LETTER TO SHAREHOLDERS DATED 5 JUNE 2020

CapitaLand Limited
(Registration Number: 198900036N)
(Incorporated in the Republic of Singapore)

Registered Office: 168 Robinson Road, #30-01 Capital Tower, Singapore 068912

5 June 2020

To: The shareholders of CapitaLand Limited

Dear Sir/Madam

(1) PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE
(2) PROPOSED ISSUE OF SHARES PURSUANT TO THE SCRIP DIVIDEND SCHEME
(3) PROPOSED ALTERATIONS TO THE COMPANY'S CONSTITUTION

1. INTRODUCTION

1.1 **Summary.** We refer to:

(a) Ordinary Resolution 9 ("**Resolution 9**") relating to the proposed renewal of the Company's share purchase mandate (the "**Share Purchase Mandate**");

(b) Ordinary Resolution 10 ("**Resolution 10**") relating to the issue of ordinary shares of the Company ("**Shares**") pursuant to the CapitaLand Scrip Dividend Scheme (the "**Scrip Dividend Scheme**"); and

(c) Special Resolution 11 ("**Resolution 11**") relating to the proposed alterations to the Company's Constitution (the "**Constitution**"),

under the "Special Business" section of the notice dated 5 June 2020 convening the annual general meeting of CapitaLand Limited (the "**Company**") to be convened and held by way of electronic means, on Monday, 29 June 2020 at 10.00 a.m. ("**AGM**").

1.2 **This letter**. The purpose of this letter is to provide shareholders of the Company ("**Shareholders**") with information relating to Resolutions 9, 10 and 11 which will be tabled at the AGM (collectively, the "**Proposals**").

2. RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 **Background.** At the annual general meeting of the Company held on 12 April 2019 ("**2019 AGM**"), Shareholders had approved the renewal of the Share Purchase Mandate. The authority and limitations of the Share Purchase Mandate were set out in the Company's letter to Shareholders dated 18 March 2019 and Ordinary Resolution 9 in the notice of the 2019 AGM dated 18 March 2019, respectively. The authority contained in the Share Purchase Mandate renewed at the 2019 AGM was expressed to continue in force until the next annual general meeting of the Company and, as such, would expire on 29 June 2020, being the date of the forthcoming AGM. It is proposed that such authority be renewed. Accordingly, Resolution 9 relating to the proposed renewal of the Share Purchase Mandate will be tabled as an ordinary resolution for Shareholders' approval at the AGM.

2.2 **Rationale for the renewal of the Share Purchase Mandate.** The renewal of the Share Purchase Mandate will give the Company the flexibility to undertake purchases or acquisitions of its Shares at any time, subject to market conditions, during the period that the Share Purchase Mandate is in force. Share purchases or acquisitions allow the Company greater flexibility over its share capital structure with a view to improving, *inter alia*, its return on equity. The Shares which are purchased or acquired may be cancelled or may be held as treasury shares. The Company may, *inter alia*, sell the treasury shares for cash or utilise the treasury shares by transferring the treasury shares to participating employees and directors of the Company ("**Directors**") for the purposes of or pursuant to its share schemes so as to enable the Company to take advantage of tax deductions under the current taxation regime. The use of treasury shares in lieu of issuing new Shares would also mitigate the dilution impact on existing Shareholders.

It should be noted that the Company will only purchase or acquire Shares pursuant to the Share Purchase Mandate when it is of the view that such purchase or acquisition will or will likely be in the interests of the Company. No purchase or acquisition of Shares will be made in circumstances which would have or is likely to have a material adverse effect on the financial position of the Company and its subsidiaries (collectively, the "**Group**") and/or affect the listing status of the Company on the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

2.3 **Authority and limitations of the Share Purchase Mandate.** The authority and limitations placed on the Share Purchase Mandate for which renewal is sought are summarised below. In this regard, the authority and limitations are substantially the same as that of the Share Purchase Mandate approved previously by Shareholders at the 2019 AGM, save that the definition of "Average Closing Price" (for determining the maximum purchase price for the purchase or acquisition of Shares pursuant to the Share Purchase Mandate) has been changed to take into account amendments to the Listing Manual of the SGX-ST ("**SGX-ST Listing Manual**") which took effect on 7 February 2020.

(a) Maximum number of Shares

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 2% of the issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM. Under the Companies Act, Chapter 50 of Singapore ("**Companies Act**") and the SGX-ST Listing Manual, any Shares which are held as treasury shares or subsidiary holdings shall be disregarded for the purposes of computing the 2% limit. For this purpose, "subsidiary holdings" means any Shares held by subsidiaries of the Company in the circumstances referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act. As at 15 May 2020 (the "**Latest Practicable Date**"), 84,323,054 Shares were held as treasury shares and no Shares were held as subsidiary holdings.

For illustrative purposes only, on the basis of 5,052,325,406 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, and assuming that (i) no further Shares are issued on or prior to the AGM, whether pursuant to the vesting of awards ("**Awards**") granted under share schemes implemented by the Company or the conversion of convertible debentures issued by the Company ("**Convertible Bonds**") or otherwise, (ii) no further Shares are purchased and held as treasury shares, (iii) no Shares are held as subsidiary holdings, (iv) the Company does not reduce its share capital, and (v) no treasury shares are used, sold, transferred or cancelled, then not more than 101,046,508 Shares (representing 2% of the issued Shares (excluding treasury shares and subsidiary holdings) as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

(b) Duration of authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the AGM at which the renewal of the Share Purchase Mandate is approved, up to (i) the date on which the next annual general meeting of the Company is held or required by law to be held; (ii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied, and (iii) the date on which purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated, whichever is the earliest.

