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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this Circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Willas-Array Electronics (Holdings) Limited, you should at once hand this Circular and the accompanying form of proxy to the purchaser or transferee or to the bank, a licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Singapore Exchange Securities Trading Limited (the “SGX-ST”) take no responsibility for the contents of this Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular. Approval in-principle granted by the SGX-ST for the dealing in, as well as listing and quotation of, the Bonus Shares (as defined herein) on the Official List of the Main Board of the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Bonus Issue (as defined herein) or the Bonus Shares.

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**WILLAS-ARRAY**  
**WILLAS-ARRAY ELECTRONICS (HOLDINGS) LIMITED**

**威雅利電子(集團)有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Hong Kong stock code: 854)**

**(Singapore stock code: BDR)**

**CIRCULAR TO SHAREHOLDERS  
RELATING TO PROPOSALS IN RELATION TO:**

- (A) RE-ELECTION OF RETIRING DIRECTORS;**
- (B) GENERAL MANDATE TO ISSUE SHARES;**
- (C) RENEWAL OF SHARE BUYBACK MANDATE;**
- (D) FINAL DIVIDEND; AND**
- (E) ISSUE OF BONUS SHARES PURSUANT TO THE BONUS ISSUE**

**AND**

**NOTICE OF ANNUAL GENERAL MEETING**

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*Capitalised terms used in this Circular including the cover page shall have the same respective meanings as ascribed to them in the section headed “Definitions” of this Circular.*

The notice convening the 2018 AGM of Willas-Array Electronics (Holdings) Limited to be held at Mandarin Orchard Singapore, Grange Ballroom, Level 5, Main Tower, 333 Orchard Road, Singapore 238867 on Friday, July 27, 2018 at 9:30 a.m. or its adjournment (if any) at which the above proposals will be considered is set out on pages 46 to 56 of this Circular. If you are unable to attend the 2018 AGM in person and wish to exercise your right as a Shareholder, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to (i) the Company’s share transfer agent in Singapore, Intertrust Singapore Corporate Services Pte. Ltd. at 77 Robinson Road, #13-00 Robinson 77, Singapore 068896 (for Shareholders in Singapore); or (ii) the Company’s branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (for Shareholders in Hong Kong), as soon as possible but in any event no later than 48 hours before the time appointed for holding the 2018 AGM or its adjournment (if any). Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2018 AGM or its adjournment (if any) should you so wish. Any appointment of proxy shall be deemed to be revoked should you attend the 2018 AGM or its adjournment (if any) in person.

June 26, 2018

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*This Circular is prepared in English and translated into Chinese. In the event of inconsistency, the English text of this Circular will prevail.*

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## DEFINITIONS

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*In this Circular and its appendices, unless otherwise defined or the context otherwise requires, the following expressions have the following respective meanings:*

“2017 AGM”	the AGM held on Friday, July 28, 2017;
“2018 AGM”	the AGM to be held on Friday, July 27, 2018, the notice of which is set out on pages 46 to 56 of this Circular, and its adjournment (if any);
“AGM”	the annual general meeting of the Company;
“Associate”	has the meaning ascribed to it in the SGX-ST Listing Manual and means: <ul style="list-style-type: none"><li>(a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:<ul style="list-style-type: none"><li>(i) his immediate family (that is, the person’s spouse, child, adopted child, step-child, sibling and parent);</li><li>(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and</li><li>(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and</li></ul></li><li>(b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company (as defined in the Singapore Companies Act) or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more;</li></ul>
“Average Closing Price”	has the meaning ascribed to it in paragraph 3.4 of Appendix II to this Circular;
“Bermuda Companies Act”	the Companies Act 1981 of Bermuda, as amended, supplemented or modified from time to time;
“Board”	the board of Directors;

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## DEFINITIONS

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“Bonus Issue”	the proposed allotment and issue of Bonus Shares, to be credited as fully paid-up at par, by way of the capitalisation of an amount equal to the total par value of the Bonus Shares standing to the credit of the share premium account of the Company, to Qualifying Shareholders on the basis of one (1) Bonus Share for every 10 existing Shares held by Qualifying Shareholders as at the close of business on the Record Date;
“Bonus Share(s)”	the 7,634,096 new Shares to be allotted and issued by the Company to Qualifying Shareholders on the basis of one (1) Bonus Share for every 10 existing Shares held by Qualifying Shareholders as at the close of business on the Record Date, pursuant to the Bonus Issue;
“Bye-laws”	the bye-laws of the Company, as amended, supplemented or modified from time to time;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“CDP”	The Central Depository (Pte) Limited, which is the securities clearing and depository house of the SGX-ST;
“Circular”	this circular dated June 26, 2018;
“close associate(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules;
“Company”	Willas-Array Electronics (Holdings) Limited (威雅利電子(集團)有限公司), a company incorporated in Bermuda with limited liability whose issued Shares are listed and traded on the Main Board of the Hong Kong Stock Exchange (stock code: 854) and the Main Board of the SGX-ST (stock code: BDR);
“concert parties”	has the meaning ascribed to it in paragraph 8.2 of Appendix II to this Circular;
“control”	the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company;

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## DEFINITIONS

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“Controlling Shareholder(s)”	has the meaning ascribed to it in the SGX-ST Listing Manual and means a person who:  (a) holds, directly or indirectly, 15% or more of the total number of issued Shares excluding treasury shares and subsidiary holdings in the Company, if any, unless the SGX-ST determines otherwise; or  (b) in fact exercises control over the Company;
“core connected person(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules;
“day of the making of the offer”	has the meaning ascribed to it in paragraph 3.4 of Appendix II to this Circular;
“Director(s)”	the director(s) of the Company;
“EPS”	earnings per Share;
“ESOS II”	the Willas-Array Electronics Employee Share Option Scheme II;
“ESOS II Options”	the options granted under the ESOS II;
“ESOS III”	the Willas-Array Electronics Employee Share Option Scheme III;
“ESOS III Options”	the options granted under the ESOS III;
“Final Dividend”	the proposed final dividend to be distributed to the Shareholders as more particularly set out in this Circular;
“FY2018”	the financial year ended March 31, 2018;
“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong Branch Register”	the Hong Kong branch register of members;
“Hong Kong Branch Registrar”	the Company’s branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited;

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## DEFINITIONS

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“Hong Kong Companies Ordinance”	the Companies Ordinance (Chapter 622 of the laws of Hong Kong), as amended, supplemented or modified from time to time;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or modified from time to time;
“Hong Kong Share Buy-backs Code”	the Hong Kong Code on Share Buy-backs, as amended, supplemented or modified from time to time;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Hong Kong Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended, supplemented or modified from time to time;
“Issue Mandate”	the general and unconditional mandate granted or to be granted (as the case may be) by the Shareholders to authorise the Directors to exercise all the powers of the Company to allot and issue new Shares in accordance with the limits set out in the relevant Shareholders’ resolution approving such mandate. Details of the Issue Mandate to be proposed for Shareholders’ approval at the 2018 AGM are set out in the notice of the 2018 AGM;
“Latest Practicable Date”	June 14, 2018, being the latest practicable date prior to the printing of this Circular for ascertaining certain information contained herein;
“Market Day”	a day on which the SGX-ST or the Hong Kong Stock Exchange (as the case may be) is open for trading in securities;
“Maximum Price”	has the meaning ascribed to it in paragraph 3.4 of Appendix II to this Circular;
“Memorandum”	the Memorandum of Association of the Company as amended, supplemented or modified from time to time;
“Nomination Committee”	the nomination committee of the Board;
“Non-qualifying Shareholder(s)”	Overseas Shareholder(s) who is(are) excluded from participating in the Bonus Issue, details of which have been included in the paragraph headed “Non-qualifying Shareholders” in this Circular;
“NTA”	net tangible assets;

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## DEFINITIONS

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“Off-Market Purchases”	has the meaning ascribed to it in paragraph 3.3 of Appendix II to this Circular;
“On-Market Purchases”	has the meaning ascribed to it in paragraph 3.3 of Appendix II to this Circular;
“Overseas Shareholder(s)”	the Shareholder(s) whose address(es) as shown on the Register of Members or the Depository Register maintained by CDP as at the close of business on the Record Date is/are outside of Singapore or Hong Kong;
“Principal Register”	the principal register of members in Bermuda maintained by the Principal Registrar;
“Principal Registrar”	Estera Management (Bermuda) Limited of Canon’s Court, 22 Victoria Street, Hamilton HM12, Bermuda, the Bermuda principal share registrar of the Company;
“Qualifying Shareholder(s)”	holder(s) of Shares, not being Non-qualifying Shareholder(s), whose name(s) appear(s) on the Register of Members or the Depository Register maintained by CDP as at the close of business on the Record Date and is(are) entitled to the Bonus Issue;
“Record Date”	Friday, August 10, 2018, being the date for the determination of Shareholders’ entitlements to the Final Dividend and the Bonus Shares, as the case may be;
“Register of Members”	any of the Principal Register, the Hong Kong Branch Register and the Singapore Branch Register;
“related expenses”	has the meaning ascribed to it in paragraph 3.4 of Appendix II to this Circular;
“Relevant Period”	the period commencing from the date of the 2018 AGM, being the date on which the Share Buyback Mandate is passed, if approved by the Shareholders, and expiring on the date on which the next AGM is held or is required by applicable laws or by the Bye-laws to be held, whichever is the earlier;
“Remuneration Committee”	the remuneration committee of the Board;

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## DEFINITIONS

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“Retiring Directors”	Mr. Leung Hon Shing and Mr. Jovenal R. Santiago, who, being the Directors retiring at the 2018 AGM and, being eligible, are offering themselves for re-election at the 2018 AGM, in accordance with the Bye-laws;
“Securities Account”	a securities account maintained by a depositor with CDP, but does not include a securities sub-account maintained with a depository agent;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) as amended, supplemented or modified from time to time;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“SGX-ST Listing Manual”	the Main Board rules of the listing manual of the SGX-ST, as amended, supplemented or modified from time to time;
“Share(s)”	ordinary share(s) of par value of HK\$1.00 each in the capital of the Company;
“Share Buyback Mandate”	the general and unconditional mandate authorising the Directors to exercise all the powers of the Company to purchase or otherwise acquire Shares on the SGX-ST or the Hong Kong Stock Exchange in accordance with the limits set out in the relevant Shareholders’ resolution approving such mandate. Details of the Share Buyback Mandate to be proposed for Shareholders’ approval at the 2018 AGM are set out in Appendix II to this Circular;
“Shareholder(s)”	registered holder(s) of the Share(s), except that (i) where the registered holder is CDP, the term “Shareholder(s)” shall, in relation to such Shares and where the context so admits, mean the depositors in the Depository Register maintained by CDP and to whose Securities Accounts are credited with those Shares; and (ii) where the registered holder is HKSCC, the term “Shareholder(s)” shall, in relation to such Shares and where the context so admits, mean the depositors whose securities accounts are maintained by HKSCC or other licensed securities dealers or registered institutions in securities, or custodian banks through CCASS, and the term “Shareholder(s)” shall be construed accordingly;
“Singapore Branch Register”	the Singapore branch register of Shareholders maintained by the Company;

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## DEFINITIONS

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“Singapore Companies Act”	the Companies Act (Chapter 50 of Singapore), as amended, supplemented or modified from time to time;
“Singapore Share Transfer Agent”	the Company’s share transfer agent in Singapore, Intertrust Singapore Corporate Services Pte. Ltd.;
“Singapore Take-over Code”	the Singapore Code on Take-overs and Mergers, as amended, supplemented or modified from time to time;
“subsidiary”	a company which is for the time being and from time to time a subsidiary of the Company (within the meaning of the Singapore Companies Act, the Hong Kong Listing Rules and the Hong Kong Companies Ordinance);
“subsidiary holdings”	has the meaning ascribed to it in the SGX-ST Listing Manual;
“Substantial Shareholder”	a person who has an interest in 5% or more of the voting Shares of the Company;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“S\$”	Singapore dollars, the lawful currency of Singapore; and
“%”	per cent. or percentage.

