

DOCUMENT DATED 6 JULY 2018

THIS DOCUMENT IS ISSUED BY COMPACT METAL INDUSTRIES LTD (COMPANY). THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt in relation to the contents of this Document (as defined herein) or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (**CDP**), you need not forward this Document, the notice of Scheme Meeting (as defined herein), the notice of Extraordinary General Meeting (as defined herein) and the accompanying Proxy Forms to the purchaser or transferee. If you have sold or transferred all your ordinary shares in the capital of the Company through other means, you should at once hand this Document, the notice of Scheme Meeting, the notice of Extraordinary General Meeting and the accompanying Proxy Forms to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale, for onward transmission to the purchaser or transferee.

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COMPACT METAL INDUSTRIES LTD

(Incorporated in the Republic of Singapore)
(Company Registration No.: 197500009H)

IN RELATION TO:

- (1) THE PROPOSED INTERNAL RESTRUCTURING EXERCISE OF THE COMPANY BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE RELATING TO THE ACQUISITION OF THE COMPANY SHARES BY INTERNATIONAL CEMENT GROUP LTD AND THE TRANSFER OF LISTING STATUS TO INTERNATIONAL CEMENT GROUP LTD (NEWCO);**
- (2) THE PROPOSED APPROVAL FOR THE ADOPTION OF THE GENERAL SHARE ISSUE MANDATE OF INTERNATIONAL CEMENT GROUP LTD; AND**
- (3) THE PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY**

IMPORTANT DATES AND TIMES

SCHEME MEETING TO APPROVE THE SCHEME

Last date and time for lodgement of Proxy Form : 28 July 2018 at 10.00 a.m.
Date and time of Scheme Meeting : 30 July 2018 at 10.00 a.m.

EXTRAORDINARY GENERAL MEETING

Last date and time for lodgement of Proxy Form : 28 July 2018 at 10.30 a.m.
Date and time of Extraordinary General Meeting : 30 July 2018 at 10.30 a.m. (or such earlier or later time as soon as practicable following the conclusion of the Scheme Meeting to be held at 10.00 a.m. on the same day and at the same place (or its adjournment thereof)
Place of Scheme Meeting and Extraordinary General Meeting : Level 4, 120 Pioneer Road Singapore 639597

This action to be taken by you is set out on pages 31 and 40 of this Document.

Your attention is also drawn to the expected timetable set out on page 8 of this Document and the notes thereunder.

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DEFINITIONS

In this Document, the following definitions apply throughout unless otherwise stated or the context otherwise requires:

2018 AGM	:	The annual general meeting of the Company held on 27 April 2018
AIP	:	The approval-in-principle obtained by NewCo from the SGX-ST for the listing of, and quotation for up to 5,663,816,419 NewCo Shares
ACRA	:	The Accounting and Corporate Regulatory Authority of Singapore
Announcement	:	The announcement dated 16 March 2018 made by the Company on the SGXNET in relation to, <i>inter alia</i> , the Proposed Restructuring
Announcement Date	:	16 March 2018, being the date of the Announcement
Books Closure Date	:	A date and time (before the Effective Date) to be announced by the Company, at which time the share transfer books and the register of members of the Company will be closed to determine the entitlements of Shareholders in respect of the Scheme
Business Day	:	A day (other than a Saturday or Sunday or public holiday) on which commercial banks are open for business in Singapore
CDP	:	The Central Depository (Pte) Limited
Code	:	The Singapore Code on Take-overs and Mergers
Compact Articles	:	The existing articles of association of the Company
Compact Group	:	The Company and its subsidiaries collectively
Compact Share Issue Mandate	:	The general share issue mandate of the Company, approved at the 2018 AGM, which grants authority to the Directors pursuant to Section 161 of the Companies Act and the Listing Manual, <i>inter alia</i> , to allot and issue Shares and/or convertible securities of the Company pursuant to the Compact Articles and the Listing Manual and in accordance with the terms of such mandate
Companies Act	:	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
Company or Compact	:	Compact Metal Industries Ltd, incorporated in Singapore on 2 January 1975, a public company limited by shares, whose Shares are listed on the Mainboard of the SGX-ST
Conditions Precedent	:	The conditions precedent to the Proposed Restructuring and the Scheme, as set out in Appendix 5 (<i>Conditions Precedent</i>) to this Document
Control	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company

DEFINITIONS

<i>Controlling Shareholder</i>	:	A person who: <ul style="list-style-type: none">(a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in the company (unless the SGX-ST determines that such a person is not a Controlling Shareholder of the company); or(b) in fact exercises Control over a company
<i>Court</i>	:	The High Court of the Republic of Singapore
<i>Court Order</i>	:	The order of the Court approving the Scheme under Section 210(3AB) of the Companies Act
<i>Depositor</i>	:	Has the meaning ascribed to it in Section 81SF of the SFA, being an account holder or a depository agent but does not include a sub-account holder
<i>Depository Register</i>	:	Has the meaning ascribed to it in Section 81SF of the SFA, being a register maintained by CDP or any other approved depository company or corporation under the Companies Act in respect of book-entry securities
<i>Directors or Board</i>	:	The directors of the Company or the board of directors of the Company as at the Latest Practicable Date
<i>Document</i>	:	This document dated 6 July 2018 despatched by the Company to its Shareholders and containing, <i>inter alia</i> , information on the Proposed Restructuring, the Scheme, the Explanatory Statement complying with the requirements of the Companies Act, the NewCo Share Issue Mandate Proposal, the New Constitution Proposal, the notice of Scheme Meeting, the notice of the EGM and the Proxy Forms
<i>Dormant Subsidiary</i>	:	International Cement Holdings Pte Ltd, incorporated in Singapore on 5 November 2015 as a private company limited by shares and wholly-owned by NewCo
<i>Effective Date</i>	:	The date on which the Scheme becomes effective in accordance with its terms upon the lodgement of the Court Order with ACRA, such date being no earlier than 27 May 2018
<i>EGM or Extraordinary General Meeting</i>	:	The extraordinary general meeting of the Company to be held at 10.30 a.m. on 30 July 2018 at Level 4, 120 Pioneer Road Singapore 639597 (or such earlier or later time as soon as practicable following the conclusion of the Scheme Meeting to be held at 10.00 a.m. on the same day and at the same place (or its adjournment thereof)) to seek the approval of the Shareholders for, <i>inter alia</i> , the NewCo Share Issue Mandate Proposal and the New Constitution Proposal, notice of which is set out on pages 104,105 and 106 of this Document

DEFINITIONS

<i>Encumbrance</i>	:	Any mortgage, assignment of receivables, debenture, lien, hypothecation, charge, pledge, title retention, right to acquire, security interest, option, pre-emptive or other similar right, right of first refusal, restriction, third-party right or interest, any other encumbrance, condition or security interest whatsoever or any other type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect
<i>Entitled Shareholders</i>	:	Shareholders who are registered as such on the Books Closure Date
<i>EPS</i>	:	Earnings per share
<i>Explanatory Statement</i>	:	The explanatory statement required by Section 211 of the Companies Act and set out from pages 35 to 44 of this Document
<i>FEC Watch-List</i>	:	The watch-list under the financial entry criteria pursuant to Rule 1311(1) of the Listing Manual
<i>FY</i>	:	Financial year ended, or ending, as the case may be, on 31 December
<i>Implementation Agreement</i>	:	The implementation agreement dated 16 March 2018, entered into between the Company and NewCo relating to, <i>inter alia</i> , the Proposed Restructuring (as amended, modified and supplemented by the Supplemental Agreement dated 10 May 2018)
<i>Latest Practicable Date</i>	:	29 June 2018, being the latest practicable date prior to the printing of this Document
<i>Listing Manual</i>	:	The Listing Manual of the SGX-ST, as amended or modified from time to time
<i>Long-Stop Date</i>	:	31 December 2018 or such other date as NewCo and the Company may agree, being the last day on which the Conditions Precedent must be fulfilled, failing which the Implementation Agreement will terminate and the Scheme shall lapse
<i>Market Day</i>	:	A day on which the SGX-ST is open for trading in securities
<i>MAS</i>	:	Monetary Authority of Singapore
<i>Moratorium Undertakings</i>	:	The moratorium undertakings dated 23 September 2017 and signed by each of Victory Gate Ventures Limited, Mr Zhang Zengtao, Mr Ma Zhaoyang, Mr Douglas Ong Pang Chye and Mr Chng Beng Hua separately, undertaking upon the terms of their respective undertakings that each of them shall not, <i>inter alia</i> , directly or indirectly transfer their Shares before 27 May 2018
<i>NAV</i>	:	Net asset value
<i>New Constitution</i>	:	The new constitution of the Company as set out in Appendix 2 of this Document, which is proposed to replace the Compact Articles

DEFINITIONS

<i>New Constitution Proposal</i>	:	The proposed adoption of the New Constitution of the Company
<i>NewCo</i>	:	International Cement Group Ltd., incorporated in Singapore on 5 November 2015 as a private company limited by shares and thereafter converted into a public company limited by shares on 25 May 2018
<i>NewCo Constitution</i>	:	The constitution of NewCo
<i>NewCo Directors</i>	:	The directors of NewCo as at the Latest Practicable Date, namely Mr Ma Zhaoyang, Mr Zhang Zengtao, Mr Chng Beng Hua, Mr Kan Ah Chye, Ms Lisa Sam Hui Min and Mr Sin Ee Wuen
<i>NewCo Group</i>	:	Collectively, NewCo and the Dormant Subsidiary and shall include the Company and its subsidiaries upon completion of the Proposed Restructuring
<i>NewCo Instruments</i>	:	Offers, agreements or options that might or would require NewCo Shares to be issued or other transferable rights to subscribe for or purchase NewCo Shares
<i>NewCo Share Issue Mandate</i>	:	The general share issue mandate of NewCo, approved by Mr Zhang Zengtao as the sole shareholder of NewCo on 25 May 2018, which grants authority to the NewCo Directors pursuant to Section 161 of the Companies Act and the Listing Manual, <i>inter alia</i> , to allot and issue NewCo Shares and/or convertible securities of NewCo pursuant to the NewCo Constitution in accordance with the terms of such mandate, subject to the Shareholders' approval of the Scheme being obtained at the Scheme Meeting, the Shareholders' approval of the NewCo Share Issue Mandate Proposal being obtained at the EGM and the Scheme becoming effective
<i>NewCo Share Issue Mandate Proposal</i>	:	The proposed adoption of the NewCo Share Issue Mandate
<i>NewCo Shareholders</i>	:	Persons who will be registered as holders of NewCo Shares in the register of members of NewCo or who, being Depositors, have NewCo Shares entered against their names in the Depository Register, following the completion of the Proposed Restructuring
<i>NewCo Shares</i>	:	Ordinary shares in the share capital of NewCo
<i>Overseas Shareholders</i>	:	Shareholders whose registered addresses, as recorded in the register of members of the Company or in the Depository Register maintained by the CDP (as the case may be) for the service of notice and documents, are outside Singapore
<i>Prescribed Occurrence</i>	:	The events listed under Schedule 2 of the Implementation Agreement and as set out in Appendix 6 (<i>Prescribed Occurrences</i>) to this Document, the occurrence of which would constitute a non-fulfilment of the Conditions Precedent under paragraph 7 of Appendix 5 (<i>Conditions Precedent</i>)

DEFINITIONS

Proposed Restructuring	:	The internal restructuring exercise undertaken the Company which involves, <i>inter alia</i> , the acquisition by NewCo of all the Shares and in consideration thereof, NewCo will allot and issue to Entitled Shareholders such number of NewCo Shares, credited as fully paid, on the basis of one (1) NewCo Share for every one (1) Share held by each Entitled Shareholder on the Books Closure Date, to be effected by way of the Scheme on the terms and conditions set out in the Implementation Agreement
Proxy Form	:	The proxy form for the Scheme Meeting or the EGM (as the case may be), a copy of each of which is enclosed with this Document
Record Date	:	The date falling on the Business Day immediately preceding the Effective Date
Registrar	:	The share registrar of the Company, M&C Services Private Limited with its office at 112 Robinson Road #05-01 Singapore 069802
Scheme	:	The scheme of arrangement dated 6 July 2018 as set out from pages 96 to 100 of this Document (or as amended from time to time in accordance with Clause 5 of the Scheme) proposed in accordance with Section 210 of the Companies Act between the Company, the Entitled Shareholders and NewCo
Scheme Consideration	:	The consideration payable to the Shareholders for each Share acquired by NewCo pursuant to the Scheme, being one (1) new NewCo Share for every one (1) Share transferred to NewCo under the Scheme, subject to Zhang's Waiver
Scheme Meeting	:	The meeting of Shareholders to be convened and held under the directions of the Court at 10.00 a.m. on 30 July 2018 at Level 4, 120 Pioneer Road Singapore 639597
Securities Account	:	Securities account maintained by a Depositor with CDP, but does not include a securities sub-account
SFA	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time
SGX-ST	:	Singapore Exchange Securities Trading Limited
SGXNET	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system network prescribed by the SGX-ST
Shareholders	:	Persons who are registered as holders of Shares in the register of members of the Company or who, being Depositors, have Shares entered against their names in the Depository Register
Shares	:	Ordinary shares in the share capital of the Company
Substantial Shareholder	:	A shareholder holding 5% or more of the shares in a company

DEFINITIONS

Supplemental Agreement	:	The supplemental agreement dated 10 May 2018 entered into by the Company and NewCo to amend, modify and supplement the Implementation Agreement
Voting Undertaking	:	The irrevocable undertaking given by Victory Gate Ventures Limited to the Company and NewCo to, <i>inter alia</i> , vote in favour of the Scheme in its capacity as Shareholder at any meeting to approve the Scheme
Zhang's Waiver	:	The irrevocable undertaking given by Mr Zhang Zengtao to the Company and NewCo to waive his rights to receive two (2) NewCo Shares out of the total number of NewCo Shares to be issued to him pursuant to this Scheme
2015 Agreement	:	The scheme implementation agreement dated 16 November 2015 entered into between the Company and NewCo
<u>Units and Currencies</u>		
S\$ and cents	:	Singapore dollars and cents, respectively, being the lawful currency of the Republic of Singapore
%	:	Percentage

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

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

Any reference to a time of day or date in this Document shall be a reference to Singapore time or date, as the case may be, unless otherwise stated.

Any discrepancies in tables included in this Document between the sum of the figures stated and the totals thereof shown are due to rounding. Accordingly, figures shown as totals in this Document may not be an arithmetic aggregation of the figures that precede them.

Unless otherwise stated, references to the shareholdings of the Company are computed based on the total number of Shares of 5,663,816,419 (with no treasury shares) as at the Latest Practicable Date.

INDICATIVE TIMETABLE

1. Last date and time for lodgement of Proxy Forms

For the Scheme Meeting⁽¹⁾⁽²⁾ : 10.00 a.m. on 28 July 2018

For the EGM⁽¹⁾⁽²⁾ : 10.30 a.m. on 28 July 2018

2. Expected date of Court hearing to sanction the Scheme : 15 August 2018

The following events are subject to the approval of the Scheme at the Scheme Meeting and the sanction of the Scheme by the Court:

3. Expected date of notice of Books Closure Date : 16 August 2018

4. Expected last date for trading of the Shares : 20 August 2018

5. Expected Books Closure Date : 24 August 2018

6. Expected Record Date : 24 August 2018

7. Expected Effective Date : To be announced in due course by the Company, expected to be 27 August 2018

8. Expected date of debiting of Shares from the Securities Accounts of Depositors : 28 August 2018

9. Expected date for the crediting of the Shares to NewCo : 29 August 2018

10. Expected date for the crediting of NewCo Shares into Securities Accounts of Depositors pursuant to the Scheme : Before 9.00 a.m. on 29 August 2018

11. Expected time and date for the commencement of trading of NewCo Shares on the SGX-ST : 9.00 a.m. on 30 August 2018

12. Expected date for the withdrawal of the Shares/delisting of the Company from the SGX-ST : 30 August 2018

You should note that, save for the last date and time for lodgement of Proxy Forms and the date and time of the Scheme Meeting, the above timetable is indicative only and may be subject to change. For the events listed above which are described as “expected”, please refer to future announcement(s) by the Company for the exact dates and times of these events.

Notes:

- (1) Shareholders are requested to lodge the Proxy Forms for the Scheme Meeting and the EGM not less than 48 hours before the time appointed for the Scheme Meeting and EGM, respectively. If Proxy Forms for the Scheme Meeting and/or EGM are not so lodged, they may be handed to the Chairman of the Scheme Meeting at the Scheme Meeting and/or the Chairman of the EGM at the EGM (as the case may be), who shall have absolute discretion as to whether or not to accept it.
- (2) All Proxy Forms for the Scheme Meeting and the EGM (if lodged before the Scheme Meeting and EGM, respectively) must be lodged with the Registrar’s office at 112 Robinson Road #05-01 Singapore 068902. Completion and return of a Proxy Form for the Scheme Meeting and/or EGM (as the case may be) will not preclude a Shareholder from attending and voting in person at the Scheme Meeting and/or EGM (as the case may be) if they subsequently wish to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

CORPORATE INFORMATION

THE COMPANY

Board of Directors	:	Ma Zhaoyang	Executive Director and Chairman
	:	Zhang Zengtao	Executive Director and Managing Director
	:	Chng Beng Hua	Executive Director and Chief Executive Officer
	:	Kan Ah Chye @ Kan Poh Thong	Lead Independent Director
	:	Lisa Sam Hui Min (Lisa Cen Huimin)	Independent Director
	:	Sin Ee Wuen (Xian Yiwen)	Independent Director
Company Secretaries	:	Ang Siew Koon Heng Fook Chang	
Registered Office	:	120 Pioneer Road #01-03 Singapore 639597	
Auditors	:	KPMG LLP 16 Raffles Quay #22-00 Hong Leong Building Singapore 048581	
Share Registrar	:	M & C Services Private Limited 112 Robinson Road #05-01 Singapore 068902	
Solicitors to the Company in relation to the Scheme	:	Legal Options LLC 151 Chin Swee Road #07-02 Manhattan House Singapore 169876	

NEWCO

Board of Directors	:	Ma Zhaoyang	Executive Director and Chairman
	:	Zhang Zengtao	Executive Director and Managing Director
	:	Chng Beng Hua	Executive Director and Chief Executive Officer
	:	Kan Ah Chye @ Kan Poh Thong	Lead Independent Director
	:	Lisa Sam Hui Min (Lisa Cen Huimin)	Independent Director
	:	Sin Ee Wuen (Xian Yiwen)	Independent Director

CORPORATE INFORMATION

Company Secretaries : Ang Siew Koon
Heng Fook Chang

Registered Office : 120 Pioneer Road #01-03
Singapore 639597

Auditors : KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Share Registrar : M & C Services Private Limited
112 Robinson Road #05-01
Singapore 068902

PRELIMINARY

This Document has been prepared solely for the purpose of seeking Shareholders' approval for the Scheme, the Proposed Restructuring, the NewCo Share Issue Mandate Proposal and the New Constitution Proposal and may not be relied upon by any person other than the Shareholders or for any other purpose.

No person has been authorised to give any information or to make any representation other than those contained in this Document in connection with the Scheme, the Proposed Restructuring, the NewCo Share Issue Mandate Proposal and the New Constitution Proposal and, if given or made, such information or representation must not be relied upon as having been authorised by the Company or NewCo. Nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance, financial position or policies of the Company, NewCo and/or the NewCo Group. The delivery of this Document shall not, under any circumstance, constitute a continuing representation, or give rise to any implication or suggestion, that there has not been or there will not be any change in the affairs of the Company, NewCo and/or the NewCo Group or in the information herein since the Latest Practicable Date. Where any such changes occur after the Latest Practicable Date, the Company and/or NewCo (as the case may be) may make an announcement of the same on the SGXNET. You should take note of any such announcement and shall, upon the release of such an announcement, be deemed to have notice of such changes.