(c) Manner of purchase or acquisition of Shares

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

(i) market purchases ("**Market Purchases**"); and/or

(ii) off-market purchases ("**Off-Market Purchases**").

Market Purchases refer to purchases or acquisitions of Shares by the Company effected on the SGX-ST, or, as the case may be, such other stock exchange for the time being on which the Shares may be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose.

Off-Market Purchases refer to purchases or acquisitions of Shares by the Company made under an equal access scheme or schemes for the purchase or acquisition of Shares from Shareholders in accordance with Section 76C of the Companies Act. The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the SGX-ST 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:

(A) 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;

(B) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and

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

(1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

(2) differences in consideration attributable to the fact that the offers may relate to Shares with different amounts remaining unpaid; and

(3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Additionally, the SGX-ST Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain, *inter alia*:

(aa) the terms and conditions of the offer;

(bb) the period and procedures for acceptances;

(cc) the reasons for the proposed Share purchases;

(dd) the consequences, if any, of Share purchases by the Company that will arise under the Singapore Code on Take-overs and Mergers (the "**Singapore Take-over Code**") or other applicable take-over rules;

(ee) whether the Share purchases, if made, could affect the listing of the Shares on the SGX-ST;

(ff) details of any Share purchases made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and

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

(d) Purchase price

The purchase price (excluding brokerage, stamp duty, commission, applicable goods and services tax and other related expenses ("**Related Expenses**")) to be paid for a Share will be determined by the Directors. However, the maximum purchase price (the "**Maximum Price**") to be paid for the Shares as determined by the Directors must not exceed, in the case of both Market Purchases and Off-Market Purchases, 105% of the Average Closing Price of the Shares excluding Related Expenses.

For the above purposes:

"**Average Closing Price**" means the average of the last dealt prices of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST, or, as the case may be, such other stock exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company, or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs during the relevant five-day period and the date of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase; and

"**date of the making of the offer**" means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 **Status of purchased or acquired Shares.** Under the Companies Act, the Shares purchased or acquired by the Company shall be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to those 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 which are cancelled and are not held as treasury shares. The Directors will decide whether the Shares purchased or acquired by the Company will be held as treasury shares and/or cancelled, depending on the needs of the Company at that time. It is presently intended by the Company that Shares which are purchased or acquired by the Company will be held as treasury shares, up to the maximum number of treasury shares permitted by law to be held by the Company.

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

(a) Maximum holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares. For this purpose, any Shares that are held by subsidiaries in the circumstances referred to in Sections 21(4B) and 21(6C) of the Companies Act shall be included in computing the 10% limit.

(b) Voting and other rights

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

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

(c) Disposal and cancellation

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

(i) sell the treasury shares for cash;

(ii) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, Directors or other persons;

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

(iv) cancel the treasury shares; or

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

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

2.6 **Source of funds.** In purchasing or acquiring Shares pursuant to the Share Purchase Mandate, the Company may only apply funds legally available for such purchase or acquisition in accordance with the Constitution and applicable laws. Under the Companies Act, any payment made by the Company in consideration of the purchase or acquisition of its Shares may be made out of the Company's capital and/or profits so long as the Company is solvent.

The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its Shares.

The Directors do not propose to exercise the Share Purchase Mandate to such extent that it would materially affect the working capital requirements, financial flexibility or investment ability of the Group.

2.7 **Financial effects.** The financial effects on the Group and the Company arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of capital and/or profits of the Company, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time, the amount (if any) borrowed by the Company to fund the purchases or acquisitions and whether the Shares purchased or acquired are cancelled or held as treasury shares. The financial effects on the Group and the Company based on the audited financial statements of the Group and the Company for the financial year ended 31 December 2019 are based on the assumptions set out below.

(a) Purchase or acquisition out of capital and/or profits

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital and/or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

(b) Maximum Price paid for Shares purchased or acquired

Based on 5,052,325,406 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, the purchase or acquisition by the Company of 2% of such Shares will result in the purchase or acquisition of 101,046,508 Shares.

Assuming that the Company purchases or acquires the 101,046,508 Shares at the Maximum Price, in the case of both Market Purchases and Off-Market Purchases, the maximum amount of funds required for the purchase or acquisition of the 101,046,508 Shares is approximately $308.2 million, based on $3.05 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares traded on the SGX-ST for the five consecutive market days immediately preceding the Latest Practicable Date).

For illustrative purposes only, on the basis of the assumptions set out above as well as the following:

(A) the Share Purchase Mandate had been effective on 1 January 2019;

(B) there was no issuance of Shares, whether pursuant to the vesting of Awards or the conversion of Convertible Bonds or otherwise, after the Latest Practicable Date;

(C) there was no usage and/or cancellation of treasury shares after the Latest Practicable Date; and

(D) such Share purchases or acquisitions are funded by internal and/or external resources of the Group,

the financial effects on the audited financial statements of the Group and the Company for the financial year ended 31 December 2019 would have been as hereafter set out.