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## DEFINITIONS

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*The terms “depositor”, “depository agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289 of Singapore) in force as at the Latest Practicable Date.*

*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 and vice versa. References to persons shall, where applicable, include corporations.*

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

*Any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any reference in this Circular to any law or regulation (or any provision thereof), including the Bermuda Companies Act, the Hong Kong Companies Ordinance and the Singapore Companies Act (or any provision thereof), is a reference to such law or regulation (or provision) in force as at the Latest Practicable Date. Any term defined in the SGX-ST Listing Manual or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the SGX-ST Listing Manual or any modification thereof, as the case may be, unless otherwise provided.*

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

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

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## EXPECTED TIMETABLE

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*For illustrative purposes, the following are the indicative dates and times (where applicable) for the 2018 AGM, proposed Final Dividend and proposed Bonus Issue, which may be extended or varied, and any consequential changes will be announced as and when appropriate:*

EVENTS	2018
Despatch of circular regarding, among other things, the proposed Final Dividend and Bonus Issue. . . . .	Tuesday, June 26
Latest time for lodging transfer of Shares for registration in order to qualify for attending and voting at the 2018 AGM (for Shares traded on the Hong Kong Stock Exchange). . . . .	4:30 p.m. on Monday, July 23
Latest time for lodging transfer of Shares for registration in order to qualify for attending and voting at the 2018 AGM (for Singapore Branch Register) . . . . .	5:00 p.m. on Monday, July 23
Record date for determination of Shareholders' entitlement to attend and vote at the 2018 AGM . . . . .	close of business on Monday, July 23
Closure of the Register of Members for determining the entitlement to attend and vote at the 2018 AGM (for Singapore Branch Register) . . . . .	Monday, July 23
Closure of the Register of Members for determining the entitlement to attend and vote at the 2018 AGM (for Shares traded on the Hong Kong Stock Exchange). . . . .	Tuesday, July 24 to Friday, July 27 (both days inclusive)
Re-opening of Register of Members (for Singapore Branch Register) . . . . .	Tuesday, July 24
Latest time for lodging form of proxy for the 2018 AGM (not later than 48 hours before time of the 2018 AGM or any adjournment thereof) . . . . .	9:30 a.m. on Wednesday, July 25
Date and time of the 2018 AGM. . . . .	9:30 a.m. on Friday, July 27
Announcement of poll results of the 2018 AGM. . . . .	Friday, July 27
Re-opening of Register of Members (for Shares traded on the Hong Kong Stock Exchange) . . . . .	Monday, July 30

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## EXPECTED TIMETABLE

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**The following events are subject to the satisfaction of the conditions of the Bonus Issue as set out in the section headed “Proposed Bonus Issue of Shares – *Conditions of the Bonus Issue*” in this Circular.**

Last date of dealings in Shares on a cum-entitlement basis (for Shares traded on the SGX-ST) . . . . .	Monday, August 6
Commencement of dealings in Shares on an ex-entitlement basis (for Shares traded on the SGX-ST) . . . . .	Tuesday, August 7
Last date of dealings in Shares on a cum-entitlement basis (for Shares traded on the Hong Kong Stock Exchange). . . . .	Wednesday, August 8
Commencement of dealings in Shares on an ex-entitlement basis (for Shares traded on the Hong Kong Stock Exchange). . . . .	Thursday, August 9
Latest time for lodging transfer of Shares for registration in order to qualify for the Final Dividend and to participate in the Bonus Issue (for Shares traded on the Hong Kong Stock Exchange) . . . . .	4:30 p.m. on Friday, August 10
Latest time for lodging transfer of Shares for registration in order to qualify for the Final Dividend and to participate in the Bonus Issue (for Singapore Branch Register). . . . .	5:00 p.m. on Friday, August 10
Record Date for determination of Shareholders’ entitlement to the Final Dividend and the Bonus Shares . . . . .	close of business on Friday, August 10
Closure of the Register of Members for determining the entitlement to the Final Dividend and Bonus Shares (for Singapore Branch Register) . . . . .	Friday, August 10
Closure of the Register of Members for determining the entitlement to the Final Dividend and Bonus Shares (for Shares traded on the Hong Kong Stock Exchange). . . . .	Monday, August 13 to Wednesday, August 15 (both days inclusive)
Re-opening of Register of Members (for Singapore Branch Register) . . . . .	Monday, August 13

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## EXPECTED TIMETABLE

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Re-opening of Register of Members (for Shares traded on the Hong Kong Stock Exchange) . . . . .	Thursday, August 16
Expected date for crediting of the Bonus Shares . . . . .	on or about Monday, August 27
Despatch of cheques for Final Dividend . . . . .	on or about Tuesday, August 28
Despatch of share certificates for the Bonus Shares . . . . .	on or about Tuesday, August 28
Expected date of commencement of trading of the Bonus Shares on the SGX-ST and the Hong Kong Stock Exchange . . . . .	on or about 9:00 a.m. on Wednesday, August 29

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LETTER FROM THE BOARD

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**WILLAS-ARRAY**  
**WILLAS-ARRAY ELECTRONICS (HOLDINGS) LIMITED**  
**威雅利電子(集團)有限公司**  
*(Incorporated in Bermuda with limited liability)*  
**(Hong Kong stock code: 854)**  
**(Singapore stock code: BDR)**

*Executive Directors:*

Leung Chun Wah (*Chairman*)  
Kwok Chan Cheung (*Deputy Chairman*)  
Hon Kar Chun (*Managing Director*)  
Leung Hon Shing

*Registered office:*

Canon's Court  
22 Victoria Street  
Hamilton HM12  
Bermuda

*Independent Non-executive Directors:*

Jovenal R. Santiago  
Wong Kwan Seng, Robert  
Iu Po Chan, Eugene

*Head office and principal  
place of business:*

24/F, Wyler Centre, Phase 2  
200 Tai Lin Pai Road  
Kwai Chung, New Territories  
Hong Kong

June 26, 2018

*To the Shareholders*

Dear Sir and Madam

**PROPOSALS IN RELATION TO:**

- (A) RE-ELECTION OF RETIRING DIRECTORS;**
- (B) GENERAL MANDATE TO ISSUE SHARES;**
- (C) RENEWAL OF SHARE BUYBACK MANDATE;**
- (D) FINAL DIVIDEND; AND**
- (E) ISSUE OF BONUS SHARES PURSUANT TO THE BONUS ISSUE**

**INTRODUCTION**

The Company will propose at the 2018 AGM, resolutions in relation to, among other matters, (i) the re-election of the Retiring Directors; (ii) the grant to the Directors of the Issue Mandate upon the expiry of the current Issue Mandate which was approved by Shareholders at the 2017 AGM; (iii) the renewal of the Share Buyback Mandate upon the expiry of the existing Share Buyback Mandate which was approved by Shareholders at the 2017 AGM; (iv) the payment of the Final Dividend; and (v) the issue of Bonus Shares pursuant to the Bonus Issue.

The purpose of this Circular is to provide you with further information on the above resolutions to be proposed at the 2018 AGM.

The notice of the 2018 AGM at which the resolutions will be proposed for Shareholders to consider and, if thought fit, approve, is also set out on pages 46 to 56 of this Circular.

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## LETTER FROM THE BOARD

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### **PROPOSED RE-ELECTION OF RETIRING DIRECTORS**

Pursuant to bye-law 104 of the Bye-laws, at each AGM, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third but not greater than one-third, shall retire from office by rotation provided that the Managing Director of the Company whilst holding such office, shall not be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. The Directors to retire in every year will be those who have been in office the longest since their last election but as between the persons who became Directors on the same day, those to retire shall (unless they otherwise agree between themselves) be determined by lot. Subject to the Bermuda Companies Act, a retiring Director shall be eligible for re-election at the meeting at which he retires.

In accordance with bye-law 104 of the Bye-laws, Mr. Leung Hon Shing, an executive Director, and Mr. Jovenal R. Santiago, an independent non-executive Director, will retire by rotation at the 2018 AGM and, being eligible, have offered themselves for re-election at the 2018 AGM.

Pursuant to paragraph A.4.3 of Appendix 14 to the Hong Kong Listing Rules, any further appointment of an independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by shareholders. Mr. Jovenal R. Santiago is an independent non-executive Director serving on the Board for more than nine years. A separate resolution will be proposed for his re-election at the 2018 AGM. The Nomination Committee has assessed and reviewed the annual written confirmation of independence from each of the independent non-executive Directors based on the independence criteria as set out in Rule 3.13 of the Hong Kong Listing Rules and the Board considers that Mr. Jovenal R. Santiago continues to be independent as he has satisfied all the criteria for independence set out in Rule 3.13 of the Hong Kong Listing Rules.

The Nomination Committee has evaluated the performance of the Retiring Directors for FY2018 and found the performance of each of the Retiring Directors satisfactory. In addition, at the nomination of the Nomination Committee, the Board has recommended that both the Retiring Directors, namely Mr. Leung Hon Shing and Mr. Jovenal R. Santiago, stand for re-election as Directors at the 2018 AGM. As a good corporate governance practice, each of the above Retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders.

The biographical information of each of Mr. Leung Hon Shing and Mr. Jovenal R. Santiago as required to be disclosed under the Hong Kong Listing Rules is set out in Appendix I to this Circular.

### **PROPOSED GRANT OF GENERAL MANDATE TO ISSUE SHARES**

At the 2017 AGM, Shareholders approved an Issue Mandate authorising the Directors to issue and allot new Shares, subject to the terms thereof. The Issue Mandate will lapse at the conclusion of the 2018 AGM.

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## LETTER FROM THE BOARD

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At the 2018 AGM, an ordinary resolution will be proposed to grant a new Issue Mandate authorising the Directors to allot, issue and deal with such number of new Shares not exceeding 50% of the total number of Shares in issue (excluding treasury shares and subsidiary holdings, if any) as at the date of the passing of the resolution approving the Issue Mandate, and in the case of an allotment and issue of Shares other than on a pro-rata basis to the existing Shareholders, such number shall not exceed 10% of the total number of Shares in issue (excluding treasury shares and subsidiary holdings, if any) as at the date of the passing of the resolution approving the Issue Mandate. The Issue Mandate will provide flexibility to the Company to raise funds through the issue of Shares efficiently.

Notwithstanding the above, it must be noted that the Hong Kong Listing Rules provide that the general mandate obtained from Shareholders in general meeting shall be subject to a restriction that the aggregate number of Shares allotted or agreed to be allotted under the general mandate must not exceed 20% of the existing issued share capital of the Company. The Company shall comply with the requirements under the Hong Kong Listing Rules or the SGX-ST Listing Manual for matters relating to the general mandate, whichever is more onerous.

Based on 76,340,960 Shares (excluding treasury shares and subsidiary holdings, if any) in issue as at the Latest Practicable Date and assuming that no further Shares will be issued and no Shares will be purchased or acquired and cancelled by the Company after the Latest Practicable Date and up to the date of the 2018 AGM, if the Issue Mandate is exercised in full, it will result in the Directors being authorised to issue, allot and deal with a maximum of 38,170,480 Shares, and in the case of an allotment and issue other than on a pro-rata basis to the existing Shareholders, with a maximum of 7,634,096 Shares.

The new Issue Mandate will, if granted, remain in effect until the earliest of (i) the conclusion of the next AGM; (ii) the date by which the next AGM is required by the applicable laws or the Bye-laws to be held; and (iii) the date on which the authority set out in the resolution approving the Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

### **PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE**

At the 2017 AGM, Shareholders approved a Share Buyback Mandate authorising the Directors to purchase or otherwise acquire Shares, subject to the terms thereof. The Share Buyback Mandate will lapse on the conclusion of the 2018 AGM.

The Company therefore proposes to renew the Share Buyback Mandate at the 2018 AGM. At the 2018 AGM, an ordinary resolution will be proposed to renew the Share Buyback Mandate, authorising the Directors to purchase or otherwise acquire up to the number of issued Shares representing not more than 10% of the total number of Shares in issue as at the date of the passing of the resolution approving the Share Buyback Mandate, unless the Company has, at any time during the Relevant Period, effected a reduction, consolidation or sub-division of its issued and unissued Shares in accordance with the applicable provisions under the Bermuda Companies Act, in which event the total number of the issued Shares shall be taken to be the total number of the issued Shares as altered by the reduction, consolidation or sub-division of Shares (as the case may be). Any Shares which are held as treasury shares or subsidiary holdings will be disregarded for the purposes of computing the 10% limit. As at the Latest Practicable Date, the Company did not have any treasury shares or subsidiary holdings.

An explanatory statement as required under the Hong Kong Listing Rules as well as the information required under the SGX-ST Listing Manual concerning the Share Buyback Mandate are set out in Appendix II to this Circular.

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## LETTER FROM THE BOARD

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### PROPOSED FINAL DIVIDEND

The Board recommends to distribute a final dividend of HK\$0.42 (2017: HK\$0.31) per Share for FY2018 which is subject to Shareholders' approval at the 2018 AGM and is expected to be distributed on or about Tuesday, August 28, 2018 to Shareholders whose names appear on the Register of Members as at the close of business on the Record Date. The indicative timetable for the proposed Final Dividend is set out on pages 10 to 11 of this Circular.

Subject to the approval of the Shareholders at the 2018 AGM, the payment of the Final Dividend for FY2018 will be distributed and the cheques for the Final Dividend will be despatched to the Shareholders on or about Tuesday, August 28, 2018.

### PROPOSED BONUS ISSUE OF SHARES

The Board proposed a bonus issue of new Shares to Qualifying Shareholders on the basis of one (1) Bonus Share for every 10 existing Shares held by Qualifying Shareholders as at the close of business on the Record Date. The indicative timetable for the Bonus Issue is set out on pages 10 to 11 of this Circular. The terms of the Bonus Issue are set out in the following paragraphs.

#### Basis of the Bonus Issue

Subject to the conditions set out under the paragraph headed "Conditions of the Bonus Issue" below having been fulfilled, the Bonus Shares will be credited as fully paid at par on the basis of one (1) Bonus Share for every 10 existing Shares held by Qualifying Shareholders as at the close of business on the Record Date.

The actual number of Bonus Shares to be allotted and issued by the Company will depend on the total issued share capital of the Company (including treasury shares, if any) as at the close of business on the Record Date. Purely for illustration purposes, based on the existing issued share capital of the Company comprising 76,340,960 Shares with no treasury share as at the Latest Practicable Date, and assuming (i) there is no issue or buyback of Shares prior to the Record Date; and (ii) there are no Non-qualifying Shareholders, it is anticipated that a total of 7,634,096 Bonus Shares will be allotted and issued under the proposed Bonus Issue. The Bonus Shares will be allotted, distributed, issued and credited as fully paid-up at par by way of the capitalisation of an amount equal to the total par value of the Bonus Shares standing to the credit of the share premium account of the Company. On the basis of the above assumptions, after the completion of the Bonus Issue, there will be a total of 83,975,056 Shares in the enlarged share capital of the Company.

#### Status of the Bonus Shares and Fractional Entitlements

The Bonus Shares will, upon issue, rank *pari passu* in all respects with the Shares in issue as at the close of business on the Record Date, including the entitlement to any dividends, rights, allotments or other distributions the record date for which falls on or after the date of allotment and issue of the Bonus Shares. For the avoidance of doubt, the Bonus Shares shall not be entitled to the Final Dividend.

