highest and lowest price per Share (as applicable), the total consideration paid for the Shares (including stamp duties and clearing charges), the number of Shares purchased as at the date of the notification (on a cumulative basis), the number of issued Shares (excluding treasury shares) after purchase and the number of treasury shares held after purchase, in the form prescribed under the Listing Manual.

Within 30 days of the passing of a resolution to approve or renew the Share Buyback Mandate, the Directors shall lodge with the Registrar a copy of the resolution.

The Directors shall lodge with the Registrar a notice (in the prescribed form) of a purchase or acquisition of Shares within 30 days of such purchase or acquisition. Such notification shall include, the date of the purchase or acquisition, the number of Shares purchased or acquired, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before and after the purchase or acquisition, the amount of consideration paid for the purchase or acquisition of the Shares, whether the Shares were purchased or acquired out of profits or capital of the Company and such other particulars as may be required in the prescribed form.

Within 30 days of the cancellation or disposal of treasury shares in accordance with the Companies Act, the Directors shall lodge with the Registrar a notice of the cancellation or disposal with such particulars as may be required in the prescribed form.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

- 3.1 The interests of the Directors in the issued Shares of the Company as at the Latest Practicable Date are set out below:

<u>Director</u>	Number of shares		Total Holdings	Percentage of Shares (%) ¹
	Holdings registered in the name of Director	Holdings in which a Director is deemed to have an interest		
Kuah Kok Kim ²	1,806,000	20,223,000 ³	22,029,000	25.02
Kuah Boon Wee ²	1,404,000	—	1,404,000	1.59
Ho Han Siong Christopher ⁴	—	7,900,000	7,900,000	8.97
Huang Yuan Chiang	100,000	—	100,000	0.11

Notes:

- Based on 88,059,117 Shares in issue (disregarding the 7,482,000 Shares held in treasury) as at the Latest Practicable Date.
- Mr. Kuah Kok Kim and Mr. Kuah Boon Wee, being father and son, are presumed to be concert parties under the Take-over Code.
- This represents Mr. Kuah Kok Kim's deemed interest in 20,223,000 Shares held by HSBC (Singapore) Nominees Pte. Ltd.
- Mr. Ho Han Siong Christopher is deemed to have an interest in the 7,900,000 Shares held by Tai Tak Securities Private Limited.

- 3.2 The interests of the substantial shareholders of the Company (who are not Directors) in the issued Shares of the Company as at the Latest Practicable Date are set out below:

<u>Substantial Shareholder (who is not a Director)</u>	Number of shares		Total Holdings	Percentage of Shares (%) ¹
	Holdings registered in the name of Shareholder	Holdings in which a Shareholder is deemed to have an interest		
Kurt R M Lindblad	17,887,652	—	17,887,652	20.31
Tai Tak Securities Private Limited	7,900,000	—	7,900,000	8.97
Singapore Warehouse Company (Private) Ltd.	5,500,000	—	5,500,000	6.25
Hwa Hong Corporation Limited ²	—	5,500,000	5,500,000	6.25
Ong Holdings (Private) Limited ³	—	5,500,000	5,500,000	6.25

Notes:

- 1 Based on 88,059,117 Shares in issue (disregarding the 7,482,000 Shares held in treasury) as at the Latest Practicable Date.
- 2 By virtue of Singapore Warehouse Company (Private) Ltd. being a wholly owned subsidiary of Hwa Hong Corporation Limited.
- 3 By virtue of Ong Holdings (Private) Limited holding not less than 20% of the total number of issued ordinary shares in Hwa Hong Corporation Limited.

4. RECOMMENDATIONS

The Directors are of the opinion that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Share Buyback Mandate (set out in the Notice of EGM) to be proposed at the EGM to be held on 23 July 2009.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 22 to 23 of this Circular, will be held on 23 July 2009 at Carlton Hotel, Esplanade Room 1, Level 4, 76 Bras Basah Road, Singapore 189558 at 10.15 a.m. (or as soon thereafter following the conclusion or adjournment of the 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 any modifications, the ordinary resolution as set out in the Notice of EGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

You will find enclosed with this Circular, the Notice of EGM and a Proxy Form.

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 registered office of the Company not less than 48 hours before the time fixed for the

EGM. Completion and return of a Proxy Form by a Shareholder will not prevent him from attending and voting in person at the EGM if he so wishes.

A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 48 hours before the EGM.

7. INSPECTION OF DOCUMENTS

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Memorandum and Articles; and
- (b) the audited financial statements of the Company for the financial year ended 31 March 2009.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept 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, the facts stated and opinions expressed in this Circular are fair and accurate in all material respects as at the date of this Circular and that there are no material facts, the omission of which would make any statement in this Circular misleading.