	Market Purchase or Off-Market Purchase			
	Company		Group	
	Before Share Purchase *$M*	After Share Purchase *$M*	Before Share Purchase *$M*	After Share Purchase *$M*
At 31 December 2019				
Total equity	13,204	12,889	40,283	39,969
NTA	13,204	12,889	22,371	22,057
Current assets	908	788	16,625	16,311
Current liabilities	773	773	12,427	12,427
Working capital	135	15	4,198	3,884
Net debt	1,844	1,844	25,243	25,557
No. of issued Shares (in Million)	5,037	4,936	5,037	4,936
Financial indicators				
NTA per Share ($)	2.62	2.61	4.44	4.47
Gearing (Net D/E) (times)	0.14	0.14	0.63	0.64
Current ratio (times)	1.17	1.02	1.34	1.31
Basic EPS (cents)	7.17	7.16	46.35	47.27

Notes:

(1) NTA means Net Tangible Assets.
Net D/E means Net Debt-to-Equity ratio.
EPS means Earnings Per Share.

(2) The disclosed financial effects remain the same irrespective of whether:
(a) the purchase of the Shares is effected out of capital or profits; or
(b) the purchased Shares are held in treasury or are cancelled.

(3) NTA equals total equity less non-controlling interests, perpetual securities and intangible assets. NTA per Share is calculated based on the number of issued Shares excluding treasury shares and subsidiary holdings.

(4) Current ratio equals current assets divided by current liabilities.

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE BASED ON THE AUDITED FINANCIAL STATEMENTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 AND ARE FOR ILLUSTRATION ONLY. THE RESULTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 MAY NOT BE REPRESENTATIVE OF FUTURE PERFORMANCE.

It should be noted that although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 2% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 2% of the issued Shares (excluding treasury shares and subsidiary holdings) as mandated. In addition, the Company may cancel or hold in treasury all or part of the Shares purchased or acquired. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

2.8 **Taxation.** Shareholders who are in doubt as to their respective tax positions or any tax implications, or who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

2.9 **Listing status of the Shares.** The SGX-ST Listing Manual requires a listed company to ensure that at least 10% of the total number of its issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed on the SGX-ST, is held by public shareholders at all times. As at the Latest Practicable Date, approximately 43.10% of the issued Shares are held by public shareholders. Accordingly, the Company is of the view that there is a sufficient number of Shares held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 2% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST. The Company will consider investor interests when maintaining a liquid market in its securities, and will ensure that there is a sufficient float for an orderly market in its securities when purchasing its Shares.

2.10 **SGX-ST Listing Rules.** The SGX-ST Listing Manual restricts a listed company from purchasing its shares by way of market purchases at a price per share which is more than 5% above the "average closing price", being the average of the closing market prices of the shares over the last five market days on which transactions in the shares were recorded, before the day on which the purchases are made, and deemed to be adjusted for any corporate action that occurs during the relevant five-day period and the day on which the purchases are made. The Maximum Price for a Share in relation to Market Purchases referred to in paragraph 2.3 above complies with this requirement. Although the SGX-ST Listing Manual does not prescribe a maximum price in relation to purchases or acquisitions of shares by way of off-market purchases, the Company has set a cap of 5% above the average closing price of a Share as the Maximum Price for a Share to be purchased or acquired by way of an Off-Market Purchase.

While the SGX-ST Listing Manual does not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after any matter or development of a price or trade sensitive nature has occurred or has been the subject of consideration and/or a decision of the Directors until such price or trade sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchases during the one month immediately preceding, and up to the time of announcement of, the Company's results for the half-year and the full financial year.

2.11 **Reporting requirements.** The SGX-ST Listing Manual requires a listed company to report all purchases or acquisitions of its shares 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 or acquisition of any of its shares, and (b) in the case of an off-market purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (in such form prescribed by the SGX-ST Listing Manual), must include details such as the date of the purchase, the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, and the total consideration (including stamp duties and clearing charges) paid or payable for the shares.

In addition, the Directors are required under the Companies Act to lodge with the Registrar of Companies (as appointed under the Companies Act) within 30 days after the purchase or acquisition of Shares on the SGX-ST the notice of purchase or acquisition in the prescribed form and providing certain particulars including 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 issued share capital of the Company before and after the purchase or acquisition, the amount of consideration paid by the Company for the purchase or acquisition of the Shares, and whether the Shares were purchased or acquired out of the profits or the capital of the Company.

2.12 **Take-over implications.** Appendix 2 of the Singapore Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

(a) Obligation to make a take-over offer

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

(b) Persons acting in concert

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

(i) the following companies:

(A) a company ("**(A)**");

(B) the parent company of (A) ("**(B)**");

(C) the subsidiaries of (A) (each, "**(C)**");

(D) the fellow subsidiaries of (A) (each, "**(D)**");

(E) the associated companies of any of (A), (B), (C) or (D) (each, "**(E)**");

(F) companies whose associated companies include any of (A), (B), (C), (D) or (E); and

(G) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights; and

(ii) 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).

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 Singapore Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Singapore Take-over Code.

(c) Effect of Rule 14 and Appendix 2 of the Singapore Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Singapore Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Singapore Take-over Code if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six 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 Singapore Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Singapore Take-over Code 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 six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Based on the interests of the Substantial Shareholders in Shares recorded in the Company's Register of Substantial Shareholders as at the Latest Practicable Date, none of the Substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Singapore Take-over Code as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate of the maximum limit of 2% of its issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

SHAREHOLDERS WHO ARE IN DOUBT AS TO THEIR OBLIGATIONS, IF ANY, TO MAKE A MANDATORY TAKE-OVER OFFER UNDER THE SINGAPORE TAKE-OVER CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY SHOULD CONSULT THE SECURITIES INDUSTRY COUNCIL AND/OR THEIR PROFESSIONAL ADVISERS AT THE EARLIEST OPPORTUNITY.