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## LETTER FROM THE BOARD

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The total number of Bonus Shares to be allotted and issued to any Qualifying Shareholder will be rounded down to a whole number if there are any fractional entitlements of the Bonus Shares. Such fractional entitlements arising from the Bonus Issue (if any) will not be allotted and issued to the Qualifying Shareholders, but will be aggregated and sold by and for the benefit of the Company. The Company will be entitled to retain or deal with the net proceeds from such sale as the Directors may, in their absolute discretion, deem fit.

### **Conditions of the Bonus Issue**

The proposed issue of Bonus Shares is conditional upon:

- (a) the Shareholders approving the ordinary resolution relating to the Bonus Issue at the 2018 AGM;
- (b) the approval of the SGX-ST for the dealing in, as well as listing and quotation of the Bonus Shares on the SGX-ST;
- (c) the approval of the Hong Kong Stock Exchange for the listing of, and the permission to deal in, the Bonus Shares on the Hong Kong Stock Exchange; and
- (d) compliance with the relevant statutory procedures and requirements (if any) under the applicable laws of Bermuda, Hong Kong and Singapore, the SGX-ST Listing Manual, the Hong Kong Listing Rules and the Bye-laws.

No Shareholders are required to abstain from voting on the relevant resolution to approve the Bonus Issue at the 2018 AGM.

### **Approval-in-Principle from the SGX-ST**

On June 12, 2018, the Company received the approval in-principle from the SGX-ST for the dealing in, as well as listing and quotation of, the 7,634,096 Bonus Shares on the Main Board of the SGX-ST, subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements;
- (b) Shareholders' approval for the proposed Bonus Issue; and
- (c) submission of a written confirmation that the proposed Bonus Issue is in compliance with the Bermuda Companies Act.

**Shareholders should note that the approval in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the proposed Bonus Issue or the Bonus Shares.**

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## LETTER FROM THE BOARD

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### **Trading Arrangements**

The Company has a primary listing of Shares on the Main Board of the SGX-ST, alongside its dual primary listing of Shares on the Main Board of the Hong Kong Stock Exchange. An application has been made to the SGX-ST for permission for the dealing in, as well as listing and quotation of, the Bonus Shares on the SGX-ST. An application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonus Shares on the Hong Kong Stock Exchange. On June 12, 2018, the Company received the approval in-principle from the SGX-ST for the dealing in, as well as listing and quotation of, the 7,634,096 Bonus Shares on the Main Board of the SGX-ST. Subject to the granting of the listing of, and permission to deal in, the Bonus Shares on the Main Board of the Hong Kong Stock Exchange, as well as compliance with the stock admission requirements of HKSCC and the SGX-ST, the Bonus Shares will be accepted as eligible securities by HKSCC and CDP for deposit, clearance and settlement in CCASS and CDP, respectively, with effect from the respective commencement dates of dealings in the Bonus Shares on the Hong Kong Stock Exchange and the SGX-ST or such other dates as determined by HKSCC or the SGX-ST.

Settlement of transactions between participants of the Hong Kong Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter, whereas settlement of transactions on a normal “ready” basis on the Main Board of the SGX-ST generally takes place on the third Market Day following the transaction date, and payment for the securities is generally settled on the following business day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Subject to the fulfillment of the conditions of the Bonus Issue, it is expected that the dealings in the Bonus Shares on the Hong Kong Stock Exchange and the SGX-ST will commence on or about Wednesday, August 29, 2018 at 9:00 a.m.

Stamp duty in Hong Kong will be payable in respect of dealings in the Bonus Shares.

For the purpose of trading on the Hong Kong Stock Exchange, the Bonus Shares will be traded in board lots of 1,000 Shares each. For the purpose of trading on the SGX-ST, the Bonus Shares will be traded in board lots of 100 Shares each.

### **Non-qualifying Shareholders**

As at the Latest Practicable Date, there were certain Overseas Shareholders on the Register of Members whose registered addresses are located in Australia, Japan, Malaysia, the United Kingdom and the United States of America.

The Company has made enquiries regarding the legal restrictions under the laws of the relevant regulatory bodies or stock exchanges pursuant to Rule 13.36(2)(a) of the Hong Kong Listing Rules. The Company has been advised that there are no restrictions to issue the Bonus Shares to Shareholders with a registered address in Australia, Japan, Malaysia, the United Kingdom or the United States of America and therefore, Shareholders with a registered address in Australia, Japan, Malaysia, the United Kingdom and the United States of America will be entitled to the Bonus Issue.

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## LETTER FROM THE BOARD

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The Company will continue to ascertain whether there are any other Overseas Shareholders on the Record Date as at the close of business and will, if necessary, make further enquiries with its legal advisers in other overseas jurisdiction(s) regarding the feasibility of extending the Bonus Issue to such other Overseas Shareholders on the Record Date as at the close of business. If, after making such enquiry, the Board is of the opinion that there is no legal restriction(s) under the laws of the relevant place or any requirement of the relevant regulatory body or stock exchange in that place, such Overseas Shareholders will be permitted to participate in the Bonus Issue. If, however, after making such enquiry, the Board is of the opinion that it would be necessary or expedient, on account either of the legal restriction(s) under the laws of the relevant place or any requirements of the relevant regulatory body or stock exchange in that place, not to offer to such Overseas Shareholders, no issue of the Bonus Shares will be made to such Non-qualifying Shareholders. Further announcement(s) will be made as and when necessary in accordance with the SGX-ST Listing Manual and the Hong Kong Listing Rules if the Company identifies any Non-qualifying Shareholders.

Overseas Shareholders receiving a copy of this Circular concerning the Bonus Issue may not treat the same as an invitation to participate in the Bonus Issue unless such invitation could lawfully be made to him/her/it without having to comply with any registration or other legal requirements in the relevant territory.

For Bonus Shares which would otherwise have been issued to Non-qualifying Shareholders, arrangements will be made for such Bonus Shares to be sold in the market as soon as practicable after dealings in Bonus Shares commence, if a premium, net of expenses, can be obtained. Any net proceeds of such sale, after deduction of expenses, of HK\$100 or more will be distributed in Hong Kong dollars to the relevant Non-qualifying Shareholders and remittances will be posted to them by ordinary post, at their own risk. If the amount falling to be distributed to any such person is less than HK\$100, it will be retained for the benefit of the Company, and none of the Non-qualifying Shareholders shall have any claim whatsoever against the Company, CDP and their respective officers in connection therewith.

It is the responsibility of the Shareholders (including Overseas Shareholders) to observe the local legal requirements applicable to the Shareholders for taking up and on-sale (if applicable) of the Bonus Shares.

All Shareholders residing outside Hong Kong or Singapore are highly recommended that they should consult their bankers, brokers or other professional advisers as to whether any governmental or other consents are required or other formalities need to be observed to enable them to receive the Bonus Shares.

### **Share Certificates for the Bonus Shares**

It is expected that certificates for the Bonus Shares will be despatched by ordinary post to those entitled thereto at their own risk by the Hong Kong Branch Registrar on or about Tuesday, August 28, 2018 upon the fulfillment of all the conditions of the Bonus Issue. Qualifying Shareholders of Shares traded on the SGX-ST can expect to have their Securities Account credited with the Bonus Shares on or about Monday, August 27, 2018.

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## LETTER FROM THE BOARD

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### **Adjustments to the Options**

Implementation of the Bonus Issue may lead to adjustments to subscription prices and/or the number of Shares to be issued under the outstanding ESOS II Options and ESOS III Options. The Company will notify the respective holders of the ESOS II Options and ESOS III Options regarding the adjustments (if any) in accordance with the respective provisions of the ESOS II and ESOS III, after the completion of the proposed Bonus Issue.

### **Taxation**

Qualifying Shareholders are recommended to consult their professional adviser if they are in any doubt as to the taxation implications of holding or disposal of, or dealing in, the Bonus Shares and, as regarding the Non-qualifying Shareholders, their receipt of the net proceeds of sale of the Bonus Shares otherwise falling to be allotted to them under the Bonus Issue. It is emphasized that none of the Company, its Directors and any other parties involved in the Bonus Issue accepts responsibility for any tax effects or liability of any Shareholder or transferee of the Bonus Shares resulting from the purchase, holding or disposal of, or dealing in the Bonus Shares. All the documents, including share certificates and cheques for amounts due, will be sent by ordinary post at the risk of the persons entitled thereto to their registered addresses on the Register of Members or the Depository Register maintained by CDP (as the case may be).

### **Reasons and Benefits for the Bonus Issue**

The reason for the Bonus Issue is to give due recognition to the Shareholders for their continuing loyalty to and support of the Company. Having considered the different means (including share subdivision, change of board lot size and bonus issue), the Board takes the view that the Bonus Issue is in the interests of the Company and the Shareholders as a whole as it will enable the Shareholders to enjoy a pro-rata increase in the number of Shares being held in the Company without incurring any costs to the Shareholders. In addition, through increasing the number of Shares to be held by the Shareholders, the Bonus Issue may enhance the liquidity of the Shares in the market as the decrease in market value for each Share trading after ex-entitlement will reduce the costs to be incurred by the Shareholders and potential investors of the Company for acquiring each board lot of Shares, thereby enabling the Company to attract more investors.

As a result, the decrease in the market value of the Shares will allow the Shareholders and potential investors of the Company to have more flexibility in their investment portfolios and to trade the board lot share at a lower price.

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## LETTER FROM THE BOARD

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### **NOTICE OF CLOSURE OF REGISTER OF MEMBERS**

#### **For determining the entitlement to attend and vote at the 2018 AGM**

NOTICE IS HEREBY GIVEN that, for the purpose of determining the entitlement of the Shareholders to attend and vote at the 2018 AGM:

For Hong Kong Shareholders, the Hong Kong Branch Register will be closed from Tuesday, July 24, 2018 to Friday, July 27, 2018, both days inclusive. During this period, no transfer of Shares will be registered. In order to qualify for attending and voting at the 2018 AGM, the non-registered Hong Kong Shareholders must lodge all transfer documents accompanied by the relevant share certificates for registration with the Hong Kong Branch Registrar, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong not later than 4:30 p.m. on Monday, July 23, 2018.

For Singapore Shareholders, the share transfer books and the Singapore Branch Register will be closed at 5:00 p.m. on Monday, July 23, 2018. Duly completed registrable transfers of Shares received by the Singapore Share Transfer Agent, Intertrust Singapore Corporate Services Pte. Ltd. at 77 Robinson Road, #13-00 Robinson 77, Singapore 068896, up to 5:00 p.m. on Monday, July 23, 2018 will be registered to determine Singapore Shareholders' entitlements to attend and vote at the 2018 AGM.

Any transfer of the Shares between the Hong Kong Branch Register and the Singapore Branch Register by way of deregistration from one branch Register of Members and registration on the other branch Register of Members has to be made not later than 4:30 p.m. on Friday, July 13, 2018 for Hong Kong Shareholders and not later than 5:00 p.m. on Friday, July 13, 2018 for Singapore Shareholders.

#### **For determining the entitlement to the Final Dividend**

NOTICE IS HEREBY GIVEN that, for the purpose of determining the entitlement of the Shareholders to the Final Dividend (subject to the Shareholders' approval at the 2018 AGM):

For Hong Kong Shareholders, the Hong Kong Branch Register will be closed from Monday, August 13, 2018 to Wednesday, August 15, 2018, both days inclusive. During this period, no transfer of Shares will be registered. In order to qualify for the Final Dividend, the non-registered Hong Kong Shareholders must lodge all transfer documents accompanied by the relevant share certificates for registration with the Hong Kong Branch Registrar, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong not later than 4:30 p.m. on Friday, August 10, 2018.

For Singapore Shareholders, the share transfer books and the Singapore Branch Register will be closed at 5:00 p.m. on Friday, August 10, 2018. Duly completed registrable transfers of Shares received by the Singapore Share Transfer Agent, Intertrust Singapore Corporate Services Pte. Ltd. at 77 Robinson Road, #13-00 Robinson 77, Singapore 068896, up to 5:00 p.m. on Friday, August 10, 2018 will be registered to determine Singapore Shareholders' entitlements to the proposed Final Dividend. Singapore Shareholders whose Securities Accounts with the CDP are credited with Shares as at 5:00 p.m. on Friday, August 10, 2018 will be entitled to the proposed Final Dividend.

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## LETTER FROM THE BOARD

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Any transfer of the Shares between the Hong Kong Branch Register and the Singapore Branch Register by way of deregistration from one branch Register of Members and registration on the other branch Register of Members has to be made not later than 4:30 p.m. on Thursday, August 2, 2018 for Hong Kong Shareholders and not later than 5:00 p.m. on Thursday, August 2, 2018 for Singapore Shareholders.

Shareholders who hold their Shares on the Hong Kong Branch Register will receive their Final Dividend payment in Hong Kong dollars, while Shareholders who hold their Shares on the Singapore Branch Register or whose Securities Accounts are with the CDP will receive their Final Dividend payment in Singapore dollars.

### **For determining the entitlement to the Bonus Shares**

NOTICE IS HEREBY GIVEN that, for the purpose of determining the entitlement of the Qualifying Shareholders to the Bonus Shares (subject to the Shareholders' approval at the 2018 AGM):

For Hong Kong Shareholders, the Hong Kong Branch Register will be closed from Monday, August 13, 2018 to Wednesday, August 15, 2018, both days inclusive. During this period, no transfer of Shares will be registered. In order to qualify for the Bonus Shares, the non-registered Hong Kong Shareholders must lodge all transfer documents accompanied by the relevant share certificates for registration with the Hong Kong Branch Registrar, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong not later than 4:30 p.m. on Friday, August 10, 2018.