The distribution of this Document, and other relevant documents, may be prohibited or restricted by law in certain jurisdictions. You are required to inform yourself of and to observe any such prohibitions and restrictions. It is your responsibility in such jurisdictions to satisfy yourself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any government, exchange control or other consents which may be required, the compliance with all necessary formalities which are required to be observed and/or payment of any issue, transfer or other taxes due in such jurisdiction.

Where the Company and/or NewCo is of the view that the distribution of this Document and/or any other relevant document to any Overseas Shareholder in any jurisdiction(s) may infringe any relevant foreign law or necessitate compliance with conditions or requirements which the Company regards as onerous or impracticable by reason of costs, delay or otherwise, each of the Company and/or NewCo will not distribute this Document and other relevant documents to Shareholders with registered addresses in such jurisdiction(s). Please also refer to Section 13 of the Explanatory Statement entitled "Overseas Shareholders".

This Document and/or any other related documents may not be used for the purposes of, and does not constitute, an offer, invitation or solicitation in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is not authorised or to any person to whom it is unlawful to make such offer, invitation or solicitation.

You are advised to consult your stockbroker, bank manager, solicitor, accountant, tax adviser, or other professional advisers immediately if you are in any doubt as to any aspect of the Scheme, including the tax implications of approving the Scheme or the holding of NewCo Shares pursuant to the Scheme. It is emphasised that none of the Company, NewCo or any other persons involved in the Scheme accepts responsibility for any tax effects of, or such liabilities resulting from, the Scheme and/or the holding of the NewCo Shares.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements contained in this Document, including statements in announcements, press releases and oral statements, that are made or may be made by the Company or its officers, or employees acting on the Company's behalf, and/or NewCo, that are not statements of historical fact, constitute "forward-looking statements". Some of these forward-looking statements can be identified by terms such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "will" and "would" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Company, NewCo and the NewCo Group's expected financial position, performance, business strategy, plans and prospects are forward-looking statements.

These forward-looking statements, including (but not limited to) statements as to NewCo's and the NewCo Group's revenue and profitability, costs measures, expected industry trends, prospects, future plans, planned strategy and other matters discussed in this Document regarding matters that are not historical facts, are only predictions.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company, NewCo and/or the NewCo Group's actual future results, performance or achievements to be materially different from any future results, performance or achievements expected in, expressed or implied by such forward-looking statements. These risks, uncertainties and other factors include matters not yet known to the Company and/or NewCo or not yet currently considered material by the Company and/or NewCo.

Given the risks and uncertainties that may cause NewCo and/or the NewCo Group's actual future results, performance or achievements to be materially different from those expected in, or expressed or implied by, the forward-looking statements or financial information set out in this Document, undue reliance must not be placed on them. Neither the Company, NewCo, nor any other party involved in the Scheme, represents or warrants that NewCo and/or the NewCo Group's actual future results, performance or achievements will be as discussed in those statements or financial information. NewCo's and/or the NewCo Group's actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements as a result of, *inter alia*, the risks faced by them respectively.

Further, the Company, NewCo, and all parties involved in the Scheme, disclaim any responsibility to update any of those forward-looking statements or information or publicly announce any revisions to them to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. However, the Company and NewCo are, or will be, as the case may be, subject to the relevant provisions of the SFA and the Listing Manual regarding corporate disclosure.

This Document may include market and industry data and information that have been obtained from, *inter alia*, internal studies, where appropriate, as well as publicly available information and industry publications. There can be no assurance as to the accuracy or completeness of such information. While each of the Company and NewCo has taken reasonable steps to ensure that the information is extracted accurately, the Company and NewCo have not independently verified any of the data from third party sources or ascertained the underlying bases or assumptions relied upon therein.

LETTER TO THE SHAREHOLDERS

COMPACT METAL INDUSTRIES LTD

(Incorporated in the Republic of Singapore)
(Company Registration No.: 197500009H)

Directors:

Ma Zhaoyang (Executive Director and Chairman)
Zhang Zengtao (Executive Director and Managing Director)
Chng Beng Hua (Executive Director and Chief Executive Officer)
Kan Ah Chye @ Kan Poh Thong (Lead Independent Director)
Lisa Sam Hui Min (Lisa Cen Huimin) (Independent Director)
Sin Ee Wuen (Xian Yiwen) (Independent Director)

Registered Office:

120 Pioneer Road #01-03
Singapore 639597

6 July 2018

To: The Shareholders of Compact Metal Industries Ltd

Dear Sir/Madam

- (1) **THE PROPOSED INTERNAL RESTRUCTURING EXERCISE BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT (CHAPTER 50) OF SINGAPORE IN CONNECTION WITH THE TRANSFER OF LISTING STATUS TO NEWCO;**
- (2) **THE PROPOSED APPROVAL FOR THE ADOPTION OF THE GENERAL SHARE ISSUE MANDATE OF NEWCO; AND**
- (3) **THE PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY**

1. INTRODUCTION

As announced on 16 March 2018 and 10 May 2018, the Company had entered into an implementation agreement dated 16 March 2018 (as amended, supplemented and modified by a supplemental agreement dated 10 May 2018) (**Implementation Agreement**) pursuant to which it will undertake a scheme of arrangement pursuant to Section 210 of the Companies Act which involves the acquisition by International Cement Group Limited (**NewCo**) of all the Shares and in consideration thereof, NewCo will allot and issue to Entitled Shareholders such number of NewCo Shares, credited as fully paid, on the basis of one (1) new NewCo Share for every one (1) Share held by each Entitled Shareholder on the Books Closure Date (**Scheme**). The Scheme is subject to the satisfaction or waiver (as applicable) of the Conditions Precedent, details of which are set out in Appendix 5 (*Conditions Precedent*) to this Document.

Following the completion of the Scheme, the Company will be a wholly-owned subsidiary of NewCo and the listing status of the Company will be transferred to NewCo (**Proposed Restructuring**).

On 19 March 2018, the Company applied to the SGX-ST for the listing of and quotation of all the NewCo Shares (including the existing two (2) NewCo Shares held by Mr Zhang Zengtao and the NewCo Shares to be allotted and issued pursuant to the Scheme) and the AIP which was subject to certain conditions (further described under paragraph 3.3 of the Explanatory Statement) was obtained by NewCo on 9 May 2018.

The AIP is not an indication of the merits of the Scheme, the NewCo Shares and NewCo.

In addition, the Company had applied to the SGX-ST and the SGX-ST had advised in its letter dated 9 May 2018 that it has no objection to the Company's application for waiver of Rule 1309 and Chapter 2 (with the exception of Part I and Part II) in relation to the Proposed Restructuring.

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In connection with the Scheme, the Company also proposes to seek Shareholders' approval of inter alia, (a) the NewCo Share Issue Mandate Proposal and (b) the New Constitution Proposal, as more particularly described at Sections C and D respectively of this Document.

This Document provides Shareholders with the following:

- (a) all necessary information relating to the Scheme and to seek the Shareholders' approval of the Scheme at the Scheme Meeting, as set out in the Notice of Scheme Meeting on pages 101, 102 and 103 of this Document;
- (b) all relevant information relating to NewCo and the Proposed Restructuring; and
- (c) all necessary information relating to the NewCo Share Issue Mandate Proposal and New Constitution Proposal, and to seek the Shareholders' approval of the NewCo Share Issue Mandate Proposal and New Constitution Proposal at the EGM, as set out in the Notice of EGM on pages 104 and 105 of this Document.

2. BACKGROUND ON THE COMPACT GROUP, THE COMPANY AND NEWCO

2.1 The Compact Group and the Company

The Compact Group has been in the business of manufacturing and marketing of aluminium extrusions since it was first listed on the Main Board of SGX-ST on 8 August 1995.

There was a change in the controlling shareholder and management of the Company in November 2014. Following that, the new management of the Company initiated the Compact Group's diversification into the cement business and at a general meeting held on 31 March 2015, Shareholders' approval was given for the Compact Group to diversify its business into the cement business. In the same month, the Company was placed on the FEC Watch-List.

In July 2015, the Company entered into a joint venture to establish and hold a 60% equity interest in Alacem LLP (and subsequently increased to 87.5%), an entity registered in Kazakhstan for the only cement project approved by Shareholders at the general meeting on 31 March 2015 to build a new cement plant. Progress in this project was slow in the beginning. After a few years of delay, Alacem LLP had finally started the ground preparatory work, for the construction of its cement plant earlier this year. The construction of temporary structures and concrete supply station has been completed and the Company had commenced full scale construction in May 2018. As at the Latest Practicable Date, the Company had invested about S\$22.0 million in this cement project.

At around the same time, the Company applied to the relevant regulatory bodies on certain approvals and or waivers required in connection with the proposed transfer of the listing status of the Company to a newly-incorporated investment holding company which will become the ultimate holding company and listed vehicle of the Compact Group. This was to facilitate the ring-fencing of the new cement business to be carried on by the Compact Group from the existing aluminium business carried on by the Company at the time. The Company received positive responses from the regulatory bodies in connection with preliminary matters relating to the proposed transfer of listing status. NewCo was then incorporated and the Company entered into an agreement dated 16 November 2015 with NewCo to implement a scheme of arrangement under Section 210 of the Companies Act for the purposes of the transfer of listing status (**2015 Agreement**). Relevant draft documents were submitted for clearance in late November 2015.

In late January 2016, the Company consulted the relevant regulatory bodies again to amend the proposed scheme of arrangement to cover the Company's outstanding warrants then following certain amendments to the Companies Act that took effect on 3 January 2016. Prior to such amendments to the Companies Act taking effect, the Company's outstanding warrants then could not be covered under the proposed scheme of arrangement and had to be dealt with through

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a warrants proposal. Subsequently, it then became clear to the Company that the proposed restructuring could not be completed within the originally-contemplated timeline. At the same time, the Company, being mindful that the original deadline to exit the FEC Watch-List on 2 March 2017 was imminent, decided to focus its efforts on acquiring a viable cement business so as to improve the financial position of the Compact Group with a view to exiting from the FEC Watch-List. Accordingly, the proposed internal restructuring exercise contemplated under the 2015 Agreement had to be held in abeyance in the meantime.

The efforts to acquire a viable cement business culminated in the Company entering into a sale and purchase agreement dated 27 April 2017 for the acquisition of a 65% interest in a newly-constructed cement plant owned and operated by International Manufacturing Company Chzhungtsai Mohir Cement Limited Liability Company (**Acquisition**). The Acquisition was completed on 27 November 2017, following Shareholders' approval of the Acquisition as a Very Substantial Acquisition under Chapter 10 of the Listing Manual. Details on the Acquisition can be found in the Company's letter to shareholders dated 29 September 2017 and the announcements released by the Company in relation to it.

With effect from 5 April 2018, the Company was removed from the FEC Watch-List following the satisfaction of the pre-tax profit and market capitalisation requirements as stipulated in Rule 1314(1) of the Listing Manual.

Given the foregoing, the Company wishes to resume the proposed internal restructuring exercise mentioned above so as to transfer its listing status to NewCo through the Scheme. The Proposed Restructuring is substantially similar to that proposed in the 2015 Agreement, save that it deals only with the Shares as there are no other securities of the Company in issue and that the Shares will be directly held by NewCo instead of being held by a wholly-owned subsidiary of NewCo.

The Company and NewCo have entered into a termination agreement to terminate the 2015 Agreement and entered into the Implementation Agreement with a view to implementing the Proposed Restructuring by way of the Scheme. The terms of the Implementation Agreement are more particularly described in Section A of this Letter to the Shareholders.

Subsequent to its entry into the Implementation Agreement, the Company has entered into a conditional binding term sheet dated 20 June 2018 for the proposed acquisition of a 51% equity interest in a cement plant in Salamanga, Bela Vista, Maputo Province, Republic of Mozambique, as announced on 20 June 2018.

2.2 NewCo

NewCo was incorporated on 5 November 2015 for the purposes of the transactions contemplated under the 2015 Agreement as a private limited company in Singapore. NewCo was converted into a public company limited by shares on 25 May 2018 and the NewCo Constitution was adopted on the same day. The NewCo Constitution complies with the relevant requirements of the Listing Manual for constitutions of listed issuers, including Rule 210(7) read with Appendix 2.2 of the Listing Manual. NewCo has been dormant since the date of its incorporation and save for a wholly-owned subsidiary, International Cement Holdings Pte Ltd (**Dormant Subsidiary**), it has no assets or liabilities (other than for auditing, corporate secretarial and other administrative expenses incurred).

The Dormant Subsidiary was incorporated on 5 November 2015 for the purposes of the transactions contemplated under the 2015 Agreement as a private limited company in Singapore and is a wholly-owned subsidiary of NewCo. The Dormant Subsidiary has been dormant since the date of its incorporation and has no assets or liabilities (other than for auditing, corporate secretarial and other administrative expenses incurred).

Further information on NewCo is set out in Section B of this Letter to the Shareholders.

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A. THE SCHEME

3. THE PROPOSED RESTRUCTURING AND THE SCHEME

3.1 The Scheme

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$273,633,317, comprising 5,663,816,419 Shares (with no treasury shares) and the Company does not have any treasury shares and securities in issue other than the 5,663,816,419 Shares. As at the Latest Practicable Date, NewCo does not hold, directly or indirectly, any Shares.

The Scheme is proposed to all Entitled Shareholders.

The Scheme will involve, *inter alia*, a transfer of all the Shares held by the Entitled Shareholders as at the Books Closure Date to NewCo, and in consideration for such transfer of the Shares, NewCo will allot and issue to the Entitled Shareholders such number of NewCo Shares, credited as fully paid, on the basis of one (1) NewCo Share for every one (1) Share held by each Entitled Shareholder as at the Books Closure Date.

Pursuant to the Scheme, the Entitled Shareholders will be required to transfer the Shares to NewCo (a) fully paid; (b) free from all Encumbrances; and (c) together with all rights, benefits and entitlements attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company on or after the Announcement Date, save for any dividends that may be paid by the Company prior to the Books Closure Date.

3.2 NewCo Shares

The NewCo Shares to be allotted and issued to the Entitled Shareholders as the Scheme Consideration shall be duly authorised, validly issued, credited as fully paid, free from Encumbrances and shall rank *pari passu* in all respects with one another as well as the two (2) existing issued NewCo Shares held by Mr Zhang Zengtao. The NewCo Shares which constitute the Scheme Consideration will be allotted and issued to the Shareholders within 10 calendar days immediately after the Effective Date.

Under the Implementation Agreement, the Court Order sanctioning the Scheme shall not be lodged with ACRA for registration prior to 27 May 2018, and therefore the Scheme will not come into effect prior to 27 May 2018. This is because under the Moratorium Undertakings, Victory Gate Ventures Limited, Mr Zhang Zengtao, Mr Ma Zhaoyang, Mr Douglas Ong Pang Chye and Mr Chng Beng Hua had agreed that they would not, *inter alia*, deal with or otherwise dispose of their 5,045,000,000 Shares prior to 27 May 2018, which is the day after the expiry of the Moratorium Undertakings.

3.3 Waiver of 2 NewCo Shares by Mr Zhang Zengtao

As Mr Zhang Zengtao, who is also the executive director and substantial shareholder of the Company, holds the existing two (2) NewCo Shares, Mr Zhang Zengtao has given the Zhang's Waiver to the Company and NewCo to waive his right to receive two (2) NewCo Shares out of the total number of NewCo Shares to be issued to him pursuant to the Scheme.

In this regard, based on the 217,500,000 Shares held by Mr Zhang Zengtao directly against his name as at the Latest Practicable Date (representing approximately 3.84% of the total number of Shares), 217,499,998 NewCo Shares will be issued to Mr Zhang Zengtao pursuant to the Scheme (representing approximately 3.84% of the total number of NewCo Shares).

3.4 Internal Restructuring

The Proposed Restructuring is purely an internal restructuring exercise undertaken by the Company and NewCo for the transfer of the Company's existing listing status on the Mainboard of SGX-ST to NewCo. This is achieved through a transfer of the shareholding interests of the Entitled Shareholders in the capital of the Company to shareholding interests in the capital of NewCo. The transfer of shareholding interests of Entitled Shareholders will be effected through the Scheme.

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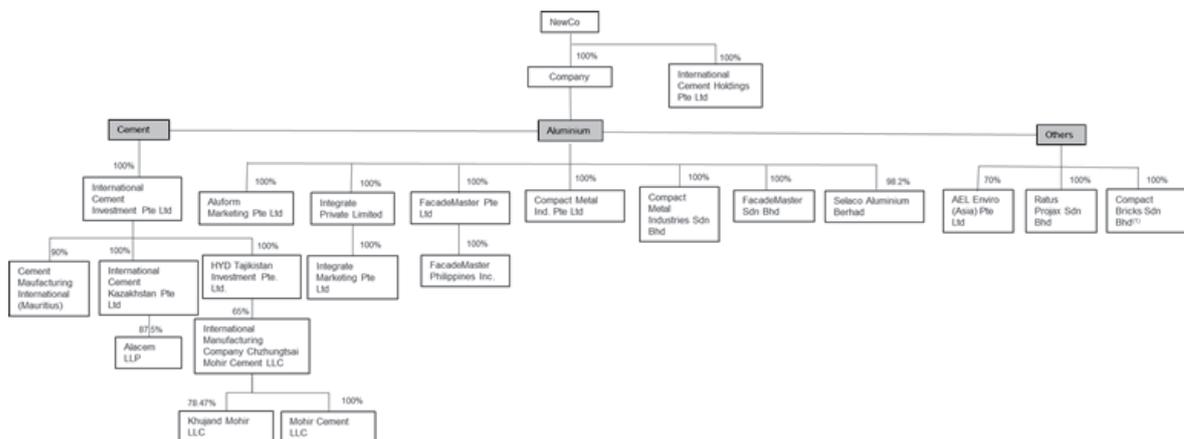
As the principal asset of NewCo immediately after the completion of the Proposed Restructuring will only be the Shares, the Proposed Restructuring pursuant to the Scheme will not cause or result in any substantive change in the financial position of the NewCo Group compared to that of the Compact Group immediately prior to the completion of the Proposed Restructuring. In particular, the Proposed Restructuring does not involve the write-off of any debt of the Company existing immediately prior to the Proposed Restructuring and the aggregate assets and liabilities of the NewCo Group immediately after the completion of the Proposed Restructuring will be substantially the same as that of the Compact Group immediately prior to completion of the Proposed Restructuring. In addition, there will be no changes to the accounting treatment or policies of NewCo Group in connection with the Proposed Restructuring. For illustrative purposes only, the financial effects of the Proposed Restructuring are set out in paragraph 6 of the Explanatory Statement.

Upon completion of the Proposed Restructuring, there will be no substantive change to the corporate structure or business of the NewCo Group as compared to that of the Compact Group immediately prior thereto, as it is intended that the Company's listing will be transferred to NewCo, and the NewCo Group will continue to own and operate the Company's existing businesses.

The Proposed Restructuring will not cause or result in any substantive change in the shareholding composition or shareholding interests of the Shareholders, as the number of shareholders and shareholding composition of NewCo immediately after the completion of the Proposed Restructuring will be the same as that of the Company immediately prior to completion of the Proposed Restructuring. The Proposed Restructuring will not cause any change in Control of the Company.

The Proposed Restructuring pursuant to the Scheme is to be effected pursuant to, and in compliance with, the requirements of Section 210 of the Companies Act. Upon the Scheme becoming effective, the Entitled Shareholders will become shareholders of NewCo and the Company will become a wholly-owned subsidiary of NewCo.

As at the Latest Practicable Date, the following chart sets out the corporate structure of the NewCo Group after completion of the Proposed Restructuring:



Note:

- (1) Compact Bricks Sdn. Bhd is a wholly-owned subsidiary of Compact Metal Industries Sdn. Bhd.

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3.5 Rationale for the Proposed Restructuring and the Scheme

At present, the Company is the listed vehicle principally engaged in the business of manufacturing and marketing of aluminium extrusions and the cement business.