2.13 **Particulars of Shares purchased in the past year.** As at the Latest Practicable Date, the Company has not purchased any Shares pursuant to the Share Purchase Mandate approved at the 2019 AGM.

3. ISSUE OF NEW SHARES PURSUANT TO THE SCRIP DIVIDEND SCHEME

3.1 **Background**. The Directors propose to introduce the Scrip Dividend Scheme. When implemented, the Scrip Dividend Scheme will provide Shareholders with greater flexibility in meeting their investment objectives as it will give Shareholders the choice of receiving dividends to which the scheme applies in the form of new Shares (credited as fully paid) and/or cash. This will enable Shareholders to participate in the equity of the Company without having to incur brokerage fees, stamp duty and other related costs. The Directors believe that the Company will benefit from the participation of Shareholders in the Scrip Dividend Scheme as, to the extent that Shareholders elect to receive their cash dividend in the form of Shares, the cash which would otherwise be payable in respect of such dividend may be retained by the Company to strengthen its working capital and/or fund the growth and expansion of the Group.

Shareholders should note that implementation of the Scrip Dividend Scheme by the Company is conditional upon Shareholders' approving the alterations to the Constitution, which include the insertion of a new article 133A to facilitate scrip dividend payments by the Company. Please refer to paragraph 4 below in relation to the proposed alterations to the Constitution.

The Scrip Dividend Scheme will comply with Rules 862 and 863 of the SGX-ST Listing Manual. More information about the Scrip Dividend Scheme will be announced by the Company pursuant to and in accordance with Rule 862 of the SGX-ST Listing Manual on or about 5 June 2020. The Company's announcement will be made available on the website of the SGX-ST at the URL https://www.sgx.com/securities/company-announcements.

3.2 **Rationale.** While there is no requirement under the SGX-ST Listing Manual for Shareholders' approval for the implementation of the Scrip Dividend Scheme, the issuance of new Shares pursuant to the Scrip Dividend Scheme, however, is subject to the approval of Shareholders under Section 161 of the Companies Act.

Under the SGX-ST Listing Manual, the authority to issue new Shares under the Scrip Dividend Scheme may be in the form of specific Shareholders' approval in compliance with Rule 805 of the SGX-ST Listing Manual or the Company may otherwise rely on a valid general mandate granted by the Shareholders to the Directors pursuant to Rule 806 of the SGX-ST Listing Manual.

The benefits of the Scrip Dividend Scheme to Shareholders and the Company are set out in paragraph 3.1 above.

3.3 **Shareholders' approval.** The Directors propose (in line with Section 161 of the Companies Act and Rule 805 of the SGX-ST Listing Manual) to seek specific Shareholders' approval for the authority to issue such number of new Shares as may be required to be issued pursuant to the Scrip Dividend Scheme.

Accordingly, Resolution 10 relating to the proposed authority for the issuance of new Shares pursuant to the Scrip Dividend Scheme will be tabled as an ordinary resolution for Shareholders' approval at the AGM. If approved at the AGM, the authority to issue new Shares for the purposes of the Scrip Dividend Scheme will continue in force from the passing of the ordinary resolution relating thereto until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting is held or required by law to be held, whichever is the earlier.

It should be noted that such authority in Resolution 10, as aforesaid, is subject to and contingent upon the passing of Resolution 11 at the AGM, being the special resolution to be proposed at the AGM to approve the alterations to the Constitution.

4. ALTERATIONS TO THE CONSTITUTION

4.1 **Rationale for the alterations to the Constitution.** The Company proposes to alter the Constitution:

(a) to facilitate the implementation of the Scrip Dividend Scheme by the Company;

(b) to incorporate amendments to take into account certain changes to the Companies Act introduced pursuant to the Companies (Amendment) Act 2017 (the "**2017 Amendment Act**"); and

(c) to streamline and rationalise certain other provisions.

4.2 **Proposed alterations.** Information regarding the alterations which are proposed to be made to the Constitution is set out below.

(a) Inserting new article 133A to facilitate the making of scrip dividend payments

Article 133A is proposed to be inserted to detail how scrip dividend payments are to be implemented, empower the Directors to determine the manner in which scrip dividend payments are to be implemented, and will enable Shareholders to elect to receive shares in the Company credited as fully paid in lieu of part only or all of the cash amount of any dividend to which the scheme applies, in accordance with the scheme. The text of new article 133A is set out in the Appendix to this letter.

(b) Companies Act

The 2017 Amendment Act which took effect in phases on 31 March 2017, 23 May 2017, 11 October 2017 and 31 August 2018, respectively, introduced changes to the Companies Act which aim to ensure that Singapore's corporate regulatory regime continues to stay robust. One of the key changes made in the first phase is the removal of the requirement for a company to have a common seal. More recently, in the final phase, one of the main changes is the alignment of the timeline for the holding of a company's annual general meeting with its financial year end.