For Singapore Shareholders, the share transfer books and the Singapore Branch Register will be closed at 5:00 p.m. on Friday, August 10, 2018. Duly completed registrable transfers of Shares received by the Singapore Share Transfer Agent, Intertrust Singapore Corporate Services Pte. Ltd. at 77 Robinson Road, #13-00 Robinson 77, Singapore 068896, up to 5:00 p.m. on Friday, August 10, 2018 will be registered to determine the entitlements of Singapore Shareholders whose Shares are not deposited with CDP to the Bonus Shares. The entitlements of Singapore Shareholders whose Shares are deposited with CDP will be determined based on the number of Shares standing to the credit of their respective Securities Accounts as at 5:00 p.m. on Friday, August 10, 2018.

Any transfer of the Shares between the Hong Kong Branch Register and the Singapore Branch Register by way of deregistration from one branch Register of Members and registration on the other branch Register of Members has to be made not later than 4:30 p.m. on Thursday, August 2, 2018 for Hong Kong Shareholders and not later than 5:00 p.m. on Thursday, August 2, 2018 for Singapore Shareholders.

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## LETTER FROM THE BOARD

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### ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice convening the 2018 AGM, which contains, among other things, the ordinary resolutions relating to the proposed re-election of the Retiring Directors, the proposed grant of the Issue Mandate, the proposed renewal of the Share Buyback Mandate, the proposed payment of the Final Dividend and the proposed issue of Bonus Shares is set out on pages 46 to 56 of this Circular.

A form of proxy for use in connection with the 2018 AGM is enclosed. If you are unable to attend the 2018 AGM in person and wish to exercise your right as a Shareholder, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to (i) the Singapore Share Transfer Agent, Intertrust Singapore Corporate Services Pte. Ltd. at 77 Robinson Road, #13-00 Robinson 77, Singapore 068896 (for Shareholders in Singapore); or (ii) the Hong Kong Branch Registrar, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (for Shareholders in Hong Kong), as soon as possible but in any event no later than 48 hours before the time fixed for holding the 2018 AGM or its adjournment (if any). Completion of the form of proxy and its return to the Company will not preclude you from attending and voting in person at the 2018 AGM or its adjournment (if any) should you so wish. Any appointment of proxy shall be deemed to be revoked should you attend the 2018 AGM or its adjournment (if any) in person.

Pursuant to bye-law 73 of the Bye-laws, a resolution put to the vote of the general meeting shall be voted on by a show of hands unless a poll is required by the rules of the designated stock exchange (which means, for the time being, the SGX-ST and the Hong Kong Stock Exchange on which the Shares are listed and quoted/traded) or a poll is duly demanded as provided therein.

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Pursuant to Rule 730A(2) of the SGX-ST Listing Manual, all resolutions at general meetings of the Company shall be voted by poll. Accordingly, each of the resolutions set out in the notice of the 2018 AGM will be put to vote by way of a poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Hong Kong Listing Rules and Rule 704(16) of the SGX-ST Listing Manual.

## LETTER FROM THE BOARD

### INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Based on the Register of Substantial Shareholders and the Register of Members maintained by the Company, the interests of the Directors and the Substantial Shareholders in the Shares as at the Latest Practicable Date (which would reflect their interests as at the date of the 2018 AGM, assuming their interests do not change between the Latest Practicable Date and the date of the 2018 AGM), as well as following the exercise of the Share Buyback Mandate, assuming that (a) the Company purchases or acquires the maximum amount of 10% of the total number of the issued Shares (excluding treasury shares and subsidiary holdings, if any) permitted under the Share Buyback Mandate; (b) there is no change in the number of Shares in which the Directors and the Substantial Shareholders have an interest; and (c) the Company does not issue any Shares pursuant to the Issue Mandate or the exercise of the ESOS II Options and ESOS III Options, are as set out below:

Name	As at the Latest Practicable Date (Number of Shares)			As at the Latest Practicable Date	After Share Buyback
	Direct Interest	Deemed Interest	Total Interest	(%) <sup>(1)</sup>	(%) <sup>(2)</sup>
<b>Directors</b>					
Leung Chun Wah <sup>(3)</sup>	1,118,300	18,831,770	19,950,070	26.13	29.04
Kwok Chan Cheung <sup>(4)</sup>	34,000	7,895,554	7,929,554	10.39	11.54
Hon Kar Chun	292,800	–	292,800	0.38	0.43
Leung Hon Shing	249,840	–	249,840	0.33	0.36
Jovenal R. Santiago	–	–	–	–	–
Wong Kwan Seng, Robert	–	–	–	–	–
Iu Po Chan, Eugene	–	–	–	–	–
<b>Substantial Shareholders (excluding those who are also Directors)</b>					
Global Success International Limited	7,895,554	–	7,895,554	10.34	11.49
Max Power Assets Limited	18,099,830	–	18,099,830	23.71	26.34
Cheng Wai Yin, Susana <sup>(5)</sup>	731,940	19,218,130	19,950,070	26.13	29.04
Lee Woon Nin <sup>(6)</sup>	–	18,099,830	18,099,830	23.71	26.34
HSBC International Trustee Limited <sup>(7)</sup>	–	18,099,830	18,099,830	23.71	26.34
HSBC International Trustee (Holdings) Pte. Limited <sup>(8)</sup>	–	18,099,830	18,099,830	23.71	26.34
The Hong Kong and Shanghai Banking Corporation Limited <sup>(8)</sup>	–	18,099,830	18,099,830	23.71	26.34
HSBC Asia Holdings B.V. <sup>(8)</sup>	–	18,099,830	18,099,830	23.71	26.34
HSBC Asia Holdings (UK) Limited <sup>(8)</sup>	–	18,099,830	18,099,830	23.71	26.34
HSBC Holdings B.V. <sup>(8)</sup>	–	18,099,830	18,099,830	23.71	26.34
HSBC Finance (Netherlands) <sup>(8)</sup>	–	18,099,830	18,099,830	23.71	26.34
HSBC Holdings Plc <sup>(8)</sup>	–	18,099,830	18,099,830	23.71	26.34
Hung Yuk Choy	5,286,918	–	5,286,918	6.93	7.69
Yeo Seng Chong <sup>(9)</sup>	300,000	6,949,904	7,249,904	9.50	10.55
Lim Mee Hwa <sup>(9)</sup>	500,000	6,749,904	7,249,904	9.50	10.55
Yeoman Capital Management Pte Ltd <sup>(10)</sup>	75,000	6,374,904	6,449,904	8.45	9.39
Yeoman 3-Rights Value Asia Fund <sup>(11)</sup>	6,249,904	–	6,249,904	8.19	9.10

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## LETTER FROM THE BOARD

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*Notes:*

- (1) As a percentage of the total number of issued Shares as at the Latest Practicable Date, being 76,340,960 Shares. The Company did not have any treasury shares or subsidiary holdings as at the Latest Practicable Date.
- (2) As a percentage of the total number of issued Shares of 68,706,864 Shares (assuming that the Company purchases or acquires and cancels the maximum number of 7,634,096 Shares under the Share Buyback Mandate).
- (3) Leung Chun Wah, being a Director, has a direct interest in 1,118,300 Shares and is deemed to be interested in the 731,940 Shares in which his wife, Cheng Wai Yin, Susana has a direct interest. He and his family members are the ultimate beneficiaries of a discretionary trust, of which HSBC International Trustee Limited (“**HSBC Trustee**”) is the trustee. The 18,099,830 Shares are held by Max Power Assets Limited (“**Max Power**”), with HSBC (Singapore) Nominees Pte Limited as its nominee. The entire issued share capital of Max Power is held by HSBC Trustee in its capacity as trustee of the discretionary trust. The trustee is required to obtain the consent of Leung Chun Wah in any disposal and acquisition of Shares by Max Power except under certain exceptional conditions as stipulated in the trust deed.
- (4) Kwok Chan Cheung, being a Director, has a direct interest in 34,000 Shares and is deemed to be interested in the 7,895,554 Shares in which Global Success International Limited has a direct interest.
- (5) Cheng Wai Yin, Susana has a direct interest in 731,940 Shares and is deemed to be interested in the 19,218,130 Shares in which her husband, Leung Chun Wah, has direct and deemed interests.
- (6) Lee Woon Nin is deemed to be interested in the Shares in which Max Power has a direct interest.
- (7) HSBC Trustee is deemed to be interested in the Shares in which Max Power has a direct interest.
- (8) HSBC International Trustee (Holdings) Pte. Limited, The Hong Kong and Shanghai Banking Corporation Limited, HSBC Asia Holdings B.V., HSBC Asia Holdings (UK) Limited, HSBC Holdings B.V., HSBC Finance (Netherlands), and HSBC Holdings Plc are each deemed to be interested in the Shares in which HSBC Trustee has an interest, as HSBC Trustee is a wholly-owned subsidiary of HSBC International Trustee (Holdings) Pte. Limited, which is a wholly-owned subsidiary of The Hong Kong and Shanghai Banking Corporation Limited, which is a wholly-owned subsidiary of HSBC Asia Holdings B.V., which is a wholly-owned subsidiary of HSBC Asia Holdings (UK) Limited, which is a wholly-owned subsidiary of HSBC Holdings B.V., which is a wholly-owned subsidiary of HSBC Finance (Netherlands), which is a wholly-owned subsidiary of HSBC Holdings Plc.
- (9) Yeo Seng Chong owns 300,000 Shares directly in his own name and his wife, Lim Mee Hwa owns 500,000 Shares directly in her own name. Both own 50% of the equity interests in Yeoman Capital Management Pte Ltd (“**YCMPL**”) and therefore control YCMPL. YCMPL in turn controls its own direct shareholding in the Company as well as its deemed interests through its clients’ direct shareholdings in the Company. Each of Yeo Seng Chong and Lim Mee Hwa is deemed to be interested in all of the Shares held beneficially and deemed to be held by the other.
- (10) YCMPL owns 75,000 Shares directly in its own name and also controls its deemed interests through its clients’ direct shareholdings in the Company. The clients of YCMPL are Yeoman 3-Rights Value Asia Fund and Yeoman Client 1 which directly hold 6,249,904 Shares and 125,000 Shares, respectively.
- (11) Yeoman 3-Rights Value Asia Fund owns 6,249,904 Shares directly in its own name.

### **DIRECTORS’ RECOMMENDATIONS**

Save for each of Mr. Leung Hon Shing and Mr. Jovenal R. Santiago who abstains from making a recommendation on ordinary resolutions 4 and 5, respectively, set out in the notice convening the 2018 AGM relating to his own re-election as a Director, the Board considers that the above proposals relating to the re-election of the Retiring Directors, the granting of the Issue Mandate, the renewal of the Share Buyback Mandate, the payment of the Final Dividend and the issue of the Bonus Shares are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders vote in favour of each of the ordinary resolutions relating to the aforesaid matters to be proposed at the 2018 AGM.

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## LETTER FROM THE BOARD

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### DIRECTORS' RESPONSIBILITY STATEMENT

This Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief, the information contained in this Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Circular misleading.

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed re-election of Mr. Leung Hon Shing and Mr. Jovenal R. Santiago as Directors, the proposed grant of the Issue Mandate, the proposed renewal of the Share Buyback Mandate, the proposed payment of the Final Dividend and the proposed issue of the Bonus Shares, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

### DOCUMENTS FOR INSPECTION

Copies of the following documents of the Company are available for inspection at the Company's principal place of business in Hong Kong at 24/F, Wyler Centre, Phase 2, 200 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong and at the office of the Singapore Share Transfer Agent, Intertrust Singapore Corporate Services Pte. Ltd., at 77 Robinson Road, #13-00 Robinson 77, Singapore 068896, during normal business hours from the date hereof up to and including the date of the 2018 AGM (excluding Saturdays, Sundays and public holidays):

- (a) the Memorandum and the Bye-laws; and
- (b) the annual report for FY2018.

Yours faithfully

For and on behalf of the Board of

**WILLAS-ARRAY ELECTRONICS (HOLDINGS) LIMITED**

**Leung Chun Wah**

*Chairman and Executive Director*

*The following is the information, as at the Latest Practicable Date, required to be disclosed under the Hong Kong Listing Rules, on the Retiring Directors proposed to be re-elected at the 2018 AGM.*

Save as disclosed below, to the best of the knowledge of the Directors having made all reasonable enquiries, there are no other matters concerning each of the Retiring Directors that are required to be brought to the attention of the Shareholders, nor is there any other information that is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Hong Kong Listing Rules.

**Leung Hon Shing (“Mr. Leung”)**

Mr. Leung, aged 53, was appointed as an executive Director on July 31, 2014. He is also the chief financial officer and company secretary of the Company, responsible for financial management and company secretarial matters of the Group. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants in England, and an associate member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in England. He obtained a professional diploma in company secretaryship and administration from Hong Kong Polytechnic University in 1988. Mr. Leung joined the Group in 2002 as a financial controller and was appointed as the company secretary of the Company on March 28, 2006. He then became the chief financial officer in April 2014. Prior to joining the Group, he worked in a subsidiary of a publicly-listed company in Hong Kong from 1996 to 2001 and an international accounting firm from 1993 to 1996, where he gained extensive auditing, accounting and financial management experience.

There is a service agreement between the Company and Mr. Leung for his appointment as a Director of the Company, for a term of two (2) years from April 1, 2018 to March 31, 2020, subject to his retirement by rotation and re-election at the 2018 AGM in accordance with the Bye-laws. He is presently entitled to a basic annual salary of HK\$1,495,000 per annum and a discretionary bonus and an incentive payment by reference to the amount of the net profit after taxation of the Group, which are reviewed annually by the Board and the Remuneration Committee by reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market situation. Mr. Leung’s remuneration for FY2018 was approximately HK\$2,228,000.