Yours faithfully
For and on behalf of
the Directors

Kuah Kok Kim
Chairman and CEO
MTQ Corporation Limited

MTQ CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Co. Reg. No. 196900057Z)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the shareholders of the Company will be held at Carlton Hotel, Esplanade Room 1, Level 4, 76 Bras Basah Road, Singapore 189558 on 23 July 2009 at 10.15 a.m. (or as soon thereafter following the conclusion or adjournment of the 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 amendments, the following resolution:

Ordinary Resolution

The renewal of the Share Buyback Mandate

That:

- (1) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the “**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares (“**Shares**”) in the capital of the Company not exceeding in aggregate the **Prescribed Limit** (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the **Maximum Price** (as hereafter defined), whether by way of:

- (a) market purchase(s) (“**Market Purchase**”) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) through the SGX-ST’s Central Limit Order Book trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (b) off-market purchase(s) (“**Off-Market Purchase**”) if effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) (as defined in Section 76C of the Companies Act) 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 and 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 Buyback Mandate**”);

- (2) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback 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 earlier of:

- (a) the date on which the next Annual General Meeting of the Company is held; and
- (b) the date by which the next Annual General Meeting of the Company is required by law to be held;

- (3) in this resolution:

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

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

- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Highest Last Dealt Price; and

“Prescribed Limit” means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this resolution (excluding any Shares which are held by the Company as treasury shares as at that date),

where

“Average Closing Price” means (i) the average of the closing market prices of the Shares over last 5 market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase; and (ii) deemed to be adjusted for any corporate action which occurs after the relevant 5-day period; and

“Highest Last Dealt Price” means the highest price transacted for a Share as recorded on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; 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 of the Company, 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; and

“market day” means a day on which the SGX-ST is open for trading in securities; and

- (4) 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.

BY ORDER OF THE BOARD

Fong Choon Seng
Tan San-Ju
Joint Company Secretaries
6 July 2009

NOTES:

- 1 A member of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- 2 A member of the Company which is a corporation is entitled to appoint its authorised representative or a proxy or proxies to vote on its behalf.
- 3 The instrument appointing a proxy or proxies must be left at the registered office of the Company at 182 Pandan Loop Singapore 128373, not less than 48 hours before the time set for holding the Extraordinary General Meeting.
- 4 The Company will use internal resources and/or external borrowings to finance purchases of its Shares. The amount of funding required for the Company to purchase or acquire its Shares and the financial impact on the Company and the Group arising from such purchases or acquisitions of the Shares pursuant to the Share Buyback Mandate will depend, *inter alia*, on the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time, whether the Shares are purchased or acquired out of profits and/or capital of the Company and whether the Shares purchased or acquired are held in treasury or cancelled.

An illustration of the financial impact of a purchase or an acquisition of Shares by the Company pursuant to the Share Buyback Mandate on the audited financial statements of the Company and the Group for the financial year ended 31 March 2009 is set out on pages 8 to 15 of the Company’s Circular to the Shareholders dated 6 July 2009.

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MTQ CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Co. Reg. No. 196900057Z)

IMPORTANT

- 1 For investors who have used their CPF moneys to buy shares in the capital of MTQ Corporation Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent **FOR INFORMATION ONLY**.
- 2 This Proxy Form is not valid for use by such CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

PROXY FORM

Extraordinary General Meeting

I/We, _____ (Name)

of _____ (Address)

being a member/members of MTQ Corporation Limited (“**MTQ**” or the “**Company**”) hereby appoint

Name	Address	NRIC/ Passport No.	Proportion of Shareholding (%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholding (%)

or failing him/her, the Chairman of the Extraordinary General Meeting, 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 Extraordinary General Meeting of the Company to be held on 23 July 2009 at Carlton Hotel, Esplanade Room 1, Level 4, 76 Bras Basah Road, Singapore 189558 at 10.15 a.m. (or as soon thereafter following the conclusion or adjournment of the 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.

(Please indicate with an “X” in the spaces provided whether you wish your vote(s) to be cast for or against the resolution as set out in the Notice of Extraordinary General Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Extraordinary General Meeting.)

	For	Against
Ordinary Resolution To approve the renewal of the Share Buyback Mandate		

Dated this _____ day of _____ 2009

Total number of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF



Notes:

- 1 Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
- 2 A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- 3 Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or number is specified, the first named proxy shall be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named proxy.
- 4 The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 182 Pandan Loop, Singapore 128373 not less than 48 hours before the time appointed for the Extraordinary General Meeting.
- 5 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 seal or under the hand of an officer or attorney duly authorised.
- 6 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 Extraordinary General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, 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 Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.