The following articles are proposed to be updated to take into account certain changes to the Companies Act introduced by the 2017 Amendment Act:

(i) **Articles 19, 119, 120 and 121.** Pursuant to new Section 41A of the Companies Act (as introduced by the 2017 Amendment Act), it is no longer mandatory for a Singapore company to have a common seal. Consequently, the specific requirements relating to the contents of share certificates and for share certificates to be issued under the common seal of the Company, are proposed to be removed in article 19 (relating to share certificates), and replaced with a general provision that every share certificate shall be issued in accordance with the requirements of the Companies Act and be under the common seal or signed in the manner set out in the Companies Act. Although Section 123(2) of the Companies Act stipulates that a share certificate is to be issued under the common seal of the Company, pursuant to new Section 41C of the Companies Act (as introduced by the 2017 Amendment Act), the affixation of the common seal to a share certificate may be dispensed with provided that the share certificate is signed:

(A) on behalf of the Company by a Director and a Secretary of the Company;

(B) on behalf of the Company by at least two Directors; or

(C) on behalf of the Company by a Director in the presence of a witness who attests the signature.

Consequential editorial changes are proposed to articles 119, 120 and 121 to make it clear that these provisions are applicable where the Company has a common seal.

(ii) **Article 52.** Article 52 relates to the timeline for holding annual general meetings. Article 52 is proposed to be revised to (a) remove the specific requirement that, save as otherwise permitted under the Companies Act, an annual general meeting is to be held once in every year and within a period of not more than 15 months after the holding of the last preceding annual general meeting, and (b) insert a general provision that an annual general meeting shall be held in accordance with the provisions of the Companies Act. The proposed revision to article 52 is in line with Section 175 of the Companies Act, as amended pursuant to the 2017 Amendment Act, and will also accommodate any amendments which may be made to the Companies Act from time to time with regard to the timeline for the holding of annual general meetings.

It is to be noted that, as the Company has a primary listing on the SGX-ST, in determining the time and place of a general meeting pursuant to article 52, the Directors are required to comply with Rule 707(1) of the SGX-ST Listing Manual which stipulates that an issuer must hold its annual general meeting within four months from the end of its financial year, and Rule 730A(1) of the SGX-ST Listing Manual, which requires the Company to hold all its general meetings in Singapore, unless prohibited by the relevant laws and regulations of Singapore.

(c) General

The following articles are proposed to be updated, streamlined and rationalised generally:

(i) **Article 56.** Article 56 relates to the routine business that is transacted at an annual general meeting. Article 56 is proposed to be updated to make it clear that all other business not specified in article 56 which is to be transacted at any general meeting of the Company shall be deemed to be special business.

(ii) **Articles 101(C) and 102(A).** Article 101(C) relates to the status and function of alternate Directors, and provides, *inter alia*, that alternate Directors who are absent from Singapore will not receive notices of meetings of Directors and may sign resolutions in writing of the Directors in lieu of the principal Director only if certain circumstances exist such as the principal Director being absent from Singapore. Similarly, Article 102(A), which relates to the meetings of Directors, provides that it shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Singapore. Articles 101(C) and 102(A) are proposed to be amended to remove the references to absence from Singapore. The foregoing amendments are proposed in view of technological advances which allow for notices of meetings of Directors to be given electronically and for participation in such meetings and the signing of written resolutions of the Directors to take place electronically.

In addition, Article 102(A) is proposed to be amended to provide that the accidental omission to give to any Director, or the non-receipt by any Director, of a notice of a meeting of Directors shall not invalidate the proceedings at that meeting. This is to complement and reinforce the existing provision in article 102(A) which provides that any Director may waive notice of any such meetings and any such waiver may be retroactive, in order to ensure that minor procedural irregularities do not invalidate the proceedings of such meetings.

(iii) **Article 141.** Article 141 relates to the timeline for the financial statements (including balance sheets, reports, statements and other documents as may be necessary) to be laid before an annual general meeting of the Company, and states that that the interval between the close of a financial year of the Company and the date of its annual general meeting shall not exceed four months or such other period as may be permitted by the Companies Act. The latter provision in Article 141 is proposed to be expanded, for completeness, to include such other period as may be permitted under the listing rules of the SGX-ST, in addition to the Companies Act.

Under Rule 730 of the SGX-ST Listing Manual, whenever an issuer proposes to amend its articles of association or constitutent documents, they must be made consistent with the prevailing listing rules of the SGX-ST. In this regard, as at the Latest Practicable Date, the provisions of the Constitution, including the alterations which are proposed to be made thereto as outlined above, are in alignment with the prevailing listing rules of the SGX-ST as at that date.

4.3 **Shareholders' approval.** The proposed alterations to the Constitution are set out in full in the Appendix to this letter, and is subject to Shareholders' approval by way of special resolution.

Accordingly, Resolution 11 relating to the proposed alterations to the Consitution is to seek Shareholders' approval for such alterations, and will be tabled as a special resolution at the AGM.

5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

5.1 **Interests of Directors.** The interests of the Directors in issued Shares, as recorded in the Company's Register of Directors' Shareholdings as at the Latest Practicable Date, are set out below.

	Direct Interest		Deemed Interest		Total Interest	
Directors	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
Mr Ng Kee Choe	410,636	0.0081	-	-	410,636	0.0081
Mr Miguel Ko	-	-	-	-	-	-
Mr Lee Chee Koon	1,273,533[(1)]	0.0252	-	-	1,273,533	0.0252
Tan Sri Amirsham Bin A Aziz	128,297	0.0025	-	-	128,297	0.0025
Mr Stephen Lee Ching Yen	87,969	0.0017	-	-	87,969	0.0017
Dr Philip Nalliah Pillai	67,556	0.0013	-	-	67,556	0.0013
Mr Kee Teck Koon	64,297	0.0013	-	-	64,297	0.0013
Mr Chaly Mah Chee Kheong	80,178[(1)]	0.0016	-	-	80,178	0.0016
Mr Anthony Lim Weng Kin	19,526	0.0004	1,000[(2)]	n.m.[(4)]	20,526	0.0004
Mr Gabriel Lim Meng Liang	-	-	-	-	-	-
Ms Goh Swee Chen	15,217	0.0003	5,000[(3)]	0.0001	20,217	0.0004

Notes:

(1) Shares are held through DBS Nominees (Private) Limited.