As at the Latest Practicable Date, Mr. Leung beneficially owned 249,840 Shares.

Save as disclosed above, as at the Latest Practicable Date, Mr. Leung:

- (a) did not hold any other directorships in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three (3) years;
- (b) did not have any other interest in any shares, underlying shares or debentures in the Company or any of its associated corporations required to be disclosed pursuant to Part XV of the SFO;

- (c) did not hold any other position with the Company or any of its subsidiaries nor did he have any other relationship with any other Director, senior management, substantial shareholder or controlling shareholder (within the meaning of the Hong Kong Listing Rules) of the Company; and
- (d) has not held any other major appointments or professional qualifications.

**Jovenal R. Santiago (“Mr. Santiago”)**

Mr. Santiago, aged 80, was appointed as an independent non-executive Director on June 14, 2001. He is also the chairman of the audit committee of the Board and a member of each of the Remuneration Committee, Nomination Committee and compliance committee of the Board. He obtained a bachelor of science in commerce degree from the University of Santo Tomas, the Philippines in 1957 and a master’s degree in business administration from New York University, United States of America in 1969. Mr. Santiago is a Certified Public Accountant (Philippines) and has gained many years of experience in the accounting and auditing profession before his retirement in 1998. From 1971 to 1998, he was an audit principal of an international accounting firm in Singapore.

There is a letter of appointment between the Company and Mr. Santiago for his appointment as an independent non-executive Director, for a term of two (2) years from April 1, 2017 to March 31, 2019, subject to his retirement by rotation and re-election at the 2018 AGM in accordance with the Bye-laws. He is presently entitled to a director’s fee of S\$60,000 per annum which is reviewed annually by the Board and the Remuneration Committee by reference to his duties and responsibilities with the Company. Mr. Santiago’s remuneration for FY2018 was approximately HK\$348,000.

As at the Latest Practicable Date, Mr. Santiago did not hold any Shares.

Save as disclosed above, as at the Latest Practicable Date, Mr. Santiago:

- (a) did not hold any other directorships in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three (3) years;
- (b) did not have any other interest in any shares, underlying shares or debentures in the Company or any of its associated corporations required to be disclosed pursuant to Part XV of the SFO;
- (c) did not hold any other position with the Company or any of its subsidiaries nor did he have any other relationship with any other Director, senior management, substantial shareholder or controlling shareholder (within the meaning of the Hong Kong Listing Rules) of the Company; and
- (d) has not held any other major appointments or professional qualifications.

### **1. Renewal of the Share Buyback Mandate**

As a company incorporated in Bermuda and listed on the Main Board of the SGX-ST and the Hong Kong Stock Exchange, any purchases or acquisitions of Shares by the Company will have to be made in accordance with, and subject to the provisions of, the SGX-ST Listing Manual, the Singapore Take-over Code, the Bermuda Companies Act, the Memorandum and the Bye-laws, the Hong Kong Listing Rules, the Hong Kong Share Buy-backs Code and the Hong Kong Takeovers Code and such other laws and regulations as may from time to time be applicable.

Under the Bermuda Companies Act, a company incorporated in Bermuda may, if authorised to do so by its memorandum of association or bye-laws, purchase or acquire its own shares provided that no such purchase or acquisition may be effected if, on the date on which the purchase or acquisition is to be effected, there are reasonable grounds for believing that the company is, or after the purchase or acquisition would be, unable to pay its liabilities as they become due. The Memorandum and the Bye-laws provide that the Company may purchase or acquire its own Shares.

It is also a requirement under the SGX-ST Listing Manual and the Hong Kong Listing Rules that a company which wishes to purchase or acquire its own shares should obtain the prior specific approval of its shareholders at a general meeting.

Accordingly, the Directors propose that the renewal of the Share Buyback Mandate be tabled to the Shareholders for approval at the 2018 AGM as ordinary resolution 8.

### **2. Rationale of the Share Buyback Mandate**

The renewal of the Share Buyback Mandate authorising the Company to purchase or otherwise acquire its Shares would give the Company the flexibility to undertake share purchases up to the 10% limit described in paragraph 3.1 of this Appendix II at any time, during the period when the Share Buyback Mandate is in force.

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

- (a) in managing the business of the Group, the management team strives to increase Shareholders' value by improving, among other matters, the net assets and/or EPS of the Group. A share purchase is one of the ways in which the net assets and/or EPS of the Group may be enhanced;
- (b) share purchases are an expedient, effective and cost-efficient way for the Company to return to Shareholders any surplus cash/funds which is/are over and above its ordinary capital requirements and in excess of the financial and investment needs of the Group, if any; and
- (c) share purchases may help mitigate short-term market volatility, offset the effects of short-term speculation and bolster Shareholders' confidence.

While the Share Buyback Mandate would authorise a purchase or acquisition of Shares up to the said 10% limit during the period when the Share Buyback Mandate is in force, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may not be carried out to the full 10% limit as authorised and the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate will be made only as and when the Directors consider it to be in the best interests of the Company and/or Shareholders as a whole and in circumstances which they believe will not result in any material adverse effect on the financial condition of the Company or the Group, or result in the Company being delisted from the SGX-ST or in breach of the Hong Kong Listing Rules or the Bye-laws. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Buyback Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST or the Hong Kong Stock Exchange.

### **3. Authority and Limits of the Share Buyback Mandate**

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buyback Mandate are summarised below:

#### **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 otherwise acquired pursuant to the Share Buyback Mandate is limited to that number of Shares representing not more than 10% of the total number of the issued Shares as at the date of the passing of the resolution approving the Share Buyback Mandate, unless the Company has, at any time during the Relevant Period, effected a reduction, consolidation or sub-division of its issued and unissued Shares in accordance with the applicable provisions under the Bermuda Companies Act, in which event the total number of the issued Shares shall be taken to be the total number of issued Shares as altered by the reduction, consolidation or sub-division of Shares (as the case may be). Any Shares which are held as treasury shares or subsidiary holdings will be disregarded for the purposes of computing the 10% limit. As at the Latest Practicable Date, the Company did not have any treasury shares or subsidiary holdings.

For illustrative purposes only, on the basis of 76,340,960 Shares (excluding treasury shares and subsidiary holdings, if any) in issue as at the Latest Practicable Date and assuming that no further Shares will be issued and no Shares will be purchased or acquired and cancelled by the Company after the Latest Practicable Date and up to the date of the 2018 AGM, not more than 7,634,096 Shares (representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) as at that date) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate during the period in which the Share Buyback Mandate is in force.

### 3.2 *Duration of Authority*

If the proposed Share Buyback Mandate is approved by the Shareholders at the 2018 AGM, purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2018 AGM up to:

- (a) the date on which the next AGM is held (up to the time of conclusion of the said AGM), or the date by which the next AGM is required by applicable laws or by the Bye-laws to be held;
- (b) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
- (c) the passing of an ordinary resolution by the Shareholders in a general meeting revoking or varying the authority conferred by the Share Buyback Mandate,

whichever is the earliest.

The authority conferred on the Directors under the Share Buyback Mandate may be renewed by the Shareholders in general meeting. When seeking the approval of the Shareholders for the renewal of the Share Buyback Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the Share Buyback Mandate made during the previous 12 months, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such purchases or acquisitions of Shares, where relevant, and the total consideration paid for such purchases or acquisitions.

### 3.3 *Manner of Purchase or Acquisition of Shares*

The Share Buyback Mandate provides that purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases (“**On-Market Purchases**”) on the SGX-ST or the Hong Kong Stock Exchange (as the case may be); and/or
- (b) off-market purchases (“**Off-Market Purchases**”) effected otherwise than on the SGX-ST or the Hong Kong Stock Exchange, pursuant to an equal access scheme as may be determined or formulated by the Directors as they consider fit,

in accordance with all laws and regulations applicable to the Company, including but not limited to the provisions of the SGX-ST Listing Manual, the Singapore Take-over Code, the Bermuda Companies Act, the Memorandum and the Bye-laws, the Hong Kong Listing Rules, the Hong Kong Share Buy-backs Code and the Hong Kong Takeovers Code. Further details on the requirements relating to Off-Market Purchases are set out below.

The Directors may impose such terms and conditions which are not inconsistent with the SGX-ST Listing Manual, the Singapore Take-over Code, the Bermuda Companies Act, the Memorandum and the Bye-laws, the Hong Kong Listing Rules, the Hong Kong Share Buy-backs Code and the Hong Kong Takeovers Code, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme. For the purposes of the SGX-ST Listing Manual, an Off-Market Purchase must, however, satisfy all of 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 the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements, differences in consideration attributable to the fact that offers may relate to Shares with different amounts remaining unpaid (if applicable) and differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Pursuant to the SGX-ST Listing Manual, if the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it must issue an offer document to all Shareholders containing at least the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed purchase or acquisition of Shares;
- (4) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Singapore Take-over Code or other applicable take-over rules;
- (5) whether the purchases or acquisitions of Shares, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (6) details of any purchases or acquisitions of Shares made by the Company in the previous 12 months (whether On-Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions of Shares, where relevant, and the total consideration paid for the purchases or acquisitions; and
- (7) whether the Shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

In Hong Kong, companies with a primary listing of its equity securities on the Hong Kong Stock Exchange may only engage in an Off-Market Purchase approved in accordance with Rule 2 of the Hong Kong Share Buy-backs Code. According to the Hong Kong Share Buy-backs Code, Off-Market Purchases must be approved by the executive director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong before a purchasing company acquires any shares pursuant to such purchase or acquisition of shares. Such approval will normally be conditional upon, amongst others, approval of the proposed Off-Market Purchase by at least three-fourths of the votes cast on a poll by disinterested shareholders in attendance in person or by proxy at a general meeting of shareholders duly convened and held to consider the proposed transaction. The purchasing company should also comply with such other applicable requirements under the Hong Kong Share Buy-backs Code, and the offer document to be issued to shareholders shall contain in addition to the information required under the SGX-ST Listing Manual, the information required under the Hong Kong Share Buy-backs Code.

Even if the Share Buyback Mandate is approved by Shareholders at a general meeting of the Company, the Company will still be required to convene a general meeting to seek specific approval from Shareholders in the event that it wishes to conduct an Off-Market Purchase in compliance with the applicable requirements of the Hong Kong Share Buy-backs Code.

#### 3.4 *Maximum Price*

The price (excluding brokerage, stamp duties, commission, transaction levy, trading fee, applicable goods and services tax and other related expenses (collectively, “**related expenses**”)) to be paid for a Share will be determined by the Directors. However, the price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares must not exceed:

- (a) in the case of an On-Market Purchase, 105% of the Average Closing Price (as defined below); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price,

(the “**Maximum Price**”) in either case, excluding related expenses.

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of Shares was made, or as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant period of five (5) Market Days. In the case of an On-Market Purchase, the relevant closing market prices shall be taken from the securities exchange on which the relevant trade is to be conducted, and in the case of an Off-Market Purchase effected otherwise than on the SGX-ST or the Hong Kong Stock Exchange, the relevant closing market prices shall be taken from both the SGX-ST and the Hong Kong Stock Exchange; and

“day of the making of the offer” means the day on which the Company announces its intention to make an offer for an Off-Market Purchase.

### 3.5 *Status of Purchased or Acquired Shares*

Shares purchased or acquired by the Company under the Share Buyback Mandate shall be deemed cancelled immediately on purchase or acquisition and shall not be held in treasury, and all rights and privileges attached to each of those Shares will immediately expire on cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and the total issued share capital will be diminished by the nominal value of the Shares purchased or acquired but the cancellation of the purchased or acquired Shares shall not be taken as reducing the amount of the Company’s authorised share capital. The listing of all Shares which are purchased or acquired by the Company shall be automatically cancelled upon purchase or acquisition under the Hong Kong Listing Rules.

## 4. **Reporting Requirements**

The SGX-ST Listing Manual specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its Shares no later than 9:00 a.m.:

- (a) in the case of an On-Market Purchase, on the Market Day following the day on which the On-Market Purchase was made; and
- (b) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptances of the offer for the Off-Market Purchase.

The notification of such purchase or acquisition of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide to the Company in a timely fashion the necessary information which will enable the Company to make the necessary notifications to the SGX-ST. To ensure parity of information, the Company will also release the same announcement on the Hong Kong Stock Exchange as appropriate.

Under the Hong Kong Listing Rules, after a listed issuer has made a purchase or acquisition of its shares whether on the Hong Kong Stock Exchange or otherwise, the listed issuer shall:

- (i) submit for publication to the Hong Kong Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the issuer makes a purchase or acquisition of shares (whether on the Hong Kong Stock Exchange or otherwise), the total number of shares purchased or acquired by the issuer the previous day, the purchase price per share or the highest and lowest prices paid for such purchases or acquisitions of shares, where relevant, and shall confirm that those purchases or acquisitions of shares which were made on the Hong Kong Stock Exchange were made in accordance with the Hong Kong Listing Rules and if the issuer’s primary listing is on the Hong Kong Stock Exchange, that there

have been no material changes to the particulars contained in the explanatory statement issued by the listed issuer in relation to the mandate pursuant to which such purchase or acquisition of shares is made. In respect of the purchases or acquisitions of shares made on another stock exchange, the issuer's report must confirm that those purchases or acquisitions were made in accordance with the domestic rules applying to purchases or acquisitions on that other stock exchange. Such reports shall be made on a return in such form and containing such information as the Hong Kong Stock Exchange may from time to time prescribe. In the event that no shares are purchased or acquired on any particular day, then no return need be made to the Hong Kong Stock Exchange. The issuer should make arrangements with its brokers to ensure that they provide to the issuer in a timely fashion the necessary information to enable the issuer to make the report to the Hong Kong Stock Exchange; and

- (ii) include in its annual report and accounts a monthly breakdown of the purchases or acquisitions of shares made during the financial year under review showing the number of shares purchased or acquired each month (whether on the Hong Kong Stock Exchange or otherwise) and the purchase price per share or the highest and lowest prices paid for all such purchases or acquisitions, where relevant, and the aggregate price paid by the issuer for such purchases or acquisitions. The section headed "Report of the Directors" in the issuer's annual report shall contain reference to the purchases or acquisitions made during the year and the reasons for making such purchases or acquisitions.