Following the Proposed Restructuring, the Company will relinquish its status as a listed company and become a wholly-owned operating subsidiary of NewCo. The Proposed Restructuring enables the establishment of a corporate structure where:

- (a) NewCo becomes an investment holding company directly owning 100% of the issued and paid-up share capital of the Company and the Company becomes a wholly-owned subsidiary of NewCo;
- (b) NewCo becomes the listed vehicle in place of the Company; and
- (c) the Company ceases its function as the listed vehicle within the Compact Group and continues as the operational company carrying out its existing businesses.

The Company is of the view that the Proposed Restructuring will upon completion:

- (i) facilitate any future internal re-organisation to streamline the existing group structure in terms of business segments and or geographical areas of operations for ring-fencing and other commercial purposes;
- (ii) achieve ease and flexibility for the NewCo Group to acquire new businesses, as well as expand and/or divest existing business segments (as a sale share transaction rather than an asset sale transaction) as and when opportunities arise; and
- (iii) as a natural consequence of the Proposed Restructuring, by having NewCo (which is an investment holding company with no business operations) as the listed entity on the SGX-ST, ring-fence the listed entity from the NewCo Group's operating entities and direct operating risks (including any possible claims and litigation arising in connection with the NewCo Group's operations and business).

Further, the new corporate structure will provide the NewCo Group with greater flexibility in positioning itself to explore other possible investment opportunities, new businesses and business partnerships should they arise. The Proposed Restructuring will provide the NewCo Group additional flexibility where strategic partners could invest in a specific business segment of the NewCo Group instead of the NewCo Group in its entirety.

The principal business activity of NewCo upon completion of the Proposed Restructuring will be that of investment holding.

3.6 Future Plans for the Company and the NewCo Group

As stated at section 2.1 of this Letter to the Shareholders, the purpose of the proposed restructuring contemplated in 2015 was to facilitate the ring-fencing of the cement business from the existing aluminium business that was carried on by the Company at the time. Therefore, following the completion of the Scheme, it is envisaged that subject to legal, regulatory, tax and other commercial considerations, further internal reorganisation of the NewCo Group may take place for the purpose of streamlining the group structure in order to ring-fence the different business segments of the NewCo Group whereby the cement business will be held by NewCo separately from the Company (which is also held by NewCo). Details of such internal reorganisation will be announced as and when the Company carries out such internal reorganisation.

3.7 No Cash Outlay

Shareholders should note that the Company will bear all cash outlay (including any stamp duties, CDP administrative fees or brokerage expenses) that is required and no cash outlay will be required from the Shareholders under the Scheme.

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3.8 Conditions Precedent

The Scheme is subject to the fulfilment of, *inter alia*, the Conditions Precedent set out in the Implementation Agreement, details of which are set out in Appendix 5 (*Conditions Precedent*) to this Document.

A summary of certain material Conditions Precedent are set out below for reference:

- (a) all authorisations, consents, clearances, permissions and approvals (including without limitation regulatory approvals) for the Scheme having been obtained on or before the Record Date;
- (b) the Scheme being approved by the Entitled Shareholders in compliance with the requirements of Section 210(3AB) of the Companies Act, i.e. by a majority in number of Shareholders, representing not less than three-fourths in value of the Shares held by the Shareholders, present and voting, either in person or by proxy, at the Scheme Meeting;
- (c) sanction of the Scheme by the Court and a copy of the order of the Court sanctioning the Scheme having been lodged with ACRA; and
- (d) between the date of the Implementation Agreement and up to the Record Date, no Prescribed Occurrence (as set out in Appendix 6 (*Prescribed Occurrences*) to this Document) in relation to the Company (or where applicable, any other Group Company) or NewCo (as the case may be) occurs other than as required or contemplated by the Implementation Agreement or the Proposed Restructuring.

Shareholders should refer to the Implementation Agreement and/or Appendix 5 (*Conditions Precedent*) of this Document for further details of the Conditions Precedent.

3.9 Regulatory Approvals

- (a) Pursuant to the Company's application, the SGX-ST had by way of a letter dated 9 May 2018 advised that it has no objection to the Company's application for waiver of Rule 1309 and Chapter 2 (except for Part I and II) of the Listing Manual in relation to the Proposed Restructuring.
- (b) On 19 March 2018, the Company applied to SGX-ST for the listing of and quotation for all the NewCo Shares (including the existing NewCo Shares, the NewCo Shares to be allotted and issued pursuant to the Scheme) and the AIP which was subject to certain conditions (further described under paragraph 3.3 of the Explanatory Statement) was obtained by NewCo on 9 May 2018. The AIP is not an indication of the merits of the Scheme, the NewCo Shares, NewCo and the Company.
- (c) The MAS had on 16 May 2018, pursuant to Section 273(5) of the SFA, declared that Subdivisions (2) and (3) of Division 1 of Part XIII of the SFA (other than Section 257 of the SFA) shall not apply to the offer of new NewCo Shares under the Scheme, for a period of six (6) months from 16 May 2018. The declaration is subject to the conditions that:
 - (i) the shareholders of and the composition of their shareholdings in NewCo immediately after the completion of the Proposed Restructuring must be the same as that of the Company immediately prior to the completion of the Proposed Restructuring; and
 - (ii) the Company must issue a shareholders' circular (together with the notice summoning a meeting under Section 210 of the Companies Act (Cap. 50)) to all of its Shareholders containing all relevant information relating to NewCo and the Proposed Restructuring (including the terms of the Scheme) for Shareholders' decisions in relation to the Scheme.

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- (d) As the Proposed Restructuring is a corporate restructuring implemented by way of a scheme of arrangement where there is no change in the effective control of the Company, the provisions of the Code are not applicable to the Proposed Restructuring.

3.10 Delisting of the Company and Listing of NewCo in its place

Upon the Effective Date of the Scheme, being the date that the Court Order is duly lodged with ACRA for registration, NewCo will own the entire issued and paid-up share capital of the Company. Consequently, the Shares will be withdrawn from the SGX-ST and cease to be traded on the SGX-ST after completion of the Proposed Restructuring pursuant to the Scheme.

It is contemplated that the withdrawal of the Shares or delisting of the Company from the SGX-ST will take place shortly after the Effective Date. It is also contemplated that the Company may, following the withdrawal of the Shares or delisting of the Company from the SGX-ST, convert to a private company.

The NewCo Shares to be issued to the Entitled Shareholders pursuant to the Scheme will be listed on the Mainboard of the SGX-ST shortly after the withdrawal of the Shares or delisting of the Company from the SGX-ST.

Further announcements in relation to the withdrawal of the Shares or delisting of the Company from the SGX-ST will be made in due course as and when appropriate.

3.11 Explanatory Statement

An Explanatory Statement setting out the key terms of, the rationale for and the effect of the Scheme and the procedures for its implementation is set out from pages 35 to 44 of this Document. It should be read with the full text of this Document, including the Scheme as set out from pages 96 to 100 of this Document.

B. NEWCO

4. INTRODUCTION

As mentioned above, in this Letter to the Shareholders, the Proposed Restructuring is purely an internal restructuring exercise to enable a transfer of the shareholding interests of the Entitled Shareholders in the capital of the Company to shareholding interests in the capital of NewCo.

Under the Proposed Restructuring, NewCo is contemplated to be the listed entity and the holding company of the NewCo Group in place of the Company following the completion of the Proposed Restructuring and the Scheme.

In line with that role, NewCo has or will (as the case may be), *inter alia*:

- (a) adopt or approve a corporate structure (including the appointment and composition of its board of directors, and board committees including the audit committee, the nominating committee and the remuneration committee);
- (b) adopt or approve a share capital structure; and
- (c) adopt, approve or pass corporate documents and/or resolutions,

which is or are substantially the same as the current corporate structure, share capital structure, constitutive documents, corporate documents and/or resolutions of the Company, and which will enable or allow NewCo to operate under substantially the same constitutive or corporate framework after the completion of the Proposed Restructuring, as the constitutive or corporate framework that the Company is currently operating under.

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5. CORPORATE INFORMATION OF NEWCO

5.1 Directors and Executive Officers of NewCo

As at the Latest Practicable Date, all the Directors are also NewCo Directors. The NewCo Directors are appointed on the board of directors of NewCo on the same terms as such Directors are appointed on the Board. As at the Latest Practicable Date, save for the Directors, it is envisaged that there will be no additional directors appointed to the NewCo Board.

As at the Latest Practicable Date, it is envisaged that the executive officers of NewCo after the completion of the Proposed Restructuring and the Scheme shall be Ma Zhaoyang, Mr Zhang Zengtao and Chng Beng Hua. The terms of their employment with the NewCo Group will remain the same after the completion of the Proposed Restructuring and the Scheme as those currently under the Company.

5.2 Audit Committee, Nominating Committee and Remuneration Committee of NewCo

As at the Latest Practicable Date, it is envisaged that the members of the respective board committees of the Company will be the same as the members of the respective board committees of NewCo. The members of the respective board committees of NewCo are as follows:

Audit Committee

Kan Ah Chye @ Kan Poh Thong Chairman / Lead Independent Director

Lisa Sam Hui Min (Lisa Cen Huimin) Member / Independent Director

Sin Ee Wuen (Xian Yiwen) Member / Independent Director

Nominating Committee

Lisa Sam Hui Min (Lisa Cen Huimin) Chairman / Independent Director

Kan Ah Chye @ Kan Poh Thong Member / Lead Independent Director

Ma Zhaoyang Member / Executive Director and Chairman

Remuneration Committee

Kan Ah Chye @ Kan Poh Thong Chairman / Lead Independent Director

Lisa Sam Hui Min (Lisa Cen Huimin) Member / Independent Director

Sin Ee Wuen (Xian Yiwen) Member / Independent Director

The terms of reference of the Audit Committee, Nominating Committee and Remuneration Committee of NewCo are the same as those adopted by the respective board committees of the Company.

5.3 Principal Activities of NewCo

NewCo was incorporated on 5 November 2015 as a private limited company in Singapore and was converted into a public company limited by shares on 25 May 2018.

As at the Latest Practicable Date, the issued share capital of NewCo is S\$1.00, comprising two (2) ordinary shares held by Mr Zhang Zengtao.

Immediately after the completion of the Proposed Restructuring, the number of issued NewCo Shares will be increased by the number of NewCo Shares issued pursuant to the Proposed Restructuring, details of which are set out in paragraph 3 of this Letter to the Shareholders. As at the Latest Practicable Date, no person has been given an option or right to subscribe for any shares in, or debentures of, NewCo.

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As at the Latest Practicable Date, NewCo has not undertaken any business activities and save for the Dormant Subsidiary, it has no assets or liabilities (other than for auditing, corporate secretarial and other administrative expenses incurred). The principal business activity of NewCo upon completion of the Proposed Restructuring would be that of investment holding.

5.4 Share Capital of NewCo

Number and Class of Shares. As at the Latest Practicable Date, NewCo has only one (1) class of shares, being ordinary shares. The issued and paid-up share capital of NewCo as at the Latest Practicable Date is as follows:

	No. of NewCo Shares	Issued share capital (S\$)
Issued and paid-up share capital	2	1.00

Issue of Shares. Since 5 November 2015 (being the date of incorporation of NewCo) to the Latest Practicable Date, other than the two (2) NewCo Shares issued and currently held by Mr Zhang Zengtao, NewCo has not issued any NewCo Shares.

Convertible Instruments. As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, or options in respect of NewCo Shares which carry voting rights affecting the issued NewCo Shares.

Treasury Shares. As at the Latest Practicable Date, NewCo does not have any treasury shares.

5.5 Disclosure of Interests

Interests of Directors and Substantial Shareholders in the two (2) issued NewCo Shares

As at the Latest Practicable Date, there are two (2) issued NewCo Shares in the share capital of NewCo. Mr Zhang Zengtao and Ma Zhaoyang are Directors and Substantial Shareholders of the Company and are the directors of NewCo. Mr Zhang Zengtao is the holder of two (2) NewCo Shares.

As at the Latest Practicable Date, save as disclosed in this Document, none of the Directors or Substantial Shareholders has any direct or indirect interests in the two (2) NewCo Shares.

5.6 Material Contracts

Save as disclosed in this Document and save for the contracts, agreements or arrangements entered into with third parties in relation to opening of bank and securities accounts, engaging of professional services and similar matters, NewCo has not entered into any other material contract, agreement or arrangement with any third party since 5 November 2015 (being the date of incorporation of NewCo) and the NewCo Directors are not aware of any event which has occurred since such date to the Latest Practicable Date which may have a material adverse effect on the financial position of the NewCo Group.

5.7 Material Litigation

As at the Latest Practicable Date:

- (a) NewCo is not engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially and adversely affect the financial position of NewCo; and
- (b) the NewCo Directors are not aware of any litigation, claim or proceeding pending or threatened against NewCo or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of NewCo.

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C. CONSTITUTIVE AND CORPORATE DOCUMENTS AND/OR RESOLUTIONS OF NEWCO

6. CONSTITUTIVE AND CORPORATE DOCUMENTS OF NEWCO

6.1 NewCo Constitution

The NewCo Constitution, which was adopted by Mr Zhang Zengtao (in his capacity as sole shareholder) by way of a special resolution passed on 25 May 2018, complies with the relevant requirements of the Listing Manual for constitutions of listed issuers, including Rule 210(7) read with Appendix 2.2 of the Listing Manual.

The NewCo Constitution is the same as the proposed New Constitution to be adopted by the Company at the EGM, save for consequential amendments to take into account that it is the constitution of NewCo and not the Company. The New Constitution is set out at Appendix 2 of this Document.

6.2 NewCo Share Issue Mandate

(a) Compact Share Issue Mandate and NewCo Share Issue Mandate

The Company has in place the Compact Share Issue Mandate, approved at the 2018 AGM held on 27 April 2018, which grants authority to the Directors pursuant to Section 161 of the Companies Act and Rule 806 of the Listing Manual, *inter alia*, to allot and issue Shares and/or convertible securities in the capital of the Company in accordance with the terms of such mandate. Please refer to Appendix 3 (*Extracts of Resolutions passed in respect of the Compact Share Issue Mandate*) to this Document for an extract of the resolution passed by the Company in respect of the Compact Share Issue Mandate.

As at the Latest Practicable Date, the Company has not issued any Shares under the Compact Share Issue Mandate and prior to completion of the Scheme, the Company shall not issue any Share using the Compact Share Issue Mandate.

Subject to the completion of the Scheme, NewCo shall adopt the NewCo Share Issue Mandate to authorise the NewCo Directors to allot and issue NewCo Shares and/or convertible securities in the capital of NewCo pursuant to Section 161 of the Companies Act and Rule 806 of the Listing Manual and in accordance with the terms of such mandate.

(b) Terms of NewCo Share Issue Mandate

Mr Zhang Zengtao (in his capacity as the sole shareholder of NewCo) had, pursuant to an ordinary resolution on 25 May 2018, approved and adopted the NewCo Share Issue Mandate, conditional upon the Shareholders' approval of the Scheme being obtained at the Scheme Meeting, the Shareholders' approval of the NewCo Share Issue Mandate Proposal being obtained at the EGM to be held after the Court Meeting and the Scheme becoming effective. Please refer to Appendix 4 (*Extracts of Resolutions passed in respect of the NewCo Share Issue Mandate*) to this Document for an extract of the resolution passed by Mr Zhang Zengtao in respect of the NewCo Share Issue Mandate.

Subject to the Shareholders' approval of the Scheme being obtained at the Scheme Meeting, the Shareholders' approval of the NewCo Share Issue Mandate Proposal being obtained at the EGM to be held after the Scheme Meeting and the Scheme becoming effective, the NewCo Share Issue Mandate will take effect on the Effective Date. The NewCo Share Issue Mandate will thereafter, unless revoked or varied by NewCo Shareholders in a general meeting, continue to bind NewCo and the NewCo Shareholders until the conclusion of the next annual general meeting of NewCo or the date by which the next annual general meeting of NewCo is required by law to be held, whichever is the earlier.

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Under the NewCo Share Issue Mandate, the aggregate number of NewCo Shares to be issued pursuant to the NewCo Share Issue Mandate (whether by way of (a) rights, bonus or otherwise, (b) in pursuance of NewCo Instruments, including but not limited to the creation and issue of warrants, debentures, or other instruments convertible into NewCo Shares and/or (c) any additional NewCo Instruments arising from adjustments made to the number of NewCo Instruments previously issued in the event of rights, bonus or capitalisation issues) shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of NewCo with reference to the number of issued Shares (excluding treasury shares) in the capital of the Company at the time of passing of the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM, of which the aggregate number of NewCo Shares (including NewCo Shares to be issued in pursuance of NewCo Instruments made or granted pursuant to the NewCo Share Issue Mandate) to be issued other than on a pro-rata basis to NewCo Shareholders does not exceed 20% of the total number of issued shares (excluding treasury shares) in the capital of NewCo with reference to the number of issued Shares (excluding treasury shares) in the capital of the Company at the time of passing of the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM.

For the purpose of determining the aggregate number of NewCo Shares that may be issued under the NewCo Share Issue Mandate and subject to such manner of calculation as may be prescribed or directed by the SGX-ST, **“the total number of issued shares (excluding treasury shares) in the capital of NewCo with reference to the number of issued Shares (excluding treasury shares) in the capital of the Company at the time of passing of the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM”** shall mean the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time of passing of the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM, after deducting such number of Shares (if any) which may have been allotted and issued by the Company pursuant to the Compact Share Issue Mandate prior to the Effective Date, and after adjusting for:

- (1) new NewCo Shares arising from the conversion or exercise of convertible securities which were in existence as at the time of passing of the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM;
- (2) new NewCo Shares arising from the exercise of share options or vesting of share awards outstanding or subsisting which were in existence as at the time of passing of the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM and which NewCo is party or subject to or which is otherwise binding on NewCo immediately after completion of the Proposed Restructuring pursuant to the Scheme, provided the options or awards are granted in compliance with Part VIII of Chapter 8 of the Listing Manual; and
- (3) any subsequent bonus issue, consolidation or subdivision of NewCo Shares.

As set out above, the aggregate number of NewCo Shares which may be issued under the NewCo Share Issue Mandate shall be adjusted to deduct such number of Shares (if any) which may be allotted and issued by the Company pursuant to the Compact Share Issue Mandate obtained at the 2018 AGM and prior to the Effective Date. This is to ensure that the maximum number of shares that can be issued pursuant to the Compact Share Issue Mandate and the NewCo Share Issue Mandate on a collective and aggregate basis shall not exceed the maximum number of shares that can otherwise be issued pursuant to the Compact Share Issue Mandate, if not for the Proposed Restructuring and the Scheme and the adoption of the NewCo Share Issue Mandate.

NewCo does not have any convertible securities or share options or share awards which are or will be outstanding or subsisting and which NewCo is party or subject to or which is otherwise binding on NewCo immediately after the completion of the Proposed Restructuring and the Scheme.

LETTER TO THE SHAREHOLDERS

D. NEW CONSTITUTION PROPOSAL

7. PROPOSED ADOPTION OF THE NEW CONSTITUTION

The existing Compact Articles were last amended by special resolution on 16 June 2008. It is proposed that appropriate amendments be made to the Compact Articles to take into account the changes to the Companies Act and the Listing Manual since 16 June 2008, and in particular amendments to the Companies Act pursuant to the Companies (Amendment) Act 2014 and Companies (Amendment) Act 2017 (collectively the **Relevant Amendments**). The Relevant Amendments are set out in the proposed New Constitution. The proposed New Constitution contains updated provisions which are consistent with the listing rules of the SGX-ST prevailing as at the Latest Practicable Date, in compliance with Rule 730(2) of the Listing Manual. In addition, the proposed New Constitution includes provisions to address the personal data protection regime in Singapore and some of the provisions have also been streamlined and rationalised.

Set out below are some of the material differences between the proposed regulations of the New Constitution and the Compact Articles. These differences are mainly due to the Relevant Amendments.

The proposed New Constitution, as compared against the existing Compact Articles, where insertions are reflected as underlined and deletions are reflected as struck-through, is set out in full in Appendix 2 of this Document.

In the paragraphs below, for convenience, the expression “Regulation” will refer to the provisions under the New Constitution.