(2) Mr Anthony Lim Weng Kin is deemed to have an interest in the 1,000 Shares held by his spouse.

(3) Ms Goh Swee Chen is deemed to have an interest in the 5,000 Shares held by her spouse.

(4) "n.m." means not meaningful.

There were 5,052,325,406 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

The interests of a Director in outstanding Awards as at the Latest Practicable Date are set out below.

Director	**No. of Shares comprised in outstanding Awards**
Mr Lee Chee Koon	71,219[(1),(3)]
	443,932[(2),(3)]
	Up to 925,160[(4)]

Notes:

(1) Being the unvested remaining one-third of the Award.

(2) Being the unvested two-thirds of the Award.

(3) On the final vesting of the Award, an additional number of Shares of a total value equal to the value of the accumulated dividends which are declared during each of the vesting periods and deemed forgone due to the vesting mechanism of the CapitaLand Restricted Share Plan 2010 will also be released.

(4) The final number of Shares to be released will depend on the achievement of pre-determined targets at the end of the respective performance periods under the CapitaLand Performance Share Plan 2010.

Save as disclosed, none of the other Directors held or had any interests in any outstanding Awards as at the Latest Practicable Date.

There were 5,052,325,406 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

5.2 **Interests of Substantial Shareholders.** The interests of the Substantial Shareholders in issued Shares, as recorded in the Company's Register of Substantial Shareholders as at the Latest Practicable Date, are set out below.

	Direct Interest		Deemed Interest		Total Interest	
Substantial Shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**	**No. of Shares**	**%**
CLA Real Estate Holdings Pte. Ltd.	2,577,394,254	51.01	-	-	2,577,394,254	51.01
TJ Holdings (III) Pte. Ltd.	-	-	2,577,394,254[(1)]	51.01	2,577,394,254	51.01
Glenville Investments Pte. Ltd.	-	-	2,577,394,254[(1)]	51.01	2,577,394,254	51.01
Mawson Peak Holdings Pte. Ltd.	-	-	2,577,394,254[(1)]	51.01	2,577,394,254	51.01
Bartley Investments Pte. Ltd.	-	-	2,577,394,254[(1)]	51.01	2,577,394,254	51.01
Tembusu Capital Pte. Ltd.	-	-	2,577,424,254[(1)(2)]	51.01	2,577,424,254	51.01
Temasek Holdings (Private) Limited	-	-	2,569,475,078[(1)(3)]	51.00[(3)]	2,569,475,078	51.00
BlackRock, Inc.	-	-	253,933,709[(4)]	5.02	253,933,709	5.02

Notes:

(1) CLA Real Estate Holdings Pte. Ltd. ("**CLA Real Estate**") was formerly known as Ascendas-Singbridge Pte. Ltd..

CLA Real Estate is a wholly owned subsidiary of TJ Holdings (III) Pte. Ltd. ("**TJIII**"), which in turn is a wholly owned subsidiary of Glenville Investments Pte. Ltd. ("**Glenville**"), which in turn is a wholly owned subsidiary of Mawson Peak Holdings Pte. Ltd. ("**Mawson**"), which in turn is a wholly owned subsidiary of Bartley Investments Pte. Ltd. ("**Bartley**"), which in turn is a wholly owned subsidiary of Tembusu Capital Pte. Ltd. ("**Tembusu**"), which in turn is a wholly owned subsidiary of Temasek Holdings (Private) Limited ("**Temasek**").

TJIII, Glenville, Mawson, Bartley, Tembusu and Temasek, respectively, are deemed to have an interest in the Shares in which CLA Real Estate has or is deemed to have an interest, by virtue of section 4 of the Securities and Futures Act (Cap. 289) ("**SFA**").

(2) Tembusu is deemed to have an interest in the Shares in which its subsidiaries have or are deemed to have an interest, by virtue of section 4 of the SFA.

(3) Temasek is deemed to have an interest in the Shares in which its subsidiaries and associated companies have or are deemed to have an interest, by virtue of section 4 of the SFA.

Based on the information provided by Temasek, as at 15 May 2020, Temasek is deemed to have an aggregate interest in 2,613,785,278 Shares, representing approximately 51.73% of the issued Shares (based on 5,052,325,406 issued Shares, excluding treasury shares).

(4) BlackRock, Inc. is deemed to have an interest in the Shares in which its subsidiaries have or are deemed to have an interest, by virtue of section 4 of the SFA.

6. DIRECTORS' RECOMMENDATION

6.1 **Renewal of the Share Purchase Mandate.** The Directors are of the opinion, for the reasons set out in paragraph 2.2 above, that the renewal of the Share Purchase Mandate is in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 9 relating to the renewal of the Share Purchase Mandate, which will be proposed as an ordinary resolution at the forthcoming AGM.