The Company shall procure that any broker appointed by the Company to effect the purchase or acquisition of its shares shall disclose to the Hong Kong Stock Exchange such information with respect to the purchases or acquisitions made on behalf of the Company as the Hong Kong Stock Exchange may request.

## **5. Sources of Funds**

The Company may only apply funds for the purchase or acquisition of Shares as provided in the Memorandum, the Bye-laws and the applicable laws and regulations in Bermuda, as well as in accordance with the applicable rules of the SGX-ST and the Hong Kong Stock Exchange.

Any purchase or acquisition of Shares pursuant to the Share Buyback Mandate may only be paid out of the capital paid up on the Shares to be purchased or acquired, or out of the reserve or undivided profits of the Company (including any contributed surplus account and also including any share premium account or other un-distributable reserve) not required for payment or provision of the dividend on any shares with a preferential right to dividend, or out of the proceeds of a fresh issue of Shares made for the purposes of the purchase or acquisition. Currently, the Company does not intend to fund any purchase or acquisition of Shares out of the proceeds of a fresh issue of Shares made for the purposes of the purchase or acquisition.

Any premium payable on such a purchase or acquisition over the nominal value of the Shares to be purchased or acquired must be provided for out of the reserve or undivided profits of the Company (including any contributed surplus account and also including any share premium account or other un-distributable reserve) not required for payment or provision of the dividend on any shares with a preferential right to dividend before the Shares are purchased or acquired. The funds for making any proposed purchase or acquisition shall be from funds legally available for such purpose in accordance with the Bye-laws and the laws of Bermuda.

However, no purchase or acquisition by the Company of its Shares may be effected, if, on the date on which the purchase or acquisition is to be effected, there are reasonable grounds for believing that the Company is, or after the purchase or acquisition would be, unable to pay its liabilities as they become due.

The Company may not purchase or acquire its Shares for a consideration other than in cash or, in the case of an On-Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST or the Hong Kong Stock Exchange (as the case may be) from time to time.

The Company currently intends to use internal sources of funds or external borrowings or a combination of both to finance the Company's purchase or acquisition of Shares pursuant to the Share Buyback Mandate. It is possible that the exercise of the Share Buyback Mandate to its full extent may have a potential material adverse impact on the working capital or gearing position of the Group as compared with the position disclosed in the audited consolidated financial statements contained in the Company's annual report for FY2018. The Directors are mindful of this and do not propose to exercise the Share Buyback Mandate to such an extent that it would have the above-mentioned material adverse effect.

## **6. Illustrative Financial Effects**

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Buyback Mandate on the NTA and EPS as the resultant effect would depend on, among other things, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares and the amount (if any) borrowed by the Company to fund the purchases or acquisitions.

As any Shares purchased or acquired under the Share Buyback Mandate shall be cancelled, the Company's total number of issued Shares and total issued share capital will be diminished by the number and the nominal value of the Shares purchased or acquired. The NTA of the Group will be reduced by the aggregate purchase price or consideration paid by the Company for the Shares.

The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirements, the availability of financial resources, the expansion and investment plans of the Group, and the prevailing market conditions.

For illustrative purposes only, assuming that:

- (a) based on 76,340,960 Shares (excluding treasury shares and subsidiary holdings, if any) in issue as at the Latest Practicable Date and assuming that no further Shares will be issued and no Shares will be purchased or acquired and cancelled after the Latest Practicable Date and up to the date of the 2018 AGM, not more than 7,634,096 Shares (representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) as at that date) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate;
- (b) in the case of On-Market Purchases by the Company, the Company purchases or acquires 7,634,096 Shares at the Maximum Price of approximately S\$1.229 for each Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST and the Hong Kong Stock Exchange immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 7,634,096 Shares (excluding related expenses) is approximately S\$9.4 million (approximately HK\$55.1 million assuming an exchange rate of S\$1: HK\$5.8720);
- (c) in the case of Off-Market Purchases by the Company, the Company purchases or acquires 7,634,096 Shares at the Maximum Price of approximately S\$1.404 for each Share (being the price equivalent to 20% above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST and the Hong Kong Stock Exchange immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 7,634,096 Shares (excluding related expenses) is approximately S\$10.7 million (approximately HK\$62.9 million assuming an exchange rate of S\$1: HK\$5.8720);
- (d) such purchase or acquisition of Shares is financed solely by internal sources of funds;
- (e) the Share Buyback Mandate had been effective on April 1, 2017; and
- (f) the Company had purchased or acquired 7,634,096 Shares and cancelled the same,

the financial effects of the purchase or acquisition of 7,634,096 Shares by the Company on the audited consolidated financial statements of the Company and the Group for FY2018 pursuant to the Share Buyback Mandate are as follows:

Figure A1: Purchases or acquisitions made out of capital and cancelled

	Group			Company		
	Immediately after Share Buyback assuming before Share Buyback (HK\$'000)	Immediately after Share Buyback assuming On-Market Purchase (HK\$'000)	Immediately after Share Buyback assuming Off-Market Purchase (HK\$'000)	Immediately after Share Buyback assuming before Share Buyback (HK\$'000)	Immediately after Share Buyback assuming On-Market Purchase (HK\$'000)	Immediately after Share Buyback assuming Off-Market Purchase (HK\$'000)
<b>As at March 31, 2018</b>						
Share capital	76,341	68,707	68,707	76,341	68,707	68,707
Shareholders' funds	716,058	660,988	653,120	362,809	307,739	299,871
NTA	716,058	660,988	653,120	362,809	307,739	299,871
Current assets	1,985,019	1,929,949	1,922,081	255,515	200,445	192,577
Current liabilities	1,514,121	1,514,121	1,514,121	10,176	10,176	10,176
Working capital	470,898	415,828	407,960	245,339	190,269	182,401
Cash and cash equivalents	327,050	271,980	264,112	1,997	1,997	1,997
Profit after tax	111,956	111,956	111,956	44,436	44,436	44,436
Number of issued Shares*	76,340,960	68,706,864	68,706,864	76,340,960	68,706,864	68,706,864
<b>Financial ratios</b>						
NTA/Share (HK\$)	9.38	9.62	9.51	4.75	4.48	4.36
EPS (HK\$)	1.47	1.63	1.63	0.58	0.65	0.65
Current ratio (times)	1.31	1.27	1.27	25.11	19.70	18.92
Return on equity (%)	15.64	16.94	17.14	12.25	14.44	14.82

Figure A2: Purchases or acquisitions made out of profit and cancelled

	Group			Company		
	Immediately after Share Buyback assuming before Share Buyback (HK\$'000)	Immediately after Share Buyback assuming On-Market Purchase (HK\$'000)	Immediately after Share Buyback assuming Off-Market Purchase (HK\$'000)	Immediately after Share Buyback assuming before Share Buyback (HK\$'000)	Immediately after Share Buyback assuming On-Market Purchase (HK\$'000)	Immediately after Share Buyback assuming Off-Market Purchase (HK\$'000)
<b>As at March 31, 2018</b>						
Share capital	76,341	76,341	76,341	76,341	76,341	76,341
Shareholders' funds	716,058	660,988	653,120	362,809	307,739	299,871
NTA	716,058	660,988	653,120	362,809	307,739	299,871
Current assets	1,985,019	1,929,949	1,922,081	255,515	200,445	192,577
Current liabilities	1,514,121	1,514,121	1,514,121	10,176	10,176	10,176
Working capital	470,898	415,828	407,960	245,339	190,269	182,401
Cash and cash equivalents	327,050	271,980	264,112	1,997	1,997	1,997
Profit after tax	111,956	111,956	111,956	44,436	44,436	44,436
Number of issued Shares*	76,340,960	68,706,864	68,706,864	76,340,960	68,706,864	68,706,864
<b>Financial ratios</b>						
NTA/Share (HK\$)	9.38	9.62	9.51	4.75	4.48	4.36
EPS (HK\$)	1.47	1.63	1.63	0.58	0.65	0.65
Current ratio (times)	1.31	1.27	1.27	25.11	19.70	18.92
Return on equity (%)	15.64	16.94	17.14	12.25	14.44	14.82

Note on Figures A1 and A2:

\* As the number of issued Shares (excluding treasury shares and subsidiary holdings, if any) as at the Latest Practicable Date was 76,340,960, the above illustrative financial effects were prepared on the assumption that the number of issued Shares (a) immediately prior to the share buyback was 76,340,960, and (b) immediately after the share buyback was 68,706,864.

Shareholders should note that the financial effects set out above are purely for illustrative purposes and based only on the above-mentioned assumptions. Although the proposed Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of the total number of its issued Shares (excluding treasury shares and subsidiary holdings, if any), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of its issued Shares (excluding treasury shares and subsidiary holdings, if any).

Shareholders who are in doubt as to their tax positions or any tax implications for the holding, acquisition, disposal or other dealing in the Shares in their respective jurisdictions should consult their own professional advisers.

**7. Relevant Provisions of the SGX-ST Listing Manual and the Hong Kong Listing Rules****7.1 Dealing Restrictions**

While the SGX-ST Listing Manual does not expressly prohibit the purchase or acquisition of shares by a listed company during any particular time or times, because a listed company would be considered an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not purchase or acquire any Shares pursuant to the Share Buyback Mandate after a development which could have a material effect on the price of the Shares has occurred or has been the subject of a consideration and/or a decision of the Board until such time as such information has been publicly announced. In particular, in line with Rule 1207(19)(c) of the SGX-ST Listing Manual, the Company will not purchase or acquire any Shares through On-Market Purchases during the period of:

- (a) one (1) month immediately preceding the announcement of the Company’s half and full-year financial statements; and
- (b) two (2) weeks immediately preceding the announcement of the Company’s financial statements for each of the first three quarters of its financial year (where applicable).

In line with Rule 10.06(2)(e) of the Hong Kong Listing Rules, the Company will not purchase or acquire any Shares through On-Market Purchases at any time after inside information has come to its knowledge until the information is publicly available. In particular, during the period of one (1) month preceding the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Hong Kong Listing Rules) for the approval of the Company’s result for any year, half-year, quarterly or any other interim period (whether or not required under the Hong Kong Listing Rules); and
- (ii) the deadline for the Company to announce its results for any year or half-year under the Hong Kong Listing Rules, or quarterly or any other interim period (whether or not required under the Hong Kong Listing Rules),

and ending on the date of the results announcement, the Company will not purchase or acquire its Shares on the Hong Kong Stock Exchange.

Further, under the Hong Kong Listing Rules, the Company may not make a new issue of Shares or announce a proposed new issue of Shares for a period of 30 days after any purchase or acquisition of Shares by it, whether on the Hong Kong Stock Exchange or otherwise (other than an issue of securities pursuant to the exercise of warrants, share options or similar instruments requiring the Company to issue securities, which were outstanding prior to that purchase or acquisition of its own securities), without the prior approval of the Hong Kong Stock Exchange.

The Company is required to comply with the SGX-ST Listing Manual and the Hong Kong Listing Rules at all times and this is regardless of whether the purchase or acquisition by the Company of any Shares under the Share Buyback Mandate occurs on the SGX-ST or the Hong Kong Stock Exchange, and in the event that the above-mentioned periods specified under the SGX-ST Listing Manual and the Hong Kong Listing Rules in which On-Market Purchases are restricted are not identical, the Company will comply with the more onerous of the two.

### **7.2 Public Float**

The Company is required under Rule 723 of the SGX-ST Listing Manual to ensure that at least 10% of its Shares (excluding treasury shares) are in the hands of the public. The “public”, as defined under the SGX-ST Listing Manual, are persons other than the Directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as the Associates of such persons.

The Company is also required under Rule 8.08 of the Hong Kong Listing Rules to ensure that at least 25% of its issued Shares are in the hands of the “public”. The Hong Kong Stock Exchange will not regard any core connected person of the Company as a member of the “public” or shares held by a core connected person as being “in public hands”. In addition, the Hong Kong Stock Exchange will not recognise as a member of “the public”: (i) any person whose acquisition of securities has been financed directly or indirectly by a core connected person; and (ii) any person who is accustomed to take instructions from a core connected person in relation to the acquisition, disposal, voting or other disposition of securities of the issuer registered in his name or otherwise held by him. “Core connected person”, as defined under the Hong Kong Listing Rules, means a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them.

Based on the Register of Substantial Shareholders and the Register of Members maintained by the Company as at the Latest Practicable Date, approximately 35,381,874 Shares, representing approximately 46.35% of the total number of issued Shares (excluding treasury shares), were in the hands of the public. Assuming that the Company purchases or acquires its Shares up to the full 10% limit pursuant to the Share Buyback Mandate from the public, the number of Shares in the hands of the public would be reduced to 27,747,778 Shares, representing approximately 40.39% of the reduced total number of issued Shares (excluding treasury shares). Accordingly, the Company is of the view that there is a sufficient number of issued Shares held in the hands of the public, which would permit the Company to undertake purchases or acquisitions of its issued 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 the Hong Kong Stock Exchange, and that the number of issued Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity.