(a) Amendments to the interpretation section

Regulation 2, which is the interpretation section of the New Constitution, includes additional / revised provisions:

- (i) a revised definition of “in writing” and “written” to make it clear that this expression includes any representation or reproduction of words, symbols or other information which may be displayed in a visible form, whether physical or electronic.
- (ii) revised provisions stating that the expressions “Depositor”, “Depository”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in the SFA. This follows the migration of the provisions in the Companies Act which relate to the Central Depository System to the SFA pursuant to the Companies (Amendment) Act 2014.
- (iii) new definitions stating that the expressions “current address”, “electronic communication” and “relevant intermediary” shall have the meanings ascribed to them in the Act. This follows the introduction of new provisions facilitating electronic communication and the multiple proxies regime pursuant to the Companies (Amendment) Act 2014.

(b) Issuance of new shares

Section 68 of the Companies Act provides that a company having a share capital may issue shares for which no consideration is payable to the issuing company. This change to the Companies Act is reflected in Regulation 6.

Appendix 2.2 of the Listing Manual no longer requires issuers to have a provision in its constitution stating that no shares shall be issued to transfer a controlling interest in an issuer without the approval of the members in general meeting. This change in the Listing Manual has also been reflected at Regulation 6. Shareholders should note that the removal of this proviso will not, however, eliminate the Company’s compliance obligations with Rule 803 of the Listing Manual, which provides that an issuer must not issue securities to transfer a controlling interest without prior approval of shareholders in general meeting.

LETTER TO THE SHAREHOLDERS

(c) Power to pay commission or brokerage on any issue of new shares

Section 67 of the Companies Act provides that all expenses (including brokerage and commission) incurred directly by a company in the issue of shares may be paid out of the proceeds of the issue or such company's share capital. Such payment shall not be taken as reducing the amount of share capital of such company. These changes to the Companies Act are reflected in Regulation 10.

(d) Share certificates

Section 123(2) of the Companies Act has been amended to provide that a share certificate need only state, *inter alia*, the number and class of shares, whether the shares are fully or partly paid up, and the amount (if any) unpaid on the shares. It no longer requires the disclosure of the amount paid on the shares in the share certificates relating to those shares. This change has been reflected in Regulation 16.

(e) Alteration of share capital

Section 73 of the Companies Act empowers a company, by ordinary resolution, to convert its share capital or any class of shares from one currency to another currency. Section 74A of the Companies Act empowers a company, by ordinary resolution, to convert one class of shares to another class of shares. These changes to the Companies Act are reflected in Regulations 51 and 52.

(f) Place of general meeting

Rule 730A(1) and Practice Note 7.5 of the Listing Manual provides that an issuer shall hold all its general meetings, including extraordinary general meetings in Singapore. This is reflected in Regulation 58(3).

(g) Voting by way of a poll

Rule 730A(2) of the Listing Manual provides that all resolutions at general meetings shall be voted by poll. Guideline 16.5 of the Code of Corporate Governance 2012 provides that companies should put all resolutions to vote by poll. As such, Regulation 69 reflects the requirement for voting by poll.

Section 178 of the Companies Act has been revised to reduce the threshold for eligibility to demand a poll from 10% to 5% of the total voting rights of the members having the right to vote at the general meeting, or of the total sum paid up on all the shares conferring that right. This change has been reflected at Regulation 69. Notwithstanding the above, under the prevailing Rule 730A(2) of the Listing Manual, all resolutions at general meetings shall be conducted by poll. Accordingly, subject to any revision to Rule 730A(2) of the Listing Manual, NewCo will nevertheless ensure that all resolutions at general meetings are conducted by way of poll.

(h) Shorter notice of general meetings

Section 177(3) of the Companies Act has been revised to provide that where a general meeting (other than an annual general meeting) has been called by a shorter notice than as specified in a company's constitution, it shall be deemed to have been duly called if it is so agreed by a majority in number of the members having a right to attend and vote thereat, being a majority which together holds not less than 95% of the total voting rights of all the members having a right to vote at that meeting as is required by the Companies Act. This change has been reflected at Regulation 60.

Notwithstanding the above, under the prevailing Rule 704(15) of the Listing Manual, all notices convening a general meeting must be sent to members at least 14 or 21 clear days (as the case may be) before the general meeting. Accordingly, subject to any revision to Rule 704(15) of the Listing Manual, the Company will nevertheless ensure that its notices convening general meetings are issued to Shareholders at least 14 or 21 clear days (as the case may be) before the date of its annual general meetings.

LETTER TO THE SHAREHOLDERS

(i) Appointment of scrutineer

Rule 730A(3) of the Listing Manual provides that at least one scrutineer shall be appointed for each general meeting, who shall be independent of the persons undertaking the polling process. Regulation 71 reflects this requirement.

(j) Appointment of proxies

The Companies Act has been amended to allow relevant intermediaries such as banks, capital market services licence holders which provide custodial services for securities and the Central Provident Fund Board, to appoint more than two (2) proxies in relation to a meeting to exercise all or any of his rights to attend and speak and vote at the meeting but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified). Further, a company is entitled and bound to reject an instrument of proxy lodged by a Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 (previously 48) hours before the time of the relevant general meeting. The cut-off time for the deposit of proxies has also been extended from 48 hours to 72 hours before the time appointed for holding the general meeting. These amendments in the Companies Act are reflected in Regulations 76, 79, 82 and 85.

(k) Chief executive officer

The Companies (Amendment) Act 2014 introduces the concept of chief executive officer. In particular, Section 156 of the Companies Act was repealed and re-enacted to require, in addition to every director of a company, every chief executive officer of a company to disclose particulars of his interest in any transaction or proposed transaction with the company.

Changes have been made to Regulation 93 to comply with Section 156 of the Companies Act relating to, *inter alia*, the disclosure of his interests in contracts or proposed contracts with the Company.

(l) Appointment of director

The new Section 149B of the Companies Act provides that unless the constitution otherwise provides, a company may appoint a director by ordinary resolution passed at a general meeting. Regulation 101 reflects this addition.

(m) Business and affairs of NewCo

Section 157A of the Companies Act has been amended to provide that the business and affairs of the Company are to be managed by, or under the direction of or additionally, under the supervision of the Directors. This amendment is reflected in Regulation 118.

(n) Execution of documents by way of deed

Sections 41A, 41B and 41C of the Companies Act provides that a company may execute a document described or expressed as a deed without affixing a seal by signature (i) on behalf of a company by a Director and a secretary (ii) on behalf of a company by at least two Directors and (iii) on behalf of a company by a Director of the company in the presence of a witness who attests the signature. Regulation 125 is a new provision that has been included to reflect this amendment.

(o) Financial statements

The new Section 201 of the Companies Act substitutes all references to “profit and loss account” and “accounts” with “financial statements” and also provides for amendments to, *inter alia*, the timing as to presentation of the financial statements, the sending of the financial statements to persons entitled, the retention of documents laid before a company and the voluntary revision of defective financial statements.

LETTER TO THE SHAREHOLDERS

Regulation 150 provides for the presentation of the financial statements to be laid before NewCo in general meeting beginning from the date of the preceding financial statements made up to and ending on a date not more than four (4) months before the date of the general meeting.

Regulation 151 provides that the financial statements may be sent less than fourteen (14) days before the date of the meeting if all persons entitled to receive notice of general meetings of the company so agree. Notwithstanding this, under the prevailing Rule 707(2) of the Listing Manual, an issuer must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting. Accordingly, subject to any revision to Rule 707(2) of the Listing Manual, and while the Company is listed on the SGX-ST, the Company will nevertheless ensure that its annual reports are issued to Shareholders at least fourteen (14) days before the date of its annual general meetings.

(p) Notices to shareholders

Section 387C of the Companies Act provides for simplified procedures for the transmission of notices and documents electronically. Under the new Section 387C of the Companies Act, notices and documents may be given, sent or served using electronic communications with the express, implied or deemed consent of the member in accordance with the constitution of the company.

There is express consent if a shareholder expressly agrees with the company that notices and documents may be given, sent or served on him using electronic communications.

There is deemed consent where the constitution of the company (i) provides for the use of electronic communications and specifies the mode of electronic communications, and (ii) specifies that the shareholders will be given an opportunity to elect within a specified period of time, whether to receive electronic or physical copies of such notices and documents, and the shareholder fails to make an election within the specified period of time.

There is implied consent if the constitution (i) provides for the use of electronic communications and specifies the mode of communications, and (ii) specifies that shareholders agree to receive such notices or documents by way of electronic communications and do not have a right to elect to receive physical copies of such notices and documents.

Regulation 156 provides that:

- (i) notices and documents may be sent to Shareholders using electronic communications either to a Shareholder's current address (which may be an email address) or by making it available on a website;
- (ii) If permitted by the SGX-ST, for these purposes, a Shareholder is deemed to have agreed to receive such notice or document by way of electronic communication and shall not have a right to elect to receive a physical copy of such notice or document (this is the implied consent regime permitted under the new Section 387C of the Companies Act);
- (iii) If the Company is not permitted by SGX-ST to regard a member as having deemed to have agreed to receive such notice or document by way of such electronic communications in the manner prescribed in paragraph (ii) above, for these purposes, Shareholders shall be given an opportunity to elect to opt out of receiving such notice or document by way of electronic communications, and a Shareholder is deemed to have consented to receive such notice or document by way of electronic communications if he was given the opportunity but failed to opt out within the specified time (this is the deemed consent regime under the new Section 387C of the Companies Act).

LETTER TO THE SHAREHOLDERS

Regulation 156(5) additionally provides for when service is effected in the case of notice or documents sent by electronic communications. In particular, where a notice or document is made available on a website, it is deemed served on the date on which the notice or document is first made available on the website unless otherwise provided by the Companies Act and/or applicable regulations and procedures. Further, in the case of service on a website, the Company must give separate notice of the publication of the notice or document on that website and the manner in which the notice or document may be accessed through one or more means, including by way of advertisement in the daily press and/or by way of announcement on SGX-ST.

Under regulation 89D of the Companies Regulations, notices or documents relating to take-over offers and rights issues are excluded from the application of Section 387C of the Companies Act and therefore cannot be transmitted by electronic means pursuant to Section 387C of the Companies Act. Further, under Rule 1210 of the Listing Manual, *inter alia*, forms or acceptance letters that Shareholders may be required to complete and notices of meetings, excluding circulars or letters referred to in that meeting cannot be transmitted by electronic means.

The SGX-ST has also introduced changes to the Listing Manual to allow for electronic transmission of documents to Shareholders, in alignment with the Companies Act. These new Regulations are in line with the amendments to Chapter 12 of the Listing Manual which took effect on 31 March 2017. For so long as the Company is listed on the SGX-ST, the Company will comply with the Companies Act and the Listing Manual on the subject.

(q) Indemnity of officers and provision of insurance

Regulation 166, permits the Company, subject to the provisions of and so far as permitted by the Companies Act, to indemnify an officer of the Company. This is consistent with Sections 172 and 172B of the Companies Act.

Regulation 167 permits the Company to, to the extent permitted by the Companies Act, purchase and maintain for an officer of the Company insurance against any liability attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company. This is in line with Section 172A of the Companies Act.

(r) Personal Data Protection Act

In general, under the Personal Data Protection Act 2012, an organisation can only collect, use or disclose the personal data of an individual with the individual's consent, and for a reasonable purpose which the organisation has made known to the individual. The new Regulation 170 specifies, *inter alia*, the purposes for which the Company and/or its agents and service providers would collect, use and disclose personal data of Shareholders and their appointed proxies and representatives.

8. SCHEME MEETING AND EXTRAORDINARY GENERAL MEETING

8.1 Scheme Meeting

The Scheme, which is proposed pursuant to Section 210 of the Companies Act, has to be approved by the Shareholders at a meeting convened at the direction of the Court. By order of the Court dated 28 June 2018, the Scheme Meeting was directed to be convened for the purpose of approving the Scheme.

By proposing that the Scheme be effected by way of a scheme of arrangement, the Company is providing the Shareholders the opportunity to determine at the Scheme Meeting whether they consider the Scheme to be in their best interests. When the Scheme, with or without modification, becomes effective, the Scheme will be binding on all Shareholders, whether or not they were present, in person or by proxy, or voted at the Scheme Meeting.

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The Scheme must be approved by a majority in number of Shareholders, representing not less than three-fourths in value of the Shares held by the Shareholders, present and voting, either in person or by proxy, at the Scheme Meeting of Shareholders with respect to the Scheme.

The notice of the Scheme Meeting is set out on pages 101, 102 and 103 of this Document. Shareholders are requested to take note of its date, time and place.

8.2 Extraordinary General Meeting

The EGM will be held at Level 4, 120 Pioneer Road Singapore 639597 on 30 July 2018 at 10.30 a.m. (or such earlier or later time as soon as practicable following the conclusion of the Scheme Meeting to be held at 10.00 a.m. on the same day and at the same place (or its adjournment thereof) for the purpose of considering and, if thought fit, passing the ordinary resolution to approve, the NewCo Share Issue Mandate Proposal and the special resolution to approve the New Constitution Proposal.

The notice of EGM is set out on pages 104 and 105 of this Document. Shareholders are requested to take note of the date, time and place of the EGM.

9. VOTING UNDERTAKING

9.1 Victory Gate Ventures Limited, which holds 4,500,000,000 Shares representing approximately 79.5% interest in the Company, has provided an irrevocable undertaking to the Company and NewCo, *inter alia*:

- (a) not to offer, sell, transfer, assign, give or otherwise dispose of (other than in accordance with the Voting Undertaking or with the prior written consent of NewCo), grant any Encumbrance over, enter into any swap or other arrangement that transfers to another in whole or in part any of the legal benefits or economic consequences of ownership of, all or any of its Shares or any interest in any of the foregoing (or enter into any agreement with a view to effecting any of the foregoing), to, with and/or in favour of (as the case may be) any person other than NewCo or a party approved in writing by NewCo or otherwise as contemplated under the Scheme; and
- (b) to vote and procure its nominee and proxy (if any) to vote (whether on a show of hands or on a poll) to approve the Scheme and any other matter necessary or proposed to implement the Scheme at any meeting of the Shareholders held to approve the Scheme and at any adjournment thereof.

9.2 The obligations under paragraph 9.1 above shall lapse, other than as a result of a breach by the parties of any of their obligations set forth in the Voting Undertaking, on the date the Scheme lapses or does not become effective.

9.3 Save for the Voting Undertaking, as at the Latest Practicable Date, neither the Company nor NewCo has received any irrevocable undertaking from any other party to vote for or against the Scheme.

10. SUSPENSION IN TRADING

Shareholders should note that subject to the agreement of the SGX-ST and the Scheme becoming effective in accordance with its terms, the last date for trading in the Shares is expected to be 20 August 2018 and trading in the Shares will be suspended with effect from 9.00 a.m. on 21 August 2018. The time and date for commencement in trading of the NewCo Shares is expected to be at 9.00 a.m. on 30 August 2018.

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The Books Closure Date is expected to be at 5.00 p.m. on 24 August 2018, and the Shares are expected to be delisted and withdrawn from the SGX-ST with effect from 30 August 2018. Subject to the approval of the Scheme at the Scheme Meeting and the sanction of the Scheme by the Court, the Company will be issuing a notice of the Books Closure Date on the SGXNET in due course.

Please note that the above dates are indicative only and may be subject to change. Please refer to future announcements by the Company for the actual dates of these events.

11. ACTION TO BE TAKEN BY SHAREHOLDERS

11.1 Appointment of Proxies

(a) Scheme Meeting

Shareholders who are unable to attend the Scheme Meeting are requested to sign and return the Proxy Form attached to this Document for the Scheme Meeting in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Registrar's office at 112 Robinson Road #05-01 Singapore 068902, not later than 48 hours before the time appointed for the Scheme Meeting. If the Proxy Form for the Scheme Meeting is not so lodged, they may be handed to the Chairman of the Scheme Meeting at the Scheme Meeting, who shall have absolute discretion as to whether or not to accept it. A Shareholder entitled to attend and vote at the Scheme Meeting is entitled to appoint one (and not more than one) person as his proxy to attend and vote in his stead.

The completion and return of Proxy Form for the Scheme Meeting will not prevent Shareholders from attending and voting at the Scheme Meeting in person if they subsequently wish to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

(b) Extraordinary General Meeting

Shareholders who are unable to attend the EGM are requested to sign and return the Proxy Form attached to this Document for the EGM in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Registrar's office at 112 Robinson Road #05-01 Singapore 068902, not later than 48 hours before the time appointed for the EGM. If the Proxy Form for the EGM is not so lodged, they may be handed to the Chairman of the EGM at the EGM, who shall have absolute discretion as to whether or not to accept it.

The completion and return of Proxy Form for the EGM will not prevent Shareholders from attending and voting at the EGM in person if they subsequently wish to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

Please note that Shareholders who are unable to attend both the EGM and the Scheme Meeting and wish to appoint a proxy to attend and vote at the Scheme Meeting and EGM on their behalf are requested to complete, sign and return both Proxy Forms attached to this Document in accordance with the instructions printed thereon.

11.2 When Depositor is regarded as Shareholder

A Depositor shall not be regarded as a Shareholder entitled to attend and vote at the Scheme Meeting and/or EGM unless he is shown to have Shares entered against his name in the Depository Register as at 72 hours before the time fixed for holding the Scheme Meeting and/or EGM as certified by CDP to the Company.

LETTER TO THE SHAREHOLDERS

12. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

12.1 Interests of the Directors in Shares

Based on the information recorded in the Register of Directors' Shareholdings of the Company, the interests of the Directors in the Shares as at the Latest Practicable Date were as follows:

Directors	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Ma Zhaoyang	–	–	4,617,500,000	81.5 ⁽²⁾
Zhang Zengtao	217,500,000	3.8	4,500,000,000	79.5
Chng Beng Hua	12,000,000	0.2	5,000,000	0.1

Notes:

- (1) The percentage shareholding interest is based on the issued share capital of 5,663,816,419 Shares as at the Latest Practicable Date; and
- (2) The 117,500,000 Shares which Mr Ma Zhaoyang is deemed to be interested in is held under the name of nominee, Citibank Nominees Singapore Pte Ltd.

12.2 Interests of Substantial Shareholders in Shares

Based on the information recorded in the Register of Substantial Shareholders of the Company, the interests of the Substantial Shareholders in the Shares as at the Latest Practicable Date are as follows:

Name of Substantial Shareholder	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Victory Gate Ventures Limited	4,500,000,000	79.5	–	–
Ma Zhaoyang	–	–	4,617,500,000	81.5 ⁽²⁾⁽³⁾
Zhang Zengtao	217,500,000	3.8	4,500,000,000	79.5 ⁽³⁾

Notes:

- (1) The percentage shareholding interest is based on the issued share capital of 5,663,816,419 Shares as at the Latest Practicable Date;
- (2) The 117,500,000 Shares which Mr Ma Zhaoyang is deemed to be interested in is held under the name of nominee, Citibank Nominees Singapore Pte Ltd; and
- (3) Mr Ma Zhaoyang and Mr Zhang Zengtao are deemed interested in the 4,500,000,000 Shares held by Victory Gates Ventures Limited.

13. DIRECTORS' RECOMMENDATIONS

Having considered the rationale for and the terms of the Proposed Restructuring and the Scheme, the Directors, including the Audit Committee, unanimously consider the Scheme to be in the interests of Shareholders. Accordingly, the Directors recommend that Shareholders **VOTE IN FAVOUR** of the Scheme at the Scheme Meeting.

Shareholders are advised to read this Document in its entirety.

The Directors consider the NewCo Share Issue Mandate Proposal to be in the interests of the Shareholders and accordingly, recommend that Shareholders **VOTE IN FAVOUR** of the ordinary resolution on the NewCo Share Issue Mandate Proposal at the EGM.

The Directors consider the New Constitution Proposal to be in the interests of the Shareholders and accordingly, recommend that Shareholders **VOTE IN FAVOUR** of the special resolution on the New Constitution Proposal at the EGM.

LETTER TO THE SHAREHOLDERS

14. DIRECTORS' INTENTIONS WITH RESPECT TO SHARES

All Directors who have beneficial shareholdings in the Company will **VOTE IN FAVOUR** of the Scheme.

15. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Document and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Document constitutes full and true disclosure of all material facts about the Proposed Restructuring, the Scheme, the New Constitution Proposal and the Compact Group, and the Directors are not aware of any facts the omission of which would make any statement in this Document misleading. Where information in this Document 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 Document in its proper form and context.

The NewCo Directors collectively and individually accept full responsibility for the accuracy of the information given in this Document and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Document constitutes full and true disclosure of all material facts about the Proposed Restructuring, the Scheme, the NewCo Constitution, the NewCo Share Issue Mandate Proposal and the NewCo Group, and the NewCo Directors are not aware of any facts the omission of which would make any statement in this Document misleading. Where information in this Document has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the NewCo Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Document in its proper form and context.

16. MATERIAL CONTRACTS

Save for contracts entered into in the ordinary course of business or as disclosed by the Company via announcements on the SGXNET, the Company has not entered into any material contracts during the two (2) years preceding the Latest Practicable Date.

17. GENERAL INFORMATION

Your attention is drawn to the further relevant information in the Appendices to this Document.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 120 Pioneer Road #01-03 Singapore 639597 during normal business hours from the date of this Document up to and including the date of the Scheme Meeting:

- (a) the existing Compact Articles;
- (b) the proposed New Constitution;
- (c) the NewCo Constitution;
- (d) the 2015 Agreement;
- (e) the Implementation Agreement;

LETTER TO THE SHAREHOLDERS

- (f) the annual reports of the Company for FY2015, FY2016 and FY2017;
- (g) the Voting Undertaking; and
- (h) Zhang's Waiver.

Yours faithfully
For and on behalf of
Compact Metal Industries Ltd

Zhang Zengtao
Executive Director and Managing Director

EXPLANATORY STATEMENT
(IN COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT)

PROPOSED RESTRUCTURING BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT

1. INTRODUCTION

1.1 Announcement

As announced on 16 March 2018 and 10 May 2018, the Company had entered into the Implementation Agreement with NewCo to implement a scheme of arrangement under section 210 of the Companies Act involving the Shares. Under the Scheme, it is proposed that all the Shares will be transferred to NewCo under the Scheme.

1.2 Explanatory Statement

The purpose of this Explanatory Statement is to provide Shareholders with information on the Scheme and to explain the rationale for and effect of the Scheme. It should be read in conjunction with the full text of this Document, including the Scheme. Capitalised terms used in this Explanatory Statement which are not defined in this Explanatory Statement or in the Scheme, shall bear the same meanings as ascribed to them in the section on definitions as set out from pages 2 to 7 of this Document.

2. RATIONALE FOR THE SCHEME

The rationale for the Scheme is set out in paragraph 3.5 of this Document.

3. THE SCHEME

3.1 Scheme

The Scheme is proposed to all Entitled Shareholders.

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$273,633,317, comprising 5,663,816,419 Shares (with no treasury shares). As at the Latest Practicable Date, there are no securities of the Company in issue other than the 5,663,816,419 Shares. As at the Latest Practicable Date, NewCo does not hold, directly or indirectly, any Shares.

The Scheme will involve, *inter alia*, the transfer of all the Shares held by the Entitled Shareholders as at the Books Closure Date to NewCo; and in consideration for the transfer of such Shares, NewCo will allot and issue to the Entitled Shareholders such number of NewCo Shares, credited as fully paid, on the basis of one (1) new NewCo Share for every one (1) Share held by each Entitled Shareholder as at the Books Closure Date.

Pursuant to the Scheme, the Shares will be transferred by the Entitled Shareholders to NewCo (i) fully paid; (ii) free from any Encumbrances; and (iii) together with all rights, benefits and entitlements attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared, paid or made by the Company on or after the Announcement Date, save for any dividends that may be paid by the Company prior to the Books Closure Date.

The Scheme is subject to, *inter alia*, the approval of a majority in number of the Entitled Shareholders holding not less than three-fourths in value of the Shares who are present and voting (either in person or by proxy) at the Scheme Meeting, and the Scheme has to be sanctioned by the Court and thereafter the Court Order has to be lodged with the ACRA. Once effected, the Scheme will be binding on the Company and all Shareholders. Shareholders should note that due to the Moratorium Undertakings, the Company and NewCo have agreed that the Court Order shall not be lodged with ACRA for registration prior to 27 May 2018.

EXPLANATORY STATEMENT

(IN COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT)

Subject to the Scheme being declared effective, all profit or loss attributable to the Company with effect from the Effective Date shall accrue to the NewCo Group, including for the avoidance of doubt, all expenses incurred by the Company and NewCo in connection with the Scheme and the Proposed Restructuring.

The consideration for the transfer of all the Shares to NewCo pursuant to the Scheme shall be the amount equivalent to the total number of such Shares multiplied by the weighted average price per Share quoted by SGX-ST for three consecutive market days ending on the last day for trading of Shares on SGX-ST immediately preceding completion of the Proposed Restructuring (or such other amount as agreed by the Company and NewCo in consultation with the Company's financial, tax and other professional advisers) less S\$1.00 (such amount being the issued and paid-up capital of NewCo).

3.2 **NewCo Shares**

The NewCo Shares shall be allotted and issued by NewCo on the basis of one (1) new NewCo Share for every one (1) Share held by each Entitled Shareholder as at the Books Closure Date and shall be duly authorised, validly issued, credited as fully paid up, free from any Encumbrances, and shall rank *pari passu* in all respects with one another as well as the two (2) existing issued NewCo Shares.

3.3 **SGX-ST's in-principle approval for NewCo Shares**

An application was made by the Company to the SGX-ST for the listing of and quotation for all the NewCo Shares (including the existing NewCo Shares, the NewCo Shares to be allotted and issued pursuant to the Scheme) (the "**Application**"), and the AIP was obtained by NewCo on 9 May 2018 in respect of the listing of, and quotation for, on the SGX-ST 5,663,816,419 NewCo Shares comprising the existing NewCo Shares and any NewCo Shares to be allotted and issued pursuant to the Scheme, subject to the following conditions:

- (i) compliance with the SGX-ST's listing requirements; and
- (ii) Shareholders' approval of the Scheme at the Scheme Meeting to be convened; and
- (iii) sanction of the Scheme by the Court.

The AIP is not an indication of the merits of the Application, the NewCo Shares, the Company and/or its subsidiaries.

The NewCo Shares which constitute the Scheme Consideration will be allotted and issued to the Shareholders within 10 calendar days immediately after the Scheme becomes effective and binding.

3.4 **Withdrawal of the Shares or delisting of the Company from the SGX-ST**

The Company is currently listed on the Mainboard of the SGX-ST. If the Scheme becomes effective in accordance with its terms, NewCo will own all the issued Shares and the Company will become a direct wholly-owned subsidiary of NewCo. The Company may, following its withdrawal of the Shares or delisting of the Company from the SGX-ST, be converted into a private company.

4. **CONDITIONS PRECEDENT**

The Scheme is conditional upon the satisfaction of the Conditions Precedent as set out in Appendix 5 (*Conditions Precedent*) of this Document.

4.1 **Non-fulfilment of Conditions**

Shareholders should note that if any one or more of the Conditions Precedent are not satisfied or waived (if applicable), the Scheme will not become effective and binding.

EXPLANATORY STATEMENT
(IN COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT)

If any of the Conditions Precedent has not been satisfied (or where applicable, has not been waived) by the Long-Stop Date, the Implementation Agreement will terminate and the Scheme will lapse.

4.2 Termination Right

Shareholders should note that pursuant to the terms of the Implementation Agreement, the Implementation Agreement may be terminated at any time on or prior to the Record Date as follows:

- (a) immediately with notice by either NewCo or the Company, if any court of competent jurisdiction or Governmental Agency has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting or preventing the consummation of the Scheme, the Proposed Restructuring or the implementation of the Scheme (or the proposed transactions relating to the Scheme), and such order, decree, ruling, other action or refusal has become final and non-appealable;
- (b) by either:
 - (i) NewCo, if the Company is in material breach of any provision of this Agreement and has failed to cure such breach within 14 days' notice of such breach, on or prior to the Record Date; or
 - (ii) the Company, if NewCo is in material breach of any provision of this Agreement and has failed to cure such breach within 14 days' notice of such breach, on or prior to the Record Date,

in each case provided that either NewCo or the Company (as the case may be) has given written notice to the other party of its intention to terminate this Agreement, in which case this Agreement shall be terminated on the date falling five (5) Business Days after the date of such notice of termination; or

- (c) immediately with notice by either NewCo or the Company, if the resolutions submitted to the Scheme Meeting are not approved (without amendment) by the requisite majorities of the Entitled Shareholders.

Notwithstanding anything contained in the Implementation Agreement, the Implementation Agreement shall terminate if any of the Conditions Precedent has not been satisfied (or, where applicable, has not been waived) by the Long-Stop Date.

5. REGULATORY APPROVALS

5.1 Court sanction

The Scheme is also subject to sanction by the Court, as referred to in paragraph 4 of Appendix 5 (*Conditions Precedent*) to this Document.

5.2 SGX-ST

Pursuant to the Company's application, the SGX-ST had advised that Rule 1309 and Chapter 2 (except for Part I and II) of the Listing Manual are not applicable to the Proposed Restructuring. Shortly after the Effective Date, the Shares will be delisted and withdrawn from the SGX-ST.

The Company also applied to the SGX-ST for the listing of and quotation on the Mainboard of SGX-ST of all the NewCo Shares (including the existing NewCo Shares, the NewCo Shares to be allotted and issued pursuant to the Scheme).

EXPLANATORY STATEMENT

(IN COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT)

The NewCo received the AIP on 9 May 2018. The AIP is subject to the following conditions:

- (i) compliance with the SGX-ST's listing requirements;
- (ii) Shareholders' approval of the Scheme at the Scheme Meeting to be convened; and
- (iii) sanction of the Scheme by the Court.

The AIP is not an indication of the merits of the Application, the NewCo Shares, the Company and/or its subsidiaries.

5.3 MAS

Upon the Company's application, the MAS in its letter of 16 May 2018, pursuant to Section 273(5) of the SFA, had declared that Subdivisions (2) and (3) of Division 1 of Part XIII of the SFA (other than Section 257 of the SFA) shall not apply to the offer of NewCo Shares made under the Scheme, for a period of six (6) months from 16 May 2018. The declaration is subject to the conditions that:

- (a) the shareholders of and the composition of their shareholdings in NewCo immediately after the completion of the Proposed Restructuring shall be the same as that of the Company immediately prior to the completion of the Proposed Restructuring; and
- (b) the Company shall issue a shareholders' circular (together with the notice summoning a meeting under Section 210 of the Companies Act to all of its Shareholders containing all relevant information relating to NewCo and the Proposed Restructuring (including the terms of the Scheme) for Shareholders' decisions in relation to the Scheme.

5.4 Securities Industry Council

As the Proposed Restructuring is a corporate restructuring implemented by way of a scheme of arrangement where there is no change in the effective control of the Company, the provisions of the Code are not applicable to the Proposed Restructuring.

5.5 CPF

The Shares are currently under the Central Provident Fund Investment Scheme-Ordinary Account.

6. FINANCIAL EFFECTS OF THE SCHEME

6.1 The Scheme and the Proposed Restructuring is purely an internal restructuring exercise undertaken to enable a transfer of the shareholding interests of the Shareholders in the capital of the Company to shareholding interests in the capital of NewCo.

6.2 For illustrative purposes only, the financial effects of the Proposed Restructuring set out below have been prepared based on the audited financial statements of the Compact Group for the Financial Year ended 31 December 2017. The financial effects have been prepared on the following assumptions:

- (a) estimated expenses of S\$250,000 to be incurred in relation to the Proposed Restructuring;
- (b) the share capital of the NewCo is assumed to be based on the paid-up share capital of the Company as at 31 December 2017 and the number of Shares in the capital of the Company is based on the total number as at 31 December 2017;

EXPLANATORY STATEMENT
(IN COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT)

- (c) the Scheme has been completed on 1 January 2018 for the purposes of computing the effect on the pro forma NAV per share of the Compact Group and the NewCo Group based on the audited consolidated financial statements of the Compact Group for the financial year ended 31 December 2017;
- (d) the Scheme has been completed on 1 January 2018 for the purposes of computing the effect on the pro forma EPS for the Compact Group and the NewCo Group based on the audited consolidated financial statements of the Compact Group for the financial year ended 31 December 2017; and
- (e) the exchange ratio of one (1) new NewCo Share for one (1) Share, having regard to Zhang's Waiver;

(i) Share capital

The effect of the Scheme on the issued share capital of the Company and NewCo are as follows:

Based on the audited consolidated financial statements of the Company for FY2017		Upon completion of Scheme			
		Company		NewCo	
Number of Shares ('000)	Share Capital (S\$'000)	Number of Shares ('000)	Share Capital (S\$'000)	Number of NewCo Shares ('000)	Share Capital (S\$'000)
5,663,816	273,633	5,663,816	273,633	5,663,816	273,633

(ii) EPS

The effect of the Scheme on the EPS of the Compact Group and the NewCo Group are as follows:

	Before completion of Scheme	Upon completion of Scheme	
	Current Group	Current Group	NewCo Group
Profit attributable to Shareholders for FY2017 (S\$'000)	973	723	723
Weighted average number of shares ('000)	1,595,323	1,595,323	1,595,323
Basic EPS (Singapore cents)	0.06	0.05*	0.05*

Note:

(*) The decrease in the basic EPS upon completion of the Scheme is due to the estimated expenses of S\$250,000 to be incurred in relation to the Proposed Restructuring and the Scheme.

EXPLANATORY STATEMENT
(IN COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT)

(iii) NAV

The effect of the Scheme on the NAV of the Compact Group and the NewCo Group are as follows:

	Before completion of Scheme	Upon completion of Scheme	
	Current Group	Current Group	NewCo Group
Net assets as at 31 December 2017 (S\$'000)	192,661	192,411	192,411
NAV per share (Singapore cents)	3.40	3.40*	3.40*

Note:

() There is a decrease in the NAV upon completion of the Scheme due to the estimated expenses of S\$250,000 to be incurred in relation to the Proposed Restructuring and the Scheme. Please note that such decrease has not been reflected in the above table due to rounding up/down (to 2 decimal places).*

7. ACTION TO BE TAKEN BY SHAREHOLDERS

7.1 Appointment of Proxies

Shareholders who are unable to attend the Scheme Meeting are requested to sign and return the Proxy Form attached to this Document in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Registrar's office at 112 Robinson Road #05-01 Singapore 069802, not later than 48 hours before the time appointed for the Scheme Meeting. If the Proxy Form for the Scheme Meeting are not so lodged, they may be handed at the Scheme Meeting to the chairman of that meeting, who shall have absolute discretion as to whether or not to accept it. A Shareholder entitled to attend and vote at the Scheme Meeting is entitled to appoint one (and not more than one) person as his proxy to attend and vote in his stead.

The completion and return of Proxy Form will not prevent Shareholders from attending and voting at the Scheme Meeting in person if they subsequently wish to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

7.2 When Depositor is Regarded as Shareholder

A Depositor shall not be regarded as a Shareholder entitled to attend and vote at the Scheme Meeting unless he is shown to have Shares entered against his name in the Depository Register as at 72 hours before the time fixed for holding the Scheme Meeting as certified by CDP to the Company.

8. MEETING

8.1 Scheme Meeting

The Scheme is to be effected pursuant to Section 210 of the Companies Act. By an order of the Court dated 28 June 2018, the Scheme Meeting was directed to be convened for the purpose of considering and if deemed fit, approving the Scheme.

The Scheme must be approved by a majority in number of the Shareholders present and voting, either in person or by proxy, at the Scheme Meeting and holding not less than three-fourths in value of the Shares held by such Shareholders.

When the Scheme becomes effective, it will be binding upon all the Shareholders, regardless of whether they support or reject the Scheme or whether or not they were present in person or by proxy or voted at the Scheme Meeting.

EXPLANATORY STATEMENT
(IN COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT)

8.2 Notice of Scheme Meeting

The notice of the Scheme Meeting is set out on pages 101, 102 and 103 of this Document. Shareholders are requested to take note of the date and time of the Scheme Meeting.

9. IMPLEMENTATION OF THE SCHEME

9.1 Application to Court for Sanction

Upon the Scheme being approved by a majority in number of the Shareholders present and voting, either in person or by proxy, at the Scheme Meeting, holding at least three-fourths in value of the Shares, the Company will apply to Court for its sanction of the Scheme.

9.2 Procedure

If the Court sanctions the Scheme, the Company and NewCo will take necessary steps to render the Scheme effective and the following will be implemented:

- (a) The Shares held by Entitled Shareholders will be transferred to NewCo for the Scheme Consideration to be paid to the Entitled Shareholders for each Share transferred, as follows:
 - (i) in the case of Entitled Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of the Entitled Shareholders, to debit, not later than five (5) Market Days after the Effective Date, all the Shares standing to the credit of the Securities Account of such Entitled Shareholders and credit all of such Shares to the Securities Account of NewCo; and
 - (ii) in the case of Entitled Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Shareholders, an instrument or instruction of transfer of all the Shares held by such Entitled Shareholders, and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Shareholders.
- (b) On and as from the Effective Date, all existing share certificates relating to the Shares held or owned by the Shareholders will be cancelled and cease to be valid for any purpose whatsoever whether or not they are returned to the Company for cancellation.
- (c) Entitled Shareholders (not being Depositors) shall be required to forward their existing share certificates relating to their Shares to the Registrar at 112 Robinson Road #05-01 Singapore 068902.
- (d) NewCo shall, not later than 10 calendar days after the Effective Date, and against the transfer of the Shares set out in paragraph 9.2(a) above, allot and issue to the Shareholders, NewCo Shares, credited as fully paid, on the basis of one (1) new NewCo Share for one (1) Share transferred by such Shareholders, provided that where a Shareholder is a Depositor, the NewCo Shares shall be issued to CDP for the benefit and to the credit of his Securities Account.

The NewCo Shares shall (i) be credited as fully paid; (ii) free from any Encumbrances; (iii) rank *pari passu* in all respects with one another as well as with the two (2) existing issued NewCo Shares as of the Effective Date; and (iv) have the same rights, benefits and entitlements attaching thereto as the two (2) existing issued NewCo Shares as of the Effective Date.

EXPLANATORY STATEMENT
(IN COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT)

- (e) NewCo shall cause share certificates for the NewCo Shares allotted and issued pursuant to the Scheme to be sent no later than 10 calendar days after the Effective Date to:
- (i) Entitled Shareholders (not being Depositors) by sending, at the risk of such Shareholders, the same by ordinary post addressed to such Shareholders at their respective addresses in the register of members of the Company on the Books Closure Date or, in the case of joint Shareholders, to the address of the first named Shareholder, and neither NewCo nor the Company shall be liable for any loss in transmission; and
 - (ii) Entitled Shareholders (being Depositors) by sending the same to CDP. CDP shall send to such Shareholders, by ordinary post to the address as maintained with CDP and at the risk of such Shareholders, a statement showing the number of NewCo Shares credited to their respective Securities Accounts.

The despatch of the share certificates to each Entitled Shareholder in accordance with the above shall discharge NewCo from any liability in respect of the delivery of the said certificates.

- (f) All mandates or other instructions given by any Entitled Shareholder relating to the payment of dividends by the Company or relating to notices or other communication in force on the Books Closure Date shall, unless and until revoked, be deemed as on and from the Effective Date to be valid and effective instructions to NewCo in relation to his/her corresponding holding of the NewCo Shares.

10. CLOSURE OF BOOKS

10.1 Notice of Books Closure Date

Subject to the approval of the Scheme at the Scheme Meeting, and the sanction of the Scheme by the Court, notice of the Books Closure Date will be given in due course for the purpose of determining the entitlements of the Shareholders under the Scheme. The Books Closure Date is tentatively scheduled on 24 August 2018 at 5.00 p.m.

10.2 Effect of books closure

No transfer of the Shares where the certificates relating thereto are not deposited with CDP may be effected after the Books Closure Date.