6.2 **Issue of new Shares pursuant to the Scrip Dividend Scheme.** The Directors are of the opinion, for the reasons set out in paragraph 3.2 above, that the authority to be given to the Directors to issue new Shares pursuant to the Scrip Dividend Scheme is in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 10 relating to the issue of new Shares pursuant to the Scrip Dividend Scheme, which will be proposed as an ordinary resolution at the forthcoming AGM.

6.3 **Alterations to the Constitution.** The Directors are of the opinion, for the reasons set out in paragraph 4.1 above, that the alterations to the Constitution are in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 11 relating to the alterations to the Constitution, which will be proposed as a special resolution at the forthcoming AGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

7.1 **Directors' responsibility.** The Directors collectively and individually accept full responsibility for the accuracy of the information given in this letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this letter constitutes full and true disclosure of all material facts about the Proposals, and about the Company and its subsidiaries in relation to the Proposals, and the Directors are not aware of any facts the omission of which would make any statement in this letter misleading. Where information in this letter 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 reproduced in this letter in its proper form and context.

7.2 **Disclaimer.** The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this letter. Shareholders who are in any doubt as to the action they should take should consult their stockbrokers or other professional advisers immediately.

8. INSPECTION OF CONSTITUTION

A copy of the Constitution is available for inspection on the Company's website at the URL https://investor.capitaland.com/misc/20160418_CapitaLand_New_Constitution_final.pdf from the date of this letter up to (and including) the date of the AGM.

Yours faithfully
For and on behalf of the Board of Directors
of CapitaLand Limited

NG KEE CHOE
Chairman

THE APPENDIX

THE ALTERATIONS TO THE CONSTITUTION

The alterations which are proposed to be made to the Constitution are set out below. For ease of reference and where appropriate, the full text of the articles of the Constitution proposed to be altered has also been reproduced and the principal amendments are underlined or denoted with strikethroughs.

1. Existing article 19

19. Every share certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates, whether the shares are fully or partly paid up, and the amount (if any) unpaid thereon and shall bear the autographic or facsimile signatures of one Director and the Secretary or a second Director or some other person appointed by the Directors. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors. No certificate shall be issued representing shares of more than one class.

Share certificates

Proposed alteration to article 19

Article 19 is proposed to be deleted in its entirety and the following is proposed to be substituted in its place:

19. Every share certificate shall be issued in accordance with the requirements of the Act and be under the Seal or signed in the manner set out in the Act ~~under the Seal and shall specify the number and class of shares to which it relates, whether the shares are fully or partly paid up, and the amount (if any) unpaid thereon and shall bear the autographic or facsimile signatures of one Director and the Secretary or a second Director or some other person appointed by the Directors. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors~~. No certificate shall be issued representing shares of more than one class.

Share certificates

2. Existing article 52

52. Save as otherwise permitted under the Act, an Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

Annual General Meeting and Extraordinary General Meeting

Proposed alteration to article 52

Article 52 is proposed to be deleted in its entirety and the following is proposed to be substituted in its place:

52. (A) Save as otherwise permitted under the Act, an Annual General Meeting shall be held in accordance with the provisions of the Act ~~once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors~~. All other General Meetings shall be called Extraordinary General Meetings.

Annual General Meeting and Extraordinary General Meeting

(B) The time and place of any General Meeting shall be determined by the Directors. Time and place

3. Existing article 56

56. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say: Routine business

(a) declaring dividends;

(b) receiving and adopting the financial statements, the Directors' statement, the Auditor's report and other documents required to be attached to the financial statements;

(c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;

(d) appointing or re-appointing the Auditor;

(e) fixing the remuneration of the Auditor or determining the manner in which such remuneration is to be fixed; and

(f) fixing the remuneration of the Directors proposed to be paid in respect of their office as such under article 82 and/or article 83(A).

Proposed alteration to article 56

Article 56 is proposed to be deleted in its entirety and the following is proposed to be substituted in its place:

56. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say: Routine business

(a) declaring dividends;

(b) receiving and adopting the financial statements, the Directors' statement, the Auditor's report and other documents required to be attached to the financial statements;

(c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;

(d) appointing or re-appointing the Auditor;

(e) fixing the remuneration of the Auditor or determining the manner in which such remuneration is to be fixed; and

(f) fixing the remuneration of the Directors proposed to be paid in respect of their office as such under article 82 and/or article 83(A).

All other business to be transacted at any General Meeting of the Company shall be deemed to be special business.

4. Existing article 101(C)

Powers of Alternate Directors

(C) An Alternate Director shall (except when absent from Singapore) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his principal is not personally present and generally at such meeting to perform all functions of his principal as a Director and for the purposes of the proceedings at such meeting the provisions of this Constitution shall apply as if he (instead of his principal) were a Director. If his principal is for the time being absent from Singapore or temporarily unable to act through ill health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his principal. To such extent as the Directors may from time to time determine in relation to any committee of the Directors, the foregoing provisions of this article shall also apply *mutatis mutandis* to any meeting of any such committee of which his principal is a member. An Alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of this Constitution.

Proposed alteration to article 101(C)

Article 101(C) is proposed to be deleted in its entirety and the following is proposed to be substituted in its place:

Powers of Alternate Directors

(C) An Alternate Director shall ~~(except when absent from Singapore)~~ be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his principal is not personally present and generally at such meeting to perform all functions of his principal as a Director and for the purposes of the proceedings at such meeting the provisions of this Constitution shall apply as if he (instead of his principal) were a Director. If his principal is ~~for the time being absent from Singapore or~~ temporarily unable to act through ill health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his principal. To such extent as the Directors may from time to time determine in relation to any committee of the Directors, the foregoing provisions of this article shall also apply *mutatis mutandis* to any meeting of any such committee of which his principal is a member. An Alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of this Constitution.