In making any purchases or acquisitions of Shares through On-Market Purchases, the Directors will use their best efforts to ensure that, notwithstanding such purchases or acquisitions, a sufficient float of the issued Shares in the hands of the public will be maintained so that the purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the SGX-ST and the Hong Kong Stock Exchange, cause market illiquidity or adversely affect the orderly trading of the Shares.

## 8. Take-over Implications

The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

### 8.1 *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 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.

### 8.2 *Persons Acting in Concert*

Under the Singapore Take-over Code, persons acting in concert (“**concert parties**”) comprise individuals who, or companies which, 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 the company.

Unless the contrary is established, the following persons will be presumed to be acting in concert, namely:

- (a) a company with its parent company, its subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- (b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (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 the adviser and the persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where the directors have reason to believe that a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities 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 their concert parties 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 to the Singapore Take-over Code.

### ***8.3 Effect of Rule 14 of and Appendix 2 to the Singapore Take-over Code***

In general terms, the effect of Rule 14 of and Appendix 2 to the Singapore Take-over Code containing the Share Buy-Back Guidance Note is that, unless exempted, the Directors and their concert parties 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 (6) months.

Under Appendix 2 to 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 (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the renewal of the Share Buyback Mandate.

As at the Latest Practicable Date, none of the Directors or Substantial Shareholders of the Company would become obliged to make a general offer to other Shareholders under Rule 14 of and Appendix 2 to the Singapore Take-over Code as a result of a purchase or acquisition by the Company of the maximum limit of 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) pursuant to the proposed Share Buyback Mandate. The Directors are not aware of any potential Shareholder(s) who may have to make a general offer to the other Shareholders as a result of a purchase or acquisition of Shares by the Company pursuant to the proposed Share Buyback Mandate.

#### **8.4 *Hong Kong Takeovers Code***

Under Rule 26 of the Hong Kong Takeovers Code, unless an applicable waiver has been obtained, a mandatory offer is required when (i) any person acquires, whether by a series of transactions over a period of time or not, 30% or more of the voting rights of a company; (ii) two (2) or more persons are acting in concert, and collectively hold less than 30% of the voting rights of a company, and any one (1) or more of them acquires voting rights and such acquisition has the effect of increasing their collective holding of voting rights to 30% or more of the voting rights of the company; (iii) any person holds not less than 30%, but not more than 50%, of the voting rights of a company and that person acquires additional voting rights and such acquisition has the effect of increasing that person's holding of voting rights of the company by more than 2% from the lowest percentage holding of that person in the 12-month period ending on and inclusive of the date of the relevant acquisition; or (iv) two (2) or more persons are acting in concert, and they collectively hold not less than 30%, but not more than 50%, of the voting rights of a company, and any one (1) or more of them acquires additional voting rights and such acquisition has the effect of increasing their collective holding of voting rights of the company by more than 2% from the lowest collective percentage holding of such persons in the 12-month period ending on and inclusive of the date of the relevant acquisition.

Under Rule 32 of the Hong Kong Takeovers Code, if as a result of the purchase or acquisition of securities by the Company pursuant to the Share Buyback Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of the Hong Kong Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Hong Kong Takeovers Code), depending on the level of increase in the interest of the Company, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Hong Kong Takeovers Code.

As at the Latest Practicable Date, Mr. Leung Chun Wah and his Associates held 19,950,070 Shares, representing approximately 26.13% of the issued share capital of the Company. In the event that the Directors exercise in full the power to purchase or acquire Shares, which is proposed to be granted pursuant to the relevant ordinary resolution 8 of the 2018 AGM, then (if the present shareholdings otherwise remained the same) the interests of Mr. Leung Chun Wah and his Associates would increase from approximately 26.13% to approximately 29.04% of the then issued share capital of the Company. In the opinion of the Directors, such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Hong Kong Takeovers Code. Accordingly, the Directors are currently not aware of any consequences which will arise under the Hong Kong Takeovers Code as a result of a purchase or acquisition of Shares by the Company pursuant to the proposed Share Buyback Mandate.

**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 of Singapore and/or their professional advisers at the earliest opportunity.**

**Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Hong Kong Takeovers Code as a result of any purchase or acquisition of Shares by the Company should consult their professional advisers at the earliest opportunity.**

## **9. Previous Share Buybacks**

No purchase or acquisition of Shares has been made by the Company in the 12 months preceding the Latest Practicable Date.

**10. Historical Share Prices**

The highest and lowest prices at which the Shares were traded on the SGX-ST and the Hong Kong Stock Exchange, respectively during each of the months starting from June 2017 up to June 2018 (up to and including the Latest Practicable Date) are as follows:

	Per Share on the SGX-ST		Per Share on the Hong Kong Stock Exchange	
	Highest (S\$)	Lowest (S\$)	Highest (HK\$)	Lowest (HK\$)
<b>2017</b>				
June	0.79	0.71	4.20	3.75
July	0.88	0.74	5.09	3.98
August	0.90	0.78	5.23	4.65
September	0.82	0.75	5.49	4.50
October	1.07	0.84	6.42	5.19
November	1.20	0.90	7.00	5.00
December	1.10	0.98	6.25	5.79
<b>2018</b>				
January	1.10	1.02	6.56	6.05
February	1.07	0.98	6.40	5.00
March	1.10	1.00	6.35	5.62
April	1.10	1.03	6.40	5.90
May	1.19	1.04	7.30	6.23
June (up to and including the Latest Practicable Date)	1.20	1.16	7.01	6.56

**11. Directors, their Undertakings and Close Associates and Core Connected Persons**

The Directors have undertaken to the Hong Kong Stock Exchange that they will exercise the Share Buyback Mandate in accordance with the Hong Kong Listing Rules and all applicable Bermuda laws. None of the Directors and, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates, has any present intention to sell any Shares to the Company under the Share Buyback Mandate if the Share Buyback Mandate is approved by the Shareholders at the 2018 AGM.

No core connected person of the Company has notified the Company that he has a present intention to sell Shares to the Company or has undertaken to the Company not to sell any of the Shares held by him to the Company, in the event that the Share Buyback Mandate is approved by the Shareholders at the 2018 AGM.

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## NOTICE OF ANNUAL GENERAL MEETING

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**WILLAS-ARRAY**  
**WILLAS-ARRAY ELECTRONICS (HOLDINGS) LIMITED**  
**威雅利電子(集團)有限公司**  
*(Incorporated in Bermuda with limited liability)*  
**(Hong Kong stock code: 854)**  
**(Singapore stock code: BDR)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Willas-Array Electronics (Holdings) Limited (the “**Company**”) will be held on Friday, July 27, 2018 at 9:30 a.m. at Mandarin Orchard Singapore, Grange Ballroom, Level 5, Main Tower, 333 Orchard Road, Singapore 238867, to transact the following businesses:

#### **As Ordinary Business**

#### **ORDINARY RESOLUTIONS**

1. To read, consider and adopt the Directors’ Report and Consolidated Audited Financial Statements of the Company and its subsidiaries for the financial year ended March 31, 2018 together with the Independent Auditors’ Report thereon.

**【Ordinary Resolution 1】**

2. To approve the payment of a final dividend of HK\$0.42 per ordinary share for the financial year ended March 31, 2018. (2017: HK\$0.31 per ordinary share)

**【Ordinary Resolution 2】**

3. To approve the proposed directors’ fees of S\$180,000/- for the financial year ending March 31, 2019. (2018: S\$180,000/-)

**【Ordinary Resolution 3】**

4. To re-elect Mr. Leung Hon Shing (who will retire pursuant to bye-law 104 of the Company’s Bye-laws) as an executive director of the Company.

**【Ordinary Resolution 4】**

5. To re-elect Mr. Jovenal R. Santiago (who will retire pursuant to bye-law 104 of the Company’s Bye-laws) as an independent non-executive director of the Company.

**【Ordinary Resolution 5】**

(See Explanatory Note (i))

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## NOTICE OF ANNUAL GENERAL MEETING

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6. To re-appoint Messrs. Deloitte Touche Tohmatsu, Hong Kong as the independent Auditors of the Company and authorise the directors of the Company to fix their remuneration.

**【Ordinary Resolution 6】**

7. To transact any other ordinary business which may properly be transacted at the Annual General Meeting.

**As Special Business**

To consider and, if thought fit, to pass, with or without any modifications, the following resolutions as Ordinary Resolutions:

8. Authority to allot and issue new ordinary shares in the share capital of the Company:

**“THAT** pursuant to Rule 806 of the Listing Manual (the **“SGX-ST Listing Manual”**) of Singapore Exchange Securities Trading Limited (the **“SGX-ST”**) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Hong Kong Stock Exchange”** and the **“Hong Kong Listing Rules”**, respectively):

- (a) subject to paragraph (c) below and pursuant to the SGX-ST Listing Manual and the Hong Kong Listing Rules, respectively, authority be and is hereby given to the directors of the Company (the **“Directors”**), at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit, to exercise all the powers of the Company to allot and issue new ordinary shares of HK\$1.00 each in the share capital of the Company (the **“Shares”**) (whether by way of rights, bonus or otherwise) or securities convertible into Shares or options, warrants or similar rights to subscribe or exchange for Shares or convertible securities, and to make or grant offers, agreements and options that might or would require Shares to be issued (the **“Instruments”**), including but not limited to, warrants or similar Instruments;
- (b) the approval in paragraph (a) above shall authorise the Directors to make or grant Instruments during the Relevant Period (as defined below), which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be allotted and issued, or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, shall not exceed 50% of the total number of Shares in issue (as defined below) (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with paragraph (d) below), of which the aggregate number of Shares (including the Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be allotted and issued, or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise)

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## NOTICE OF ANNUAL GENERAL MEETING

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other than on a pro-rata basis to the existing shareholders of the Company (the “Shareholders”) shall not exceed 10% of the total number of Shares in issue (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with paragraph (d) below) as at the date of passing this Resolution provided that if any subsequent bonus issue, reduction, consolidation or sub-division of Shares is effected, the maximum number of Shares that may be issued pursuant to the approval in paragraph (a) above as a percentage of the total number of Shares in issue immediately before and after such bonus issue, reduction, consolidation or sub-division shall be the same and such maximum number of Shares shall be adjusted accordingly; and

- (d) for the purpose of this Resolution:

“**Relevant Period**” means the period from the date of the passing of this Resolution until the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the date by which the next annual general meeting of the Company is required by applicable laws or by the Bye-laws of the Company to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting; and

“**total number of Shares in issue**” means (subject to such manner of calculation as may be prescribed by the SGX-ST and/or the Hong Kong Stock Exchange for the purpose of determining the aggregate number of Shares that may be issued under paragraph (c) above) the total number of Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company which shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time this Resolution is passed, after adjusting for: (I) any new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and (II) any subsequent bonus issue, reduction, consolidation or sub-division of Shares.”

### **【Ordinary Resolution 7】**

(See Explanatory Note (ii))

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## NOTICE OF ANNUAL GENERAL MEETING

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9. Authority to purchase or acquire ordinary shares in the share capital of the Company under the Share Buyback Mandate (as defined below):

**“THAT**

- (a) pursuant to the Company’s memorandum of association and bye-laws (the **“Memorandum”** and the **“Bye-laws”**, respectively), and subject to the Companies Act 1981 of Bermuda (the **“Bermuda Companies Act”**), the Directors be and are hereby authorised to exercise all powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Maximum Limit (as defined below) at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:
- (i) on-market purchase(s) (each an **“On-Market Purchase”**) on the SGX-ST or the Hong Kong Stock Exchange, as the case may be; and/or
  - (ii) off-market purchase(s) (each an **“Off-Market Purchase”**) effected otherwise than on the SGX-ST or the Hong Kong Stock Exchange pursuant to an equal access scheme as may be determined or formulated by the Directors as they consider fit,

in accordance with all applicable laws, rules and regulations, including but not limited to the provisions of the SGX-ST Listing Manual, the Singapore Code on Take-overs and Mergers, the Bermuda Companies Act, the Companies Act (Chapter 50 of Singapore), the Memorandum, the Bye-laws, the Hong Kong Listing Rules, and the Codes on Takeovers and Mergers and Share Buy-backs administered by the Securities and Futures Commission in Hong Kong, and such exercise be and is hereby authorised and approved generally and unconditionally (the **“Share Buyback Mandate”**), provided always that all Shares which are purchased or otherwise acquired by the Company pursuant to the Share Buyback Mandate shall be deemed cancelled immediately on purchase or acquisition, and shall not be held as treasury shares;

- (b) the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing on the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next annual general meeting of the Company is held (up to the time of conclusion of the said annual general meeting), or the date by which the next annual general meeting of the Company is required by applicable laws or by the Bye-laws to be held;
  - (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or

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## NOTICE OF ANNUAL GENERAL MEETING

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(iii) the passing of an ordinary resolution by the Shareholders in a general meeting revoking or varying the authority conferred by the Share Buyback Mandate;

(c) for the purposes of this Resolution:

The expressions “Directors”, “Shares”, “Shareholders”, “SGX-ST”, “Hong Kong Stock Exchange”, “SGX-ST Listing Manual” and “Hong Kong Listing Rules” shall have the same respective meanings as ascribed to them in Ordinary Resolution 7 set out in the notice convening this annual general meeting;

“**Maximum Limit**” means that number of issued Shares representing not more than 10% of the total number of Shares in issue as at the date of the passing of this Resolution, unless the Company has, at any time during the Relevant Period (as defined below), effected a reduction, consolidation or sub-division of the issued and unissued Shares in accordance with the applicable provisions of the Bermuda Companies Act, in which event the total number of Shares in issue shall be taken to be the total number of issued Shares as altered by the reduction, consolidation or sub-division of Shares (as the case may be). Any Shares which are held as treasury shares or subsidiary holdings will be disregarded for the purposes of computing the 10% limit;

“**Relevant Period**” means the period commencing from the date of the annual general meeting of the Company, being the date on which the Share Buyback Mandate is passed, if approved by the Shareholders, and expiring on the date on which the next annual general meeting of the Company is held or is required by applicable laws or by the Bye-laws to be held, whichever is the earlier;

“**Maximum Price**”, in relation to a Share to be purchased or acquired, means the price (excluding brokerage, regulatory body’s transaction levy, stock exchange trading fee, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share to be determined by the Directors, which shall not exceed:

- (i) in the case of an On-Market Purchase, 105% of the Average Closing Price (as defined below); and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price,

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## NOTICE OF ANNUAL GENERAL MEETING

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where:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days (as defined below), on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of Shares was made, or as the case may be, the day of the making of the offer (as defined below) pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant period of five (5) Market Days. In the case of an On-Market Purchase, the relevant closing market prices shall be taken from the securities exchange on which the relevant trade is to be conducted, and in the case of an Off-Market Purchase effected otherwise than on the SGX-ST or the Hong Kong Stock Exchange, the relevant closing market prices shall be taken from both the SGX-ST and the Hong Kong Stock Exchange;

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for an Off-Market Purchase; and

“**Market Day**” means a day on which the SGX-ST or the Hong Kong Stock Exchange (as the case may be) is open for trading in securities; and

- (d) the Directors and/or any of them be and are/is hereby authorised to complete and do all such acts and things (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents) as they and/or he/she may consider desirable, expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.”