10.3 Trading in Shares on the SGX-ST

The Scheme is tentatively scheduled to become effective on or about 27 August 2018. Subject to the Scheme becoming effective, the Shares are expected to be withdrawn and the Company to be delisted from the SGX-ST after the Scheme has become effective, tentatively on 30 August 2018. It is therefore expected that the last date for trading in the Shares will tentatively be 20 August 2018, being three (3) Market Days before the Books Closure Date and trading in the Shares will tentatively be suspended with effect from 9.00 a.m. on 21 August 2018.

Shareholders (not being Depositors) who wish to trade in their Shares are required to deposit with CDP their certificates relating to their Shares, at least 12 Market Days prior to the Books Closure Date. Such Shareholders whose names are registered in the register of members of the Company on the Books Closure Date will be entitled under the Scheme in accordance with the number of Shares registered in their names. Shareholders (being Depositors) whose Securities Accounts with CDP are credited with Shares as at the Books Closure Date will be entitled under the Scheme in accordance with the number of Shares standing to the credit of their Securities Account.

EXPLANATORY STATEMENT
(IN COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT)

The NewCo Shares are tentatively scheduled to be listed and quoted on the Mainboard of the SGX-ST on 29 August 2018 and trading in the NewCo Shares on the Mainboard of the SGX-ST is tentatively scheduled to commence from 9.00 a.m. on 30 August 2018.

Please refer to future announcements by the Company for the actual dates of these events.

11. SETTLEMENT AND REGISTRATION PROCEDURES

Subject to the Scheme becoming effective, the following settlement and registration procedures will apply:

(a) Entitled Shareholders whose Shares are deposited with the CDP

Entitlements to the Scheme Consideration will be determined on the basis of the Entitled Shareholders (being Depositors) and the number of Shares standing to the credit of their Securities Account at 5.00 p.m. on the Books Closure Date.

Shareholders (being Depositors) who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are credited to their Securities Account by 5.00 p.m. on the Books Closure Date.

Following the Effective Date, CDP will debit from each relevant Securities Account the number of Shares standing to the credit of the Securities Account of the relevant Entitled Shareholder (being a Depositor) based on the number of Shares standing to the credit of his Securities Account as at the Books Closure Date.

(b) Entitled Shareholders whose Shares are not deposited with the CDP

Entitlements to the Scheme Consideration will be determined on the basis of the Shareholders (not being Depositors) and their holdings of Shares appearing in the register of members on the Books Closure Date, which is expected to be at 5.00 p.m. on 24 August 2018.

Shareholders (not being Depositors) who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are registered in their names with the Registrar by the Books Closure Date.

From the Effective Date, each existing share certificate representing a former holding of Shares by Entitled Shareholders (not being Depositors) will cease to be evidence of title to the Shares represented thereby. Within 10 calendar days of the Effective Date, NewCo shall allot and issue to each Entitled Shareholder the relevant number of NewCo Shares based on his holding of the Shares as at the Books Closure Date.

12. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and Substantial Shareholders in the Shares as at the Latest Practicable Date are set out in paragraph 12 of the Letter to the Shareholders.

The effect of the Scheme on such interests of the Directors and Substantial Shareholders does not differ from that of the other Shareholders except that, after the Scheme becomes effective and binding, NewCo will hold 100% of the issued and paid-up share capital of the Company.

All the Directors are also NewCo Directors.

EXPLANATORY STATEMENT
(IN COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT)

13. OVERSEAS SHAREHOLDERS

13.1 Overseas Shareholders

The sending of this Document to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable legal requirements.

This Document will not be sent to any Overseas Shareholders due to the potential restrictions on sending such documents into the relevant overseas jurisdictions. For the avoidance of doubt, the Scheme is proposed to all Shareholders and applies to all Shareholders, including those Shareholders to whom this Document has not been and will not be sent.

13.2 Copies of this Document

Shareholders, including Overseas Shareholders, may obtain additional copies of this Document and any related documents, during normal business hours on any day prior to the date of the Scheme Meeting (other than a Saturday, a Sunday or a public holiday), from the Registrar at 112 Robinson Road #05-01 Singapore 068902. Alternatively, an Overseas Shareholder may write in to the Registrar at the same address to request for this Document and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

It is the responsibility of any Overseas Shareholder who wishes to request for this Document and any related documents to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required and compliance with all necessary formalities or legal requirements. In requesting for this Document and any related documents, the Overseas Shareholder represents and warrants to NewCo and the Company that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities and legal requirements.

13.3 Notice

The Company and NewCo each reserves the right to notify any matter to any or all Overseas Shareholders by announcement on the SGXNET or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure of any Shareholder to receive or see such announcement or advertisement.

14. DIRECTORS' RECOMMENDATION

The recommendation of the Directors in relation to the Scheme is set out on page 32 of this Document.

15. GENERAL INFORMATION

Your attention is drawn to the further relevant information, including the Directors' and Substantial Shareholders' interests in the Shares, set out in the Appendices to this Document. The Explanatory Statement should be read in conjunction with, and is qualified by, the full text of this Document, including the Scheme.

APPENDIX 1: GENERAL INFORMATION

1. DIRECTORS

1.1 Directors of the Company

As at the Latest Practicable Date, the Directors are Ma Zhaoyang, Zhang Zengtao, Chng Beng Hua, Kan Ah Chye @ Kan Poh Thong, Lisa Sam Hui Min (Lisa Cen Huimin) and Sin Ee Wuen (Xian Yiwen).

1.2 Audit Committee, Nominating Committee and Remuneration Committee of the Company

The members of the respective board committees are as follows:

Audit Committee

Kan Ah Chye @ Kan Poh Thong	Chairman / Lead Independent Director
Lisa Sam Hui Min (Lisa Cen Huimin)	Member / Independent Director
Sin Ee Wuen (Xian Yiwen)	Member / Independent Director

Nominating Committee

Lisa Sam Hui Min (Lisa Cen Huimin)	Chairman / Independent Director
Kan Ah Chye @ Kan Poh Thong	Member / Lead Independent Director
Ma Zhaoyang	Member / Executive Director and Chairman

Remuneration Committee

Kan Ah Chye @ Kan Poh Thong	Chairman / Lead Independent Director
Lisa Sam Hui Min (Lisa Cen Huimin)	Member / Independent Director
Sin Ee Wuen (Xian Yiwen)	Member / Independent Director

2. PRINCIPAL ACTIVITIES OF THE COMPANY

The Company was incorporated in Singapore on 2 January 1975 and was listed on the SGX Sesdaq on 20 May 1993 and SGX Mainboard on 8 August 1995.

The Company is principally engaged in in the business of manufacturing and marketing of aluminium extrusions and the cement business.

3. SHARE CAPITAL OF THE COMPANY

3.1 **Number and Class of Shares.** The Company has only one (1) class of Shares, being ordinary shares. As at the Latest Practicable Date, the issued and paid-up share capital of the Company is as follows:

As at the Latest Practicable Date	No. of Shares	Issued share capital (S\$)
Issued and fully paid-up Shares	5,663,816,419	273,633,317

3.2 **Issue of Shares.** From 28 November 2017 to the Latest Practicable Date, the Company has not issued any new Shares.

3.3 **Convertible Instruments:** As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, or options in respect of, the Shares which carry voting rights affecting the Shares.

APPENDIX 1: GENERAL INFORMATION

3.4 **Treasury Shares.** The Company does not have any treasury shares as at the Latest Practicable Date.

4. DISCLOSURE OF INTERESTS

The interests of the Directors and Substantial Shareholders in the Shares are set out in paragraph 12 of the Letter to the Shareholders.

4.1 Holdings of NewCo Shares by the Company

As at the Latest Practicable Date, the Company does not own or Control any NewCo Shares nor has the Company agreed to acquire any NewCo Shares.

5. MATERIAL LITIGATION

As at the Latest Practicable Date:

- (a) the Company is not engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially and adversely affect the financial position of the Company; and
- (b) the Directors are not aware of any litigation, claim or proceeding pending or threatened against the Company or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of the Company.

6. TAXATION

The Directors are of the view that the Scheme should have no significant adverse tax implications on the Company. Shareholders who are in doubt as to their respective tax implications arising from the Scheme should consult their own professional advisers.

7. GENERAL DISCLOSURE

Save as disclosed in this Document, there are, as at the Latest Practicable Date, no agreements or arrangements made between any Director and any other person in connection with or which are conditional upon the outcome of the Scheme.

APPENDIX 2: NEW CONSTITUTION

The proposed New Constitution, as compared against the existing Compact Articles, where insertions are reflected as underlined and deletions are reflected as struck-through, are set out below.

COMPANY NO. 197500009H

THE COMPANIES ACT, (CAP. 50)

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION CONSTITUTION

OF

COMPACT METAL INDUSTRIES LTD

(the "Company")

Incorporated on the 2nd day of January 1975
(updated by Special Resolution passed on 16th June 2008)

PRELIMINARY

Table "A" not to
apply

1. (1) The name of the Company is COMPACT METAL INDUSTRIES LTD.
- (2) The registered office of the Company will be situated in the Republic of Singapore.
- (3) Subject to the provisions of the Act, any other written law and this Constitution, the Company has:
- (i) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and
- (ii) for the purposes of paragraph (ii), full rights, powers and privileges.
- (4) The liability of Members is limited.
- (5) The regulations contained in Table "A" in the Fourth Schedule to the Companies Act (Cap. 50) the model constitution prescribed under the Act shall not apply to the Company, but the following shall, subject to repeal, addition and alteration as provided by the Act or these Articles this Constitution, be the regulations of the Company.

Interpretation

2. In this Constitution ~~these Articles~~, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:

WORDS

"Account Holder"

MEANINGS

~~A person who has a securities account directly with the Depository and not through a Depository Agent.~~

APPENDIX 2: NEW CONSTITUTION

"Alternate Director"	An Alternate Director appointed pursuant to Article <u>Regulation 105108</u> .
"The Act"	The Companies Act, (Cap. 50) or any statutory modification, amendment or re-enactment thereof for the time being in force or any and every other act for the time being in force concerning companies and affecting the Company and any reference to any provision of the Act is to that provision as so modified, amended or re-enacted or contained in any such subsequent act or acts.
"The Articles" <u>"Auditors"</u>	These Articles of Association, or as from time to time altered by Special Resolution or other regulations of the Company for the time being in force. The auditors of the Company for the time being.
"Book-entry securities"	The documents evidencing title to listed securities which are deposited by a Depositor with the Depository and are registered in the name of the Depository or its nominee and which are transferable by way of book-entry in the Depository Register and not by way of an instrument of transfer. Has the meaning ascribed to it in the SFA.
"CDP or the Depository"	Has the meaning ascribed to it in the SFA. The Central Depository (Pte) Limited or any other corporation approved by the Minister as a depository company or corporation for the purposes of the Act, which operates the Central Depository System for the holding and transfer of book-entry securities.
<u>"Chief Executive Officer"</u>	<u>The chief executive officer(s) for the time being of the Company who (a) is in direct employment of, or acting for or by arrangement with the Company, and (b) is principally responsible for the management and conduct of the business of the Company or part of the business of the Company, as the case may be.</u>
"The Company"	The abovenamed Company by whatever name from time to time called.
<u>"Constitution"</u>	<u>This Constitution, or as from time to time altered by special resolution or other regulations of the Company for the time being in force.</u>
<u>"current address"</u>	<u>Has the meaning ascribed to it in the Act.</u>
"Depositor"	A person being an Account Holder or a Depository Agent but does not include a Sub-Account Holder. Has the meaning ascribed to it in the SFA.
"Depository Agent"	<u>Has the meaning ascribed to it in the SFA. A member company of the Exchange, a trust company (licensed under the Trust Companies Act (Cap. 336)), a banking corporation or merchant bank (approved by the Monetary Authority of</u>

APPENDIX 2: NEW CONSTITUTION

	<p>Singapore under the Monetary Authority of Singapore Act (Cap. 186)) or any other person or body approved by the Depository who or which:-</p> <p>(a) performs services as a depository agent for Sub-Account Holders in accordance with the terms of a depository agent agreement entered into between the Depository and the depository agent;</p> <p>(b) deposits book entry securities with the Depository on behalf of the Sub-Account Holders; and</p> <p>(c) establishes an account in its name with the Depository.</p>
"Depository Register"	Has the meaning ascribed to it in the SFA. The register maintained by the Depository in respect of book entry securities.
"Director"	includes any person acting as a Director of the Company and includes any person duly appointed and acting for the time being as an Alternate Director.
"Directors"	The Directors for the time being of the Company or such number of them as have authority to act for the Company.
"Dividend"	includes bonus.
<u>"electronic communication"</u>	<u>Has the meaning ascribed to it in the Act.</u>
"Exchange"	The Singapore Exchange Securities Trading Limited.
"Market Day"	A day on which the Exchange is open for trading in securities.
"Month"	Calendar month.
"Office"	The Registered Office of the Company for the time being.
"Paid Up"	Includes credited as paid up.
"Register of Members"	The register of members of the Company
"Seal"	The Common Seal of the Company or in appropriate cases the Official Seal or duplicate Common Seal
"Secretary"	The Secretary or Secretaries of the Company appointed under this Constitution <u>these Articles</u> and shall include any person entitled to perform the duties of Secretary temporarily.

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"Securities Account"	<u>Has the meaning ascribed to it in the SFA. In the case of an Account Holder, the securities account of such Account Holder maintained with the Depository and, in the case of a Depository Agent, the global securities account of such Depository Agent maintained with the Depository.</u>
"SFA"	<u>the Securities and Futures Act (Cap. 289).</u>
"Singapore"	The Republic of Singapore.
"Statutes"	<u>The Act, SFA and every other written law or regulations for the time being in force concerning companies and affecting the Company.</u>
"Sub Account Holder"	<u>A holder of an account maintained with a Depository Agent.</u>
"Regulation" or "Regulations"	<u>The regulations of this Constitution as from time to time amended.</u>
"relevant intermediary"	<u>Has the meaning ascribed to it in the Act.</u>
"Writing" and "Written"	<u>Written or produced by any substitute for writing, or partly written and partly so produced, and includes (except where otherwise expressly specified in this Constitution or the context otherwise requires, and subject to any limitations, conditions or restrictions contained in the Act) includes printing, lithography, photography, typewriting and any other mode of representing or reproducing words, symbols or other information in a visible form, whether in a physical document or in an electronic communication or otherwise howsoever.</u>
"Year"	Calendar year.

~~The expressions "bare trustee" and "documents evidencing title" shall have the meanings ascribed to them respectively in Section 130A of the Act.~~

~~The expression, "electronic communication" shall have the meaning ascribed to it in Section 4 of the Act.~~

References to the expressions "Member" or to a "holder of any share" shall, subject to this Constitution~~these Articles~~, be to a registered holder of shares in the Company, or where such registered holder is the Depository, the Depositor named in the Depository Register (for such period as the shares are entered in the Securities Account) and except where the context otherwise provide, shall exclude the Company in relation to shares held by it as treasury shares.

The expressions "debenture" and "debenture-holder" shall include "debenture-stock" and "debenture-stockholder" and the expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary.

A special resolution ~~Special Resolution~~ shall be effective for any purpose for which an Ordinary Resolution~~ordinary resolution~~ is expressed to be required under any provision of this Constitution~~these Articles~~.

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References in this Constitution ~~these Articles~~ to any statute or enactment or listing rule are references to such statute or listing rule as for the time being amended or re-acted.

Words denoting the singular number only shall include the plural and vice versa.

Words denoting the masculine gender only shall include the feminine gender.

Words denoting persons shall include corporations.

Save as aforesaid, any word or expression used in the Act, SFA and the Interpretation Act, Chapter 1 shall, if not inconsistent with the subject or context, bear the same meaning in ~~these Articles~~ this Constitution.

The head notes and marginal notes are inserted for convenience only and shall not affect the construction of ~~these Articles~~ this Constitution.

REGISTERED OFFICE

3. The office shall be at such place in the Republic of Singapore as the Directors shall from time to time determine.

BUSINESS

- Any branch of business
Either expressly
or by implication
authorised may
be undertaken
by Directors
4. ~~Subject to the provisions of the Act, any branch or kind of business which is expressly or by implication authorised to be undertaken by the Company may be undertaken by the Directors at such time or times as they shall think fit, and further may be suffered by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with such branch or kind of business.~~

PUBLIC COMPANY

- Public
Company
54. The Company is a public company.
- Authorised
Capital
6. ~~**DELETED**~~

SHARES

- Company's
shares as
security
75. Save to the extent permitted by the Act, none of the funds of the Company or of any subsidiary thereof shall be directly or indirectly employed in the purchase or subscription of or in loans upon the security of the Company's shares (or its holding company, if any) and the Company shall not, except as authorised by the Act give any financial assistance for the purpose of or in connection with any purchase of shares in the Company (or its holding company, if any).
- Registered
Member
entitled to
share
certificate
86. Subject to the Act, no shares may be issued by the Directors without the prior approval of the Company in ~~General~~ general Meeting ~~meeting~~ but subject thereto and to ~~Article~~ Regulation 49, and to any special rights attached to any shares for the time being issued, the Directors may issue, allot or grant options over or otherwise deal with or dispose of the same to such persons on such terms and conditions and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, provided always that:

~~(i) no shares shall be issued which results in a transfer of a controlling interest in the Company without the prior approval of the Members in a General Meeting;~~

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(ii) the total number of issued preference shares shall not exceed the total number of issued ordinary shares at any time;

(iii) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same; and

(iiiiv) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of ~~the second sentence of Regulation Article 49(1)~~ with such adaptations as are necessary shall apply.

Rights
attached to
certain shares

79.

(1) Preference shares may be issued subject to such limitations as may be prescribed by any stock exchange upon which the shares in the Company may be listed and the rights attaching to shares other than ordinary shares shall be expressed in ~~this Constitution the Memorandum of Association or these Articles.~~ Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and ~~balance sheets~~financial statements and attending ~~general meetings~~ General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrears.

(2) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares from time to time already issued or about to be issued.

(3) The Company may issue shares for which no consideration is payable to the Company.

(4) The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution.

Variation of
rights

108.

(1) If at any time the share capital is divided into different classes, the repayment of preference capital other than redeemable preference capital and the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, whether or not the Company is being wound up, only be made, varied or abrogated with the sanction of a special resolution ~~Special Resolution~~ passed at a separate general meeting ~~General Meeting~~ of the holders of shares of the class and to every such special resolution ~~Special Resolution~~ the provisions of ~~Section 184 of the Act relating to special resolutions~~ passed at a general meeting of members shall, with such adaptations as are necessary, apply. To every such separate general meeting ~~General Meeting~~ the provisions of ~~this Constitution these Articles~~ relating to general meetings ~~General Meetings~~ shall mutatis mutandis apply; but so that the necessary quorum shall be two persons at least holding or representing by proxy or by attorney one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy or by attorney may demand a poll.

Provided always that where the necessary majority for such a special resolution ~~Special Resolution~~ is not obtained at the Meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two months of the Meeting shall be as valid and effectual as a special resolution ~~Special Resolution~~ carried at the Meeting.

Rights of
Preference
Shareholders

(2) The repayment of preference capital other than redeemable preference capital or any other alteration of preference shareholder rights, may only be made pursuant to a special resolution of the preference shareholders concerned. PROVIDED ALWAYS that where the necessary majority for such a special resolution

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is not obtained at the meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.