5. Existing article 102(A)

Meetings of Directors

102. (A) Subject to the provisions of this Constitution the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Singapore. Any Director may waive notice of any meeting and any such waiver may be retroactive.

Proposed alteration to article 102(A)

Article 102(A) is proposed to be deleted in its entirety and the following is proposed to be substituted in its place:

102. (A) Subject to the provisions of this Constitution the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. The accidental omission to give to any Director, or the non-receipt by any Director of, a notice of a meeting of Directors shall not invalidate the proceedings at that meeting. ~~It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Singapore.~~ Any Director may waive notice of any meeting and any such waiver may be retroactive.	Meetings of Directors

6. Existing article 119

119. The Directors shall provide for the safe custody of the Seal which shall not be used without the authority of the Directors or of a committee authorised by the Directors in that behalf.	Seal

Proposed alteration to article 119

Article 119 is proposed to be deleted in its entirety and the following is proposed to be substituted in its place:

119. Where the Company has a Seal, t~~T~~he Directors shall provide for the safe custody of the Seal which shall not be used without the authority of the Directors or of a committee authorised by the Directors in that behalf.	Seal

7. Existing article 120

120. Every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by a second Director or some other person appointed by the Directors save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature or other method approved by the Directors.	Affixing Seal

Proposed alteration to article 120

Article 120 is proposed to be deleted in its entirety and the following is proposed to be substituted in its place:

120. Where the Company has a Seal, e~~E~~very instrument to which the Seal is ~~shall be~~ affixed shall be signed autographically by one Director and the Secretary or by a second Director or some other person appointed by the Directors save that as regards any certificates for shares ~~or debentures or other securities~~ of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature or other method approved by the Directors.	Affixing Seal

8. Existing article 121

121. (A) The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors. Official seal

(B) The Company may exercise the powers conferred by the Statutes with regard to having a duplicate Seal as referred to in Section 124 of the Act which shall be a facsimile of the Seal with the addition on its face of the words "Share Seal". Share Seal

Proposed alteration to article 121

Article 121 is proposed to be deleted in its entirety and the following is proposed to be substituted in its place:

121. (A) Where the Company has a Seal, tThe Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors. Official seal

(B) Where the Company has a Seal, tThe Company may exercise the powers conferred by the Statutes with regard to having a duplicate Seal as referred to in Section 124 of the Act which shall be a facsimile of the Seal with the addition on its face of the words "Share Seal". Share Seal

9. New article 133A

The following new article 133A is proposed to be inserted after article 133:

133A. (A) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on shares of a particular class in the capital of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of shares of that class credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply: Scrip dividend scheme

(a) the basis of any such allotment shall be determined by the Directors;

(b) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of shares of the relevant class credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all

such things, as the Directors consider necessary or expedient in connection with the provisions of this article 133A;

(c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded, Provided always that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and

(d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on the shares of the relevant class in respect whereof the share election has been duly exercised (the "elected shares") and, in lieu and in satisfaction thereof, shares of the relevant class shall be allotted and credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid. For such purpose and notwithstanding the provisions of article 138, the Directors shall (i) capitalise and apply out of the amount standing to the credit of any of the Company's reserve accounts or any amount standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and among the holders of the elected shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected shares towards payment of the appropriate number of shares of the relevant class for allotment and distribution to and among the holders of the elected shares on such basis.

Ranking of shares

(B) The shares of the relevant class allotted pursuant to the provisions of article 133A(A) shall rank *pari passu* in all respects with the shares of that class then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

Record date

(C) The Directors may, on any occasion when they resolve as provided in article 133A(A), determine that rights of election under that article shall not be made available to the persons who are registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of shares, the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of this article 133A shall be read and construed subject to such determination.

(D) The Directors may, on any occasion when they resolve as provided in article 133A(A), further determine that no allotment of shares or rights of election for shares under article 133A(A) shall be made available or made to members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlement of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared. Eligibility

(E) Notwithstanding the foregoing provisions of this article 133A, if at any time after the Directors' resolution to apply the provisions of article 133A(A) in relation to any dividend but prior to the allotment of shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their discretion and as they deem fit in the interest of the Company and without assigning any reason therefor, cancel the proposed application of article 133A(A). Disapplication

(F) The Directors may do all acts and things considered necessary or expedient to give effect to the provisions of article 133A(A), with full power to make such provisions as they think fit in the case of shares of the relevant class becoming distributable in fractions (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down). Fractional entitlements

10. Existing article 141

141. In accordance with the provisions of the Act, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such financial statements, balance sheets, reports, statements and other documents as may be necessary. The interval between the close of a financial year of the Company and the date of the Company's Annual General Meeting shall not exceed four months (or such other period as may be permitted by the Act). Presentation of financial statements

Proposed alteration to article 141

Article 141 is proposed to be deleted in its entirety and the following is proposed to be substituted in its place:

141. In accordance with the provisions of the Act, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such financial statements, balance sheets, reports, statements and other documents as may be necessary. The interval between the close of a financial year of the Company and the date of the Company's Annual General Meeting shall not exceed four months (or such other period as may be permitted by the Act and/or the listing rules of the Stock Exchange). Presentation of financial statements