### **【Ordinary Resolution 8】**

(See Explanatory Note (iii))

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## NOTICE OF ANNUAL GENERAL MEETING

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10. Authority to issue bonus shares by way of capitalisation of the share premium account of the Company:

**“THAT** subject to and conditional upon the approval of the Singapore Exchange Securities Trading Limited and the Listing Committee of the Hong Kong Stock Exchange for the dealing in, as well as listing and quotation of, the Bonus Shares (as hereinafter defined):

- (a) upon the recommendation of the Directors, an amount standing to the credit of the share premium account of the Company be capitalised and accordingly the Directors be and are hereby authorised and directed to apply such amount in paying in full at par new shares with a par value of HK\$1.00 each in the capital of the Company (the **“Bonus Shares”**), and that the Directors be and are hereby authorised to allot, issue and distribute such Bonus Shares credited as fully paid up at par value on a pro rata basis to and amongst those shareholders (not being Non-qualifying Shareholders as defined below) whose names appear on the register of members of the Company (the **“Register of Members”**) or the depository register maintained by The Central Depository (Pte) Limited (the **“CDP”**) as at the close of business on Friday, August 10, 2018 (the **“Record Date”**) on the basis of one (1) Bonus Share for every 10 existing shares of HK\$1.00 each in the capital of the Company held by them respectively as at the close of business on the Record Date (the **“Bonus Issue”**);
- (b) in case where the address of any shareholder of the Company as shown on the Register of Members or the depository register maintained by the CDP as at the close of business on the Record Date is outside of Singapore or Hong Kong (the **“Overseas Shareholders”**) and upon making relevant enquiries, if the Directors are of the opinion that it would be necessary or expedient that any Overseas Shareholders will not be entitled to the Bonus Issue because of the legal restrictions under the laws of their jurisdictions or the requirements of the relevant regulatory body or stock exchange in that jurisdiction, arrangements will be made for the Bonus Shares which would otherwise have been issued to such Overseas Shareholders (the **“Non-qualifying Shareholders”**) to be sold in the market as soon as practicable after dealings in the Bonus Shares commence, if a premium, net of expenses, can be obtained. Any net proceeds of such sale, after deduction of expenses, of HK\$100 or more, will be distributed in Hong Kong dollars to the relevant Non-qualifying Shareholders by ordinary post to them the remittances therefor at their own risk, unless the amount falling to be distributed to any such person is less than HK\$100 in which case it will be retained for the benefit of the Company;
- (c) the Bonus Shares to be issued, allotted and distributed pursuant to paragraph (a) of this Resolution shall be subject to the memorandum of association and the bye-laws of the Company and shall rank pari passu in all respects with the Shares in issue as at the close of business on the Record Date, including the entitlement to any dividends, rights, allotments or other distributions the record date for which falls on or after the date of allotment and issue of the Bonus Shares;

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- (d) the Directors be and are hereby authorised to deal with any fractions arising from the distribution by the sale of the Bonus Shares representing such fractions and to retain the net proceeds for the benefit of the Company;
- (e) the Directors be and are hereby authorized, in their absolute discretion, to do all acts and things as may be necessary and expedient in connection with the allotment, issuance, and distribution of the Bonus Shares, including, but not limited to, determining the amount to be capitalised out of the share premium account of the Company and the number of Bonus Shares to be allotted, issued and distributed in the manner referred to in paragraph (a) of this Resolution; and
- (f) for the purposes of this Resolution, the expressions “Directors”, “Shares” and “Hong Kong Stock Exchange” shall have the same respective meanings as ascribed to them in Ordinary Resolution 7 set out in the notice convening this annual general meeting.”

### **【Ordinary Resolution 9】**

BY ORDER OF THE BOARD  
**WILLAS-ARRAY ELECTRONICS (HOLDINGS) LIMITED**  
**Leung Hon Shing**  
*Company Secretary*

Hong Kong/Singapore,  
June 26, 2018

*Registered Office:*  
Canon's Court  
22 Victoria Street  
Hamilton HM12  
Bermuda

*Head Office and Principal Place of Business:*  
24/F, Wyler Centre, Phase 2  
200 Tai Lin Pai Road  
Kwai Chung, New Territories  
Hong Kong

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*Notes:*

1. With the exception of the depository or a clearing house (both as defined under the Bye-laws of the Company), including The Central Depository (Pte) Limited (the “**Depository**”) and HKSCC Nominees Limited (“**HKSCC Nominees**”), which may appoint more than two (2) proxies, a member of the Company (the “**Member**” or the “**Shareholder**”) who is the holder of two (2) or more shares and is entitled to attend and vote at the above annual general meeting of the Company (the “**AGM**”) is entitled to appoint no more than two (2) proxies to attend and vote on his/her/its behalf at the AGM. A proxy need not be a Member.
2. Where a form of proxy appoints more than one (1) proxy (including the case where such appointment results from a nomination by the Depository or HKSCC Nominees), the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
3. 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 corporate representative at the AGM.
4. Where there are joint registered holders of any share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one (1) of such joint holders be present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
5. To be valid, the instrument appointing a proxy or proxies, or nominating a proxy or proxies on behalf of the Depository together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the office of the Company’s share transfer agent in Singapore (the “**Singapore Share Transfer Agent**”), Intertrust Singapore Corporate Services Pte. Ltd., at 77 Robinson Road, #13-00 Robinson 77, Singapore 068896 (for Shareholders in Singapore), or at the Company’s Hong Kong branch share registrar and transfer office, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (the “**Hong Kong Branch Registrar**”) (for Shareholders in Hong Kong) not later than 48 hours before the time appointed for holding the AGM or its adjournment (if any).
6. (i) Annual General Meeting

For the purpose of determining the entitlement of the Shareholders to attend and vote at the AGM, for Hong Kong Shareholders, the Hong Kong branch register of members of the Company (the “**Hong Kong Branch Register**”) will be closed from Tuesday, July 24, 2018 to Friday, July 27, 2018, both days inclusive. During this period, no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, the non-registered Hong Kong Shareholders must lodge all transfer documents accompanied by the relevant share certificates for registration with the Hong Kong Branch Registrar, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong not later than 4:30 p.m. on Monday, July 23, 2018.

For Singapore Shareholders, the share transfer books and Singapore branch register of members (the “**Singapore Branch Register**”) will be closed at 5:00 p.m. on Monday, July 23, 2018. Duly completed registrable transfers of shares received by the Singapore Share Transfer Agent, Intertrust Singapore Corporate Services Pte. Ltd. at 77 Robinson Road, #13-00 Robinson 77, Singapore 068896, up to 5:00 p.m. on Monday, July 23, 2018 will be registered to determine Singapore Shareholders’ entitlements to attend and vote at the AGM.

Any transfer of the shares between the Hong Kong Branch Register and the Singapore Branch Register by way of deregistration from one branch register of members and registration on the other branch register of members has to be made not later than 4:30 p.m. on Friday, July 13, 2018 for Hong Kong Shareholders and not later than 5:00 p.m. on Friday, July 13, 2018 for Singapore Shareholders.

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(ii) Proposed Final Dividend

Subject to the Shareholders' approval at the AGM, the final dividend will be paid on or about Tuesday, August 28, 2018.

For the purpose of determining the entitlement of the Shareholders for the final dividend, for Hong Kong Shareholders, the Hong Kong Branch Register will be closed from Monday, August 13, 2018 to Wednesday, August 15, 2018, both days inclusive. During this period, no transfer of shares will be registered. In order to qualify for the final dividend, the non-registered Hong Kong Shareholders must lodge all transfer documents accompanied by the relevant share certificates for registration with the Hong Kong Branch Registrar, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong not later than 4:30 p.m. on Friday, August 10, 2018.

For Singapore Shareholders, the share transfer books and the Singapore Branch Register will be closed at 5:00 p.m. on Friday, August 10, 2018. Duly completed registrable transfers of shares received by the Singapore Share Transfer Agent, Intertrust Singapore Corporate Services Pte. Ltd. at 77 Robinson Road, #13-00 Robinson 77, Singapore 068896, up to 5:00 p.m. on Friday, August 10, 2018 will be registered to determine Singapore Shareholders' entitlements to the proposed final dividend. Singapore Shareholders whose securities accounts with the Depository are credited with shares as at 5:00 p.m. on Friday, August 10, 2018 will be entitled to the proposed final dividend.

Any transfer of the shares between the Hong Kong Branch Register and the Singapore Branch Register by way of deregistration from one branch register of members and registration on the other branch register of members has to be made not later than 4:30 p.m. on Thursday, August 2, 2018 for Hong Kong Shareholders and not later than 5:00 p.m. on Thursday, August 2, 2018 for Singapore Shareholders.

Shareholders who hold their shares on the Hong Kong Branch Register will receive their final dividend payment in Hong Kong dollars, while Shareholders who hold their shares on the Singapore Branch Register or whose securities accounts are with the Depository will receive their final dividend payment in Singapore dollars.

(iii) Proposed Issue of Bonus Shares

For the purpose of determining the entitlement of the qualifying Shareholders to the Bonus Shares (as defined in Ordinary Resolution 9) (subject to the Shareholders' approval at the AGM), for Hong Kong Shareholders, the Hong Kong Branch Register will be closed from Monday, August 13, 2018 to Wednesday, August 15, 2018, both days inclusive. During this period, no transfer of shares will be registered. In order to qualify for the Bonus Shares, the non-registered Hong Kong Shareholders must lodge all transfer documents accompanied by the relevant share certificates for registration with the Hong Kong Branch Registrar, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong not later than 4:30 p.m. on Friday, August 10, 2018.

For Singapore Shareholders, the share transfer books and the Singapore Branch Register will be closed at 5:00 p.m. on Friday, August 10, 2018. Duly completed registrable transfers of shares received by the Singapore Share Transfer Agent, Intertrust Singapore Corporate Services Pte. Ltd. at 77 Robinson Road, #13-00 Robinson 77, Singapore 068896, up to 5:00 p.m. on Friday, August 10, 2018 will be registered to determine the entitlements of Singapore Shareholders whose shares are not deposited with the Depository to the Bonus Shares. The entitlements of Singapore Shareholders whose shares are deposited with the Depository will be determined based on the number of shares standing to the credit of their respective securities accounts as at 5:00 p.m. on Friday, August 10, 2018.

Any transfer of the shares between the Hong Kong Branch Register and the Singapore Branch Register by way of deregistration from one branch register of members and registration on the other branch register of members has to be made not later than 4:30 p.m. on Thursday, August 2, 2018 for Hong Kong Shareholders and not later than 5:00 p.m. on Thursday, August 2, 2018 for Singapore Shareholders.

7. Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules and Rule 730A(2) of the SGX-ST Listing Manual, all resolutions set out in this Notice will be voted by poll.

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### EXPLANATORY NOTES:

- i. **Mr. Jovenal R. Santiago is an independent non-executive Director and Chairman of the Audit Committee as well as a member of the Remuneration, Nomination and Compliance Committees. He will continue in the said capacities upon re-election as a Director of the Company.**
- ii. **Further information on the proposed authority to allot and issue new shares in Ordinary Resolution 7 above is set out in the circular of the Company dated June 26, 2018 (the “Circular”), and in particular, on pages 13 to 14 thereto.**
- iii. **Detailed information on the Share Buyback Mandate (as defined in Ordinary Resolution 8 above), including the sources of funds to be used for such purchase or acquisition, the amount of financing (if any) and the illustrative financial impact on the Company’s financial position, is set out in the Circular, and in particular, Appendix II thereto.**

*As at the date of this notice, the Board comprises four executive Directors, namely Leung Chun Wah (Chairman), Kwok Chan Cheung (Deputy Chairman), Hon Kar Chun (Managing Director) and Leung Hon Shing; and three independent non-executive Directors, namely Jovenal R. Santiago, Wong Kwan Seng, Robert and Iu Po Chan, Eugene.*