Creation or issue of further shares with special rights	<u>419.</u>	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or by <u>this Constitution these Articles</u> as are in force at the time of such issue, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects <i>pari passu</i> therewith but in no respects in priority thereto.
Power to pay commission and brokerage	<u>4210.</u>	<p>(1) Subject to the Act, the Company may exercise the powers of paying brokerage or commission on any issue of shares at such rate or amount and in such manner as the Directors deem fit. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares, or partly in one way and partly in the other.</p> <p><u>(2) Any expenses (including brokerage and commission) incurred directly by the Company in the issue of new shares may be paid out of the proceeds of the issue or the Company's share capital. Such payment shall not be taken as reducing the amount of share capital of the Company.</u></p>
Power to charge interest on capital	<u>4311.</u>	If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may, subject to the conditions and restrictions mentioned in the Act, pay interest on so much of the share capital as is for the time being paid up and may charge the same to capital as part of the cost of the construction or provision.
Exclusion of Equities	<u>4412.</u>	(1) Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by <u>this Constitution these Articles</u> or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or where the person entered in the Register of Members as the registered holder of a share is the Depository, the person whose name is entered in the Depository Register <u>as the Depositor</u> in respect of that share. Nothing contained in <u>this Constitution these Articles</u> concerning or relating to the Depository or the Depository Agents or Depositors or in any depository agreement made by the Company with any common depository for shares or in any notification of substantial shareholding to the Company or in response to a notice pursuant to Section 92 of the Act or any note made by the Company of any particulars in such notification shall derogate or limit or restrict or qualify these provisions; and any proxy or instructions on any matter whatsoever given by the Depository or the Depository Agents or Depositors to the Company or the Directors shall not constitute any notification of trust and the acceptance of such proxies and the acceptance of or compliance with such instructions by the Company or the Directors shall not constitute the taking of any notice of trust.
Who may be members		(2) Shares may be registered in the name of an incorporated company, limited liability partnership or other corporate body.
Joint Holders	<u>4513.</u>	<p>(1) The Company shall not be bound to register more than three persons as the joint holders of any share except in the case of executors, trustees or administrators of the estate of a deceased Member.</p> <p>(2) If two or more persons are registered as joint holders of any share any one of such persons may give effectual receipts for any dividend payable in respect of</p>

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such share and the joint holders of a share shall, subject to the provisions of the Act, be severally as well as jointly liable for the payment of all instalments and calls and interest due in respect of such shares.

(3) Only the person whose name stands first in the Register as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such persons shall be deemed notice to all the joint holders.

Fractional part of a share	16 <u>14</u> .	No person shall be recognised by the Company as having title to a fractional part of a share otherwise than as the sole or a joint holder of the entirety of such share.
Payment of Instalments	17 <u>15</u> .	If by the conditions of allotment of any shares the whole or any part of the amount of the issue price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share or his personal representatives, but this provision shall not affect the liability of any allottee who may have agreed to pay the same.
Share Certificates	18 <u>16</u> .	The certificate of title to shares or debentures in the capital of the Company shall be issued under the Seal in such form as the Directors shall from time to time prescribe and may bear the autographic or facsimile signature of a Director, or a Secretary or some other person appointed by the Directors for the purpose, and shall specify the number and class of shares to which it relates, <u>whether the shares are fully or partly paid up the amounts paid and the amount unpaid (if any) thereon and the extent to which the shares are paid up.</u> The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Auditors of the Company. No certificate shall be issued representing shares of more than one class.
Entitlement to Certificate	19 <u>17</u> .	Every person whose name is entered as a member in the Register of Members shall be entitled to receive, within 10 Market Days of the closing date of any application for shares (or such other period as may be approved by any stock exchange upon which the shares of the Company may be listed) or as the case may be, the date of lodgment of a registrable transfer or a transmission of shares, one certificate for all his shares of any one class or several certificates in reasonable denominations each for a part of the shares so allotted or transferred and where a charge is made for certificates, such charge shall not exceed \$2. Where a Member transfers part only of the shares comprised in a certificate or where a Member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and the Member shall pay a fee not exceeding \$2 for each such new certificate as the Directors may determine. PROVIDED that where the Member is a Depositor, the delivery by the Company to CDP of provisional allotment letters or share certificates in respect of the aggregate entitlements of Depositors to new shares offered by way of rights issue or other preferential offering or bonus issue shall to the extent of the delivery discharge the Company from any further liability to each such Depositor in respect of his individual entitlement.
Retention of certificates	19A <u>18</u> .	The retention by the Directors of any unclaimed share certificates (or stock certificates as the case may be) shall not constitute the Company a trustee in respect thereof. Any share certificate (or stock certificate as the case may be) unclaimed after a period of six years from the date of issue of such share certificate (or stock certificate as the case may be) may be forfeited and if so shall be dealt with in accordance with <u>Regulations Articles</u> 41, 42, and 44, 45, 46, mutatis mutandis.
New certificates may be issued	20 <u>19</u> .	(1) Subject to the provisions of the Act, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the

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Exchange or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding S\$2 as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

New certificate
in place of one
not
surrendered

(2) When any shares under the powers in ~~this Constitution these Articles~~ herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

TRANSFER OF SHARES

Form of
Transfer of
Shares

2420.

Subject to ~~this Constitution these Articles~~, any Member may transfer all or any of his shares but every transfer must be in writing and in the form for the time being approved by the Exchange. Shares of different classes shall not be comprised in the same instrument of transfer. The Company shall accept for registration transfers in the form approved by the Exchange.

Execution

2221.

The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferee is CDP shall not be ineffective by reason of it not being signed or witnessed for by or on behalf of CDP. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members.

Person under
Disability

2322.

No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

Directors'
power to
decline transfer

2423.

(1) There shall be no restriction on the transfer of fully paid up shares except where required by law or by the rules, bye-laws or listing rules of the Exchange but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve. If the Directors shall decline to register any such transfer of shares, they shall give to the transferor, the transferee and the lodging party written notice of their refusal to register the transfer and the precise reasons therefor within 10 Market Days after the date when the transfer was lodged with the Company.

Terms of
registration of
transfer

(2) The Directors may decline to transfer any instrument of transfer unless:

(i) a fee not exceeding S\$2 as the Directors may from time to time require, is paid to the Company in respect thereof;

(ii) the instrument of transfer, duly stamped in accordance with any law for the time being in force relating to stamp duty, is deposited at the Office or at such other place (if any) as the Directors appoint accompanied by a certificate of payment of stamp duty (if any), the certificates of the shares to which the transfer relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do;

(iii) the instrument of transfer is in respect of only one class of shares; and

(iv) the amount of the proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is tendered.

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Retention of transfers	<u>2524.</u>	All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same.
Closing of Register	<u>2625.</u>	The Register of Members may be closed at such times and for such period as the Directors may from time to time determine, provided always that such Register shall not be closed for more than thirty days in any year. Provided Always that the Company shall give prior notice of such closure as may be required to the Exchange, stating the period and purpose or purposes for which the closure is made.
Renunciation of Allotment	<u>2726.</u>	(1) Nothing in <u>this Constitution</u> these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.
Indemnity against wrongful transfer		(2) Neither the Company nor its Directors nor any of its Officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other Officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, trustees, administrators and assigns, alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.
Book entry Securities		(3) The provisions in <u>this Constitution</u> these Articles relating to the transfer, transmission or certification of shares shall not apply to the transfer of Book-entry securities.
	<u>27A.</u>	Subject to any legal requirements to the contrary, the Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate duly and properly cancelled and every other document herein before mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company; Provided always that: (i) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant; (ii) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this <u>Regulation</u> Article ; and (iii) references herein to the destruction of any document include references to the disposal thereof in any manner.

TRANSMISSION OF SHARES

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- Transmission on death 28. (1) In the case of the death of a ~~member~~ Member whose name is entered in the Register of Members, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.
- (2) In the case of the death of a ~~member~~ Member who is a Depositor, the survivor or survivors where the deceased is a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.
- (3) Nothing in this ~~Regulation Article~~ shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.
- Persons becoming entitled on death or bankruptcy of Member may be Registered 29. Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share upon giving to the Company notice in writing or transfer such share to some other person. If the person so becoming entitled shall elect to be registered himself, he shall send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of this Constitution ~~these Articles~~ relating to the right to transfer and the registration of transfers shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.
- Rights of unregistered executors and trustees 30. Save as otherwise provided by or in accordance with this Constitution ~~these Articles~~, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof to exercise any right conferred by membership in relation to Meetings of the Company until he shall have been registered as a Member in the Register of Members or, (as the case may be), entered in the Depository Register in respect of the share. The Directors may at any time give notice requiring any such person to elect whether to be registered himself as a Member in the Register of Members or, (as the case may be), entered in the Depository Register in respect of the share or to transfer the share and if the notice is not complied with within sixty days the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.
- Fee for registration of probate etc 31. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any share, such fee not exceeding S\$2 as the Directors may from time to time require or prescribe.

CALLS ON SHARES

- Calls on shares 32. The Directors may from time to time make such calls as they think fit upon the Members in respect of any money unpaid on their shares and not by the terms of the issue thereof made payable at fixed times, and each Member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.

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Time when Made	33.	A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.
Interest on calls	34.	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum due from the day appointed for payment thereof to the time of actual payment at such rate not exceeding twelve per cent per annum as the Directors determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.
Sum due to Allotment	35.	Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all purposes of <u>this Constitution</u> these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of the Articles <u>this Constitution</u> as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
Power to differentiate	36.	The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payments.
Payment in advance of calls	37.	The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish (so far as the same shall extend) the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate not exceeding without the sanction of the Company in <u>general meeting</u> General Meeting eight per cent per annum as the Member paying such sum and the Directors agree upon. Capital paid on shares in advance of calls shall not whilst carrying interest confer a right to participate in profits and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as part of its capital and shall be repayable at any time if the Directors so decide.
FORFEITURE AND LIEN		
Notice requiring payment of calls	38.	If any Member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on such Member requiring payment of so much of the call or instalment as is unpaid together with any interest and expense which may have accrued.
Notice to state time and place	39.	The notice shall name a further day (not being less than fourteen days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited.
Forfeiture on Non-compliance with notice	40.	If the requirements of any such notice as aforesaid are not complied with any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.
Sale of Shares forfeited	41.	A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. To give effect to any such sale, the

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Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such person as aforesaid.

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| Rights and liabilities of Members whose shares have been forfeited | 42. | A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares, but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of the shares with interest thereon at twelve per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment, but such liability shall cease if and when the Company receives payment in full of all such money in respect of the shares and the Directors may waive payment of such interest either wholly or in part. |
| Company's lien | 43. | The Company shall have a first and paramount lien and charge on every share (not being a fully paid share) registered in the name of each Member (whether solely or jointly with others) and on the dividends declared or payable in respect thereof for all unpaid calls and instalments due on any such share and interest and expenses thereon but such lien shall only be upon the specific shares in respect of which such calls or instalments are due and unpaid and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. |
| Sale of shares subject to lien | 44. | The Company may sell in such manner as the Directors think fit any share on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after notice in writing stating and demanding payment of the sum payable and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy. To give effect to any such sale, the Directors may authorize some person to transfer the shares sold to the purchaser thereof. |
| Application of proceeds of such sale | 45. | The net proceeds of such sale, whether of a share forfeited by the Company or of a share over which the Company has a lien, after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the unpaid and accrued interest and expenses and the residue (if any) paid to the Member entitled to the share at the time of sale or his executors, trustees, administrators or assigns, as he may direct. |
| Title to shares forfeited or surrendered or sold to satisfy a lien | 46. | A statutory declaration in writing that the declarant is a Director of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and such declaration and the receipt by the Company of the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with the certificate under Seal for the share delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share, or where such person is a Depositor, CDP shall be registered as the holder of the share and such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share. |

ALTERATION OF CAPITAL

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| Power to increase capital | 47. | The Company in <u>general meeting</u> General Meeting may, subject to the Act and <u>this Constitution</u> these Articles , from time to time by <u>ordinary resolution</u> Ordinary Resolution whether all the shares for the time being issued shall have been fully called up or not, increase its capital by the creation of new shares of such amount as may be deemed expedient. |
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Rights and
privileges of
new shares

48. Subject to any special rights for the time being attached to any existing class of shares, the new shares shall be issued upon such terms and condition and with such rights and privileges annexed thereto as the general meeting ~~General Meeting~~ resolving upon the creation thereof shall direct and if no direction be given as the Directors shall determine; subject to the provisions of this Constitution ~~these Articles~~ and in particular (but without prejudice to the generality of the foregoing) such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company or otherwise.

Issue of new
shares to
Members

49. (1) Subject to any direction to the contrary that may be given by the Company in general meeting ~~General Meeting~~ or except as permitted under the listing rules of the Exchange, all new shares shall before issue be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings ~~General Meetings~~ in proportion, as nearly as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this regulation.

(2) Notwithstanding ~~Article paragraph~~ 49(1) and subject to the Act, the Company may by ordinary resolution ~~Ordinary Resolution~~ in general meeting ~~General Meeting~~ give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the ordinary resolution ~~Ordinary Resolution~~ to:-

(a) (i) issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise; and/or;

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and

(b) (notwithstanding the authority conferred by the ordinary resolution ~~Ordinary Resolution~~ may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while the ordinary resolution ~~Ordinary Resolution~~ was in force,

Provided that:-

(x) the aggregate number of Shares to be issued pursuant to the ordinary resolution ~~Ordinary Resolution~~ (including shares to be issued pursuant to the Instruments made or granted pursuant to the ordinary resolution ~~Ordinary Resolution~~) shall be subject to such limits and manner of calculation as may be prescribed by the listing rules of the Exchange;

(y) in exercising the authority conferred by the ordinary resolution ~~Ordinary Resolution~~, the Company shall comply with the listing rules of the Exchange (unless such compliance is waived by the said Exchange) and this Constitution ~~these Articles~~; and

(z) (unless revoked or varied by the Company in general meeting ~~General Meeting~~) the authority conferred by the ordinary resolution ~~Ordinary Resolution~~ shall not continue in force beyond the conclusion of the ~~Annual~~ annual general meeting ~~General Meeting~~ of the Company next following the passing of the ordinary

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~~resolution~~ Ordinary Resolution, or the date by which such Annual ~~annual general meeting~~ General Meeting is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).

(3) Notwithstanding ~~Article 49~~ paragraph (1) above but subject to the Act, the Directors shall not be required to *offer* any new shares to Members to whom by reason or foreign securities laws such *offers* may not be made without registration of the shares or a prospectus or other document, but to sell the entitlements to the new shares on behalf of such Members in such manner as they think most beneficial to the Company.

New shares otherwise subject to provisions of the Regulation Articles s

50. Except so far as otherwise provided by the conditions of issue or by this Constitution~~these Articles~~, any capital raised by the creation of new shares shall be considered part of the original ordinary capital of the Company and shall be subject to the provisions of this Constitution~~these Articles~~ with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

Power to consolidate, cancel and subdivide shares

51. The Company may by ordinary resolution ~~Ordinary Resolution~~ alter its capital in any manner permitted under the Act, including without limitation:-

(i) consolidate and divide all or any of its shares;

(ii) cancel the number of shares which, at the date of the passing of the Resolution, have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the number of the shares so cancelled;

(iii) subdivide its shares or any of them (subject, nevertheless, to the provisions of the Act), provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; ~~and~~

(iv) subject to the provisions of ~~the Articles~~ this Constitution and the Act, convert any class of shares into any other class of shares; ~~or-~~

(v) subject to the provisions of this Constitution and the Act, convert its share capital or any class of shares from one currency to another currency.

Power to reduce capital

52. The Company may by special resolution ~~Special Resolution~~;

(i) reduce its share capital or any undistributable reserve in any manner and in accordance with and subject to any incident authorisation and consent required by law; or-

(ii) subject to and in accordance with the Act and the listing rules of the Exchange, convert one class of shares into another class of shares.

REPURCHASE OF COMPANY'S SHARES

~~52A~~53. (1) The Company may purchase or otherwise acquire its issued shares subject to and in accordance with the provisions of the Act and any other relevant rule, law or regulation enacted or promulgated by any relevant competent authority from time to time (hereafter, the "Relevant Laws"), on such terms and subject to such conditions as the Company may in general meeting ~~General Meeting~~ prescribe in accordance with the Relevant Laws. Any shares purchased or acquired by the Company may be cancelled or held as treasury shares. On the cancellation of a share as aforesaid, the rights and privileges attached to that share shall expire, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled and the relevant provisions Section 76G of the Act in relation thereto shall apply. In any other instance, the Company may hold or deal with any such share which is so

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purchased or acquired by it in such manner as may be permitted by, and in accordance with the Act.

(2) The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may deal with its treasury shares in the manner authorized by, or prescribed pursuant to, the Act.

STOCK

Power to convert stock	<u>5354.</u>	The Company may by <u>ordinary resolution</u> Ordinary Resolution convert any paid up shares into stock and may from time to time by like resolution reconvert any stock into paid up shares.
Transfer of stock	<u>5455.</u>	The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles-Regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit but no stock shall be transferable except in such units as the Directors may from time to time determine.
Rights of Stockholders	<u>5556.</u>	The holders of stock shall, according to the number of stock held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards dividend and return of capital and the assets on winding up) shall be conferred by any such number of stock units which would not if existing in shares, have conferred that privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.
Interpretation	<u>5657.</u>	All provisions of this Constitution these Articles applicable to paid up shares shall apply to stock and the words, "share" and "shareholder" or similar expression herein shall include "stock" and "stockholder".

GENERAL MEETINGS

Annual General Meeting	<u>5758.</u>	(1) Subject to the provisions of the Act, the Company shall in each year hold a <u>general meeting</u> General Meeting in addition to any other meetings in that year to be called the <u>Annual annual general meeting</u> General Meeting , and not more than fifteen months shall elapse between the date of one <u>Annual annual general meeting</u> General Meeting of the Company and that of the next. The <u>Annual annual general meeting</u> General Meeting shall be held at such time and place as the Directors shall appoint.
Extraordinary General Meetings		(2) All <u>general meeting</u> General Meetings other than <u>Annual annual general meetings</u> General Meetings shall be called <u>Extraordinary extraordinary general meeting</u> General Meetings .
		(3) <u>Unless not required by the listing rules of the Exchange, all general meetings, including extraordinary general meetings, shall be held in Singapore.</u>
Calling of Extraordinary General Meetings	<u>5859.</u>	The Directors may, whenever they think fit, convene an <u>Extraordinary extraordinary general meeting</u> General Meeting and <u>Extraordinary extraordinary general meetings</u> General Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists as provided by Section 176 of the Act . If at any time there are not within Singapore sufficient Directors capable of acting to form a quorum at a meeting of Directors, any Director may convene an <u>Extraordinary extraordinary general meeting</u> General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

NOTICE OF GENERAL MEETINGS

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Notice of meetings	5960.	<p>(1) Any <u>general meeting</u> General Meeting at which it is proposed to pass <u>Special Resolutions</u> special resolution or (save as provided by the Act) a resolution of which special notice has been given to the Company shall be called by twenty-one days' notice in writing at least and an <u>Annual annual general meeting</u> General Meeting and any other <u>Extraordinary extraordinary general meeting</u> General Meeting by at least fourteen days' notice in writing. The notice period shall in each case be exclusive both of the day on which the notice is served or deemed to be served and of the day for which the notice is given. The notice of every <u>general meeting</u> General Meeting shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under the provisions herein contained entitled to receive notice from the Company and at least fourteen days' notice of any Meeting shall also be given by advertisement in the daily press and in writing to the Exchange. Provided that a <u>general meeting</u> General Meeting, notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed:-</p> <p>(i) in the case of an <u>Annual annual general meeting</u> General Meeting by all the Members entitled to attend and vote thereat; and</p> <p>(ii) in the case of an <u>Extraordinary General Meeting any other meeting, by that number or a majority in number of the Members having a right to attend and vote thereat, being a majority which together holds not less than 95% of the total voting rights of all the Members having a right to vote at that meeting</u> as is required by the Act.</p> <p>(2) The accidental omission to give notice to, or the non-receipt by any person entitled thereto, shall not invalidate the proceedings at any <u>general meeting</u> General Meeting.</p>
Contents of notice	6061.	<p>(1) Every notice calling a <u>general meeting</u> General Meeting shall specify the place and the day and hour of the Meeting and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and to vote instead of him and that a proxy need not be a Member of the Company.</p> <p>(2) In the case of an <u>Annual annual general meeting</u> General Meeting, the notice shall also specify the Meeting as such.</p> <p>(3) In the case of any <u>general meeting</u> General Meeting at which business other than routine business is to be transacted (special business), the notice shall specify the general nature of the special business, and if any resolution is to be proposed as a <u>special resolution</u> Special Resolution or as requiring special notice, the notice shall contain a statement to that effect.</p>
Notice of Annual General Meeting		
Nature of special business to be specified		
Routine Business	6162.	<p>Routine business shall mean and include only business transacted at an <u>Annual annual general meeting</u> General Meeting of the following classes, that is to say:-</p> <p>(i) declaring dividends;</p> <p>(ii) reading, considering and adopting the <u>balance sheet</u> financial statements, the reports of the Directors and Auditors, and other accounts and documents required to be annexed to the balance sheet;</p> <p>(iii) appointing Auditors and fixing the remuneration of Auditors or determining the manner in which such remuneration is to be fixed; and</p> <p>(iv) electing Directors in place of those retiring by rotation or otherwise and fixing the remuneration of the Directors.</p>

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

Special Business 6263. Any notice of a Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the Company in respect of such special business.

PROCEEDINGS AT GENERAL MEETINGS

Quorum 6364. No business shall be transacted at any general meeting ~~General Meeting~~ unless a quorum is present at the time the meeting proceeds to business. Save as herein otherwise provided, two Members present in person shall form a quorum. For the purpose of this ~~Regulation~~Article, "Member" includes a person attending by proxy or by attorney or as representing a corporation which is a Member. Provided that if only proxies from the Depository attend, any two such proxies (not being proxies for the same Depositor) shall suffice to establish plurality and quorum. ~~(i) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum; and (ii) where a Member is represented by more than one proxy such proxies shall count as only one Member for the purpose of determining the quorum.~~

Adjournment if quorum not present 6465. If within half an hour from the time appointed for the Meeting a quorum is not present, the Meeting if convened on the requisition of Members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned Meeting a quorum is not present within half an hour from the time appointed for holding the Meeting, the Meeting shall be dissolved.

Resolutions in writing 6566. Subject to the Act, a resolution in writing signed by every Member of the Company entitled to vote or being a corporation by its duly authorised representative shall have the same effect and validity as an ordinary resolution ~~Ordinary Resolution~~ of the Company passed at a general meeting ~~General Meeting~~ duly convened, held and constituted, and may consist of several documents in the like form, each signed by one or more of such Members.

Chairman 6667. The Chairman of the Directors or, in his absence, the Deputy Chairman (if any) shall preside as Chairman at every general meeting ~~General Meeting~~. If there is no such Chairman or Deputy Chairman or if at any Meeting he is not present within fifteen minutes after the time appointed for holding the Meeting or is unwilling to act, the Members present shall choose some Director to be Chairman of the Meeting or, if no Director is present or if all the Directors present decline to take the Chair, one of their number present to be Chairman.

Adjournment 6768. The Chairman may, with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting), adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned Meeting shall be given as in the case of the original Meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.

Method of voting 6869. (1) Unless not required by the listing rules of the Exchange, at any general meeting, all resolution(s) put to the vote at the meeting shall be decided by poll, including any resolution for the adjournment or election of a chairman of such general meeting.

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(2) Subject to paragraph (1), ~~At any general meeting~~ General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:-

(i) by the Chairman (being a person entitled to vote thereat); or

(ii) by at least five Members present in person or by proxy or attorney or in the case of a corporation by a representative and entitled to vote thereat; or

(iii) by a Member or Members present in person or by proxy or by attorney or where such a Member has appointed two proxies, any one of such proxies, or in the case of a corporation by a representative, holding or representing (as the case may be) not less than ~~one-tenth~~ 5% of the total voting rights of all the Members having the right to vote at the meeting; or

(iv) by a Member or Members present in person or by proxy or by attorney or where such a Member has appointed two proxies, any one of such proxies or in the case of a corporation by a representative, holding or representing (as the case may be) shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than ~~one-tenth~~ 5% of the total sum paid up on all the shares conferring that right.

~~Provided always that no poll shall be demanded on the election of a Chairman or on a question of adjournment.~~ Unless a poll is so demanded (and the demand is not withdrawn) a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. A demand for a poll may be withdrawn.

Taking a poll 6970.

If a poll is duly demanded (and the demand is not withdrawn) it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct and the result of a poll shall be deemed to be the resolution of the Meeting at which the poll was demanded.

~~The Chairman may, and if so requested shall, appoint scrutineers and may adjourn the Meeting to some place and time fixed by him for the purpose of declaring the result of the poll.~~

Appointment of scrutineer 71.

Unless not required by the listing rules of the Exchange, the chairman of the general meeting shall appoint scrutineers as follows:

(i) At least one (1) scrutineer shall be appointed for each general meeting and the appointed scrutineer(s) shall be independent of the persons undertaking the polling process at the general meeting; and

(ii) The appointed scrutineer(s) shall:

(a) ensure that satisfactory procedures of the voting process are in place before the general meeting; and

(b) direct and supervise the count of the votes cast through proxy and in person and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

(iii) Where the appointed scrutineer is interested in any resolution(s) proposed to be passed at the general meeting, it shall refrain from acting as the scrutineer for such resolution(s).

Votes counted in error 7072.

If any votes are counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it is pointed out at

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the same Meeting or at any adjournment thereof and not in any case unless it shall in the opinion of the Chairman be of sufficient magnitude.

Chairman's casting vote	<u>7173.</u>	Save as provided below, in the case of equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote. The Chairman shall not be entitled to a second or casting vote at a Meeting where two Directors form the quorum at that Meeting or on a resolution on which only two Directors are entitled to vote.
Time for taking a poll	<u>7274.</u>	A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the Meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.
Continuance of business after demand for a poll	<u>7375.</u>	The demand for a poll shall not prevent the continuance of a Meeting for the transaction of any business, other than the question on which the poll has been demanded.

VOTES OF MEMBERS

Voting rights of members	<u>7476.</u>	<p>(1) <u>Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company each member Member entitled to vote may vote in person or by proxy or attorney or in the case of a corporation by a representative.</u></p> <p>(2) <u>On a show of hands every member Member who is present in person or by proxy or by attorney or in the case of a corporation by a representative shall have one vote, provided always that:</u></p> <p>(i) <u>(provided that in the case of a Member who is not a relevant intermediary and who is represented by two proxies, only one of the proxies as determined by that Member or, failing such determination, by the Chairman of the Meeting, or by a person authorized by the Chairman in his sole discretion, shall be entitled to vote on a show of hands; and</u></p> <p>(ii) <u>in the case of a Member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.</u></p> <p>and on a poll, every member Member who is present in person or by proxy or by attorney or in the case of a corporation by a representative shall have one vote for each share which he holds or represents.</p>
Voting rights of joint holders	<u>7577.</u>	Where there are joint registered holders of any share any one of such persons may vote and be reckoned in a quorum at any Meeting either personally or by proxy or by attorney or in the case of a corporation by a representative as if he were solely entitled thereto but if more than one of such joint holders is so present at any meeting then the person present whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name any share stands shall for the purpose of this <u>Regulation Article</u> be deemed joint holders thereof.
Voting rights of members of unsound mind	<u>7678.</u>	A Member of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorders <u>health</u> may vote whether on a show of hands or on a poll by his committee, curator bonis or such other person as properly has the management of his estate and any such committee, curator bonis or other

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person may vote by proxy or attorney, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the Meeting.

Right to vote	<u>7779.</u>	<p>Every Member shall be entitled to be present and to vote at any general meeting either personally, by attorney, by proxy, or, in the case of a Member who is a corporation, by its representative, and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid; provided that where a Member is a Depositor, the Depositor shall only be entitled to attend any general meeting (whether in person, by attorney, by proxy, or, in the case of a Member who is a corporation, by its representative), and to speak and vote thereat if at a time not earlier than 48<u>72</u> hours prior to the time of the relevant general meeting (the "cut-off time"), his name is shown in the Depository Register as a Depositor on whose behalf CDP holds shares in the Company, and then only in respect of such shares as is standing to the credit of his Securities Account as at the cut-off time in the records of CDP (as supplied by CDP to the Company); and the Company shall be entitled to deem each such Depositor, or each attorney, proxy or representative of such Depositor, to represent such number of shares as is standing to the credit of the Securities Account of that Depositor as at the cut-off time, according to the records of CDP (as supplied by CDP to the Company); or where a Depositor has apportioned the balance standing to his Securities Account as at the cut-off time between two proxies, to apportion the said number of shares between the two proxies in the same proportion as specified by the Depositor in appointing the proxies; and accordingly no instrument appointing a proxy of a Depositor shall be rendered invalid merely by reason of any discrepancy between the number of shares standing to the credit of that Depositor's Securities Account as at the cut-off time, and the true balance standing to the Securities Account of a Depositor as at the time of the relevant general meeting, if the instrument is dealt with in such manner as aforesaid.</p>
Objections	<u>7880.</u>	<p>No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered and every vote not disallowed at such Meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting whose decision shall be final and conclusive.</p>
Votes on a poll	<u>7981.</u>	<p>On a poll votes may be given either personally or by proxy or by attorney or in the case of a corporation by its representative and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.</p>
Appointment of proxies	<u>8082.</u>	<p>(1) A member<u>Member who is not a relevant intermediary</u> may appoint not more than two proxies to attend and vote at the same general meetingGeneral Meeting. A Member who is a relevant intermediary may appoint more than two proxies to attend and vote at the same general meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member.</p> <p>(2) Where a member<u>Member</u> appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.</p> <p>(3) Any shares in respect of which a Member has not appointed a proxy may only be exercised at the relevant general meeting by the member<u>Member</u> personally or by his attorney, or in the case of a corporation by its representative.</p> <p>(4) Where a member<u>Member</u> appoints a proxy in respect of more shares than the shares standing to his name in the Register of Members, or in the case of a Depositor, standing to the credit of that Depositor's Securities Account, such proxy</p>

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may not exercise any of the votes or rights of the shares not registered to the name of that member in the Register of Members or standing to the credit of that Depositor's Securities Account as at the cut-off time, as the case may be.

~~(5) A proxy need not be a member.~~

~~(5) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) set out in the instrument of proxy.~~

Proxy need not be a Member

~~8183.~~

A proxy need not be a Member of the Company, and shall be entitled to vote on a show of hands on any question at any ~~general meeting~~ General Meeting.

Instrument appointing a proxy

~~8284.~~

~~(1) An instrument appointing a proxy for any Member shall be in writing in any usual form or any other form which the Directors may approve and:~~

~~(i) in the case of an individual Member, shall be:~~

~~(a) signed by the Member appointer or his attorney duly authorised in writing if the instrument is delivered personally or sent by post; and/or~~

~~(b) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and~~

~~(ii) in the case of a Member which is a corporation, shall be:~~

~~(a) either given under its common seal or signed on its behalf under the hand of its attorney duly authorised or a duly authorised officer of the corporation if the instrument is delivered personally or sent by post; or~~

~~(b) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.~~

~~The Directors may, for the purposes of paragraph (1), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.~~

~~(2) The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the Member or a duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument of proxy and:~~

~~(i) must be left at the Office or such other place (if any) as is specified for the purpose in the notice convening the meeting; or~~

~~(ii) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting.~~

~~and in either case, not less than forty-eightseventy-two hours before the time appointed for the holding of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which it is to be used failing which the instrument may be treated as invalid.~~

~~(3) The signature of such instrument need not be witnessed. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting, on behalf of the appointor.~~

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(4) The Directors may, in their absolute discretion:

(i) approve the method and manner for an instrument of proxy to be authorised; and

(ii) designate the procedure for authenticating an instrument appointing a proxy,

as contemplated in paragraph (1)(i)(b) and (1)(ii)(b) for application to such Members or class of Members as they may determine. Where the Directors do not approve and designate in relation to a Member (whether of a class or otherwise), paragraphs (1)(i)(a) and (1)(ii)(a) shall apply.

Form of proxies 8385.

(1) The Company shall be entitled for the purposes of a poll, to reject an instrument of proxy executed by a Depositor as representing the number of shares equal to the number of shares appearing against his name in the Depository Register, if the Depositor's name does not appear in the Depository Register 72 hours prior to the commencement of the relevant general meeting certified by the Depository to the Company, notwithstanding the number of shares actually specified in the relevant instrument of proxy.

(2) An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. PROVIDED that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates. Unless otherwise instructed, the proxy will vote as he thinks fit.

Intervening death or insanity of principal not to revoke proxy

8486.

A vote given in accordance with the terms of an instrument of proxy (which for the purposes of ~~this Constitution these Articles~~ shall also include a power of attorney) shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office (or such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

Corporations acting by representatives

8587.

Any corporation or limited liability partnership which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any Meeting of the Company or of any class of Members of the Company and the persons so authorised shall be entitled to exercise the same powers on behalf of the corporation or limited liability partnership as such corporation or limited liability partnership could exercise if it were an individual Member of the Company.

DIRECTORS

Appointment and number of Directors

8688.

Subject to the ~~other provisions of Section 145 of the Act,~~ the number of the Directors, all of whom shall be natural persons, shall not be less than two nor unless otherwise determined by a general meeting ~~General Meeting~~ more than ten.

First Directors

87.

~~DELETED~~

Qualifications

8889.

A Director need not be a Member and shall not be required to hold any share qualification unless and until determined by the Company in general meeting ~~General Meeting~~ and shall be entitled to attend and speak at general meeting ~~General Meeting~~

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Meetings but subject to the provisions of the Act he shall not be of or over the age of 70 years at the date of his appointment.

Fees	8990.	(1) The fees of the Directors shall be determined from time to time by the Company in <u>general meetings</u> General Meetings and such fees shall not be increased except pursuant to an <u>ordinary resolution</u> Ordinary Resolution passed at a <u>general meeting</u> General Meeting where notice of the proposed increase shall have been given in the notice convening the <u>Meeting</u> meeting . Such fees shall (unless such resolution otherwise provides) be divided among the Directors in such proportions and manner as they may agree and in default of agreement equally, except that in the latter event any Director who shall hold office for part only of the period in respect of which such fee is payable shall be entitled only to rank in such division for the proportion of fee related to the period during which he has held office.
Extra Remuneration		(2) Any Director who is appointed to any executive office or serves on any committee or who otherwise performs or renders services, which, in the opinion of the Directors, are outside his ordinary duties as a Director, may be paid such extra remuneration as the Directors may determine, subject however as is hereinafter provided in this <u>Regulation</u> Article .
Remuneration of Executive Director		(3) The remuneration in the case of a Director other than an Executive Director shall be payable by a fixed sum and shall not at any time be by commission on or percentage of the profits or turnover, and no Director whether an Executive Director or otherwise shall be remunerated by a commission on or percentage of turnover.
Expenses	9091.	The Directors shall be entitled to be repaid all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or <u>general meetings</u> General Meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.
Pensions	9192.	(1) Subject to Section 168 of the Act, the Directors may pay a pension or allowance (either revocable or irrevocable and either subject or not subject to any terms and conditions) to any Executive Director (as hereinafter defined) on or at any time after his retirement from his office or employment under the Company or under any related corporation or on or after his death to his widow or other dependants.
Benefits for staff		(2) The Directors shall have power and shall be deemed always to have had power to establish and maintain and to concur with any subsidiary in establishing and maintaining any schemes or funds for providing pensions, superannuation benefits, sickness or compassionate allowance, life assurances or other benefits for staff (including any Director for the time being holding any executive office or any office of profit in the Company) or employees of the Company or any such subsidiary and for the widows or other dependants of such persons and to make contributions out of the Company's money for any such schemes or funds.
Definition of related corporation		(3) The expression "subsidiary" for the purposes of these Articles <u>this Constitution</u> shall mean any corporation which is deemed to be a subsidiary of the Company in terms of Section 5 of <u>under</u> the Act.
Definition of Executive Director		(4) In <u>this Constitution</u> these Articles the expression "Executive Director" shall mean and include any Director, including a Managing Director who has been or is engaged substantially whole-time in the business of the Company or of any subsidiary or partly in one and partly in another.
Powers of Directors to hold office of profit and to contract with	9293.	(1) <u>Other</u> than the office of Auditors, a Director may hold any other office or place of profit under the Company and he or any firm of which he is a member may act in a professional capacity for the Company in conjunction with his office of Director for

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Company such period and on such terms (as to remuneration and otherwise) as the Directors may determine.

(2) A director or Chief Executive Officer may contract with and be interested in any transaction or proposed transaction with the Company and shall not be liable to account for any profit made by him, by reason of any such transaction or proposed transaction, provided that the nature, character and extent of his interest in any such contract must be declared at a meeting of the directors or a written notice is sent to the Company containing details in the nature, character and extent of his interest in the transaction or proposed transaction as required by the Statutes. No director shall vote as a director in respect of any contract or arrangement in which he shall have a direct or indirect personal material interest, but this prohibition shall not apply to any contract or arrangement for giving to a director security for any advance made or guarantee given by him to or for the benefit of the Company, or to any contract or arrangement for or relating to any allotment or proposed allotment of shares or debentures to a director, and it may at any time be suspended or relaxed by the Company in general meeting.

~~No Director or intending Director shall be disqualified by his office from contracting or entering into any arrangement with the Company either as vendor, purchaser or otherwise nor shall such contract or arrangement or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but every Director shall observe the provisions of Section 156 of the Act relating to the disclosure of the interests of the Directors in contracts or proposed contracts with the Company or of any office or property held by a Director which might create duties or interests in conflict with his duties or interests as a Director and any contract or arrangement to be entered into by or on behalf of the Company in which any Director shall be in any way interested shall be subject to any requirements that may be imposed by the Exchange. No Director shall vote in respect of any contract, arrangement or transaction in which he is so interested as aforesaid or in respect of any allotment of shares in or debentures of the Company to him and if he does so vote his vote shall not be counted but this prohibition as to voting shall not apply to any contract by or on behalf of the Company to give to the Directors or any of them any security by way of any lawful indemnity.~~

Holding of office in other companies

9394.

(1) A Director may be or become a director of or hold any office or place of profit (other than as Auditor) or be otherwise interested in any company in which the Company may be interested as vendor, purchaser, shareholder or otherwise and unless otherwise agreed shall not be accountable for any fees, remuneration or other benefits received by him as a director or officer of or by virtue of his interest in such other company.

Exercise of voting power

(2) The Directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner and in all respects as the Directors think fit in the interests of the Company (including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors of such company or voting or providing for the payment of remuneration to the directors of such company) and any such Director of the Company may vote in favour of the exercise of such voting powers in the manner aforesaid notwithstanding that he may be or be about to be appointed a director of such other company.

Executive Directors

93A95.

(1) The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Chairman or Deputy Chairman) on such terms and for such period as they may (subject to the provisions of the Act and any listing rules, rules and bye-laws of

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the Exchange) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.

(2) The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

MANAGING DIRECTORS

Appointment of Managing Directors	9496.	The Directors may from time to time appoint one or more of their body or such other persons to be Managing Director or Managing Directors of the Company and may from time to time (subject to the provisions of any contract between him. or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their places. Where an appointment is for a fixed term such term shall not exceed five years.
Managing Director not to be subject to retirement by rotation	9597.	A Managing Director (if a Director) shall while he continues to hold that office be subject to the same provisions as to retirement by rotation, resignation and removal as the other Directors of the Company. The appointment of a Director to the office of Managing Director shall not automatically determine if he ceases to be a Director from any cause unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of contract of service between him and the Company.
Remuneration of Managing Director	9698.	The remuneration of a Managing Director shall from time to time be fixed by the Directors and may subject to this Constitution these Articles be by way of salary or commission or participating in profits or by any or all of these modes but he shall not under any circumstances be remunerated by a commission on or a percentage of turnover.
Powers of Managing Director	9799.	A Managing Director shall at all times be subject to the control of the Directors but subject thereto the Directors may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under this Constitution these Articles by the Directors as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

VACATION OF OFFICE OF DIRECTORS

Vacation of office of Director	98100.	<p>The office of a Director shall be vacated on any one of the following events, namely:-</p> <ul style="list-style-type: none">(i) if he is prohibited from being a Director by reason of any order made under the Act;(ii) if he ceases to be a Director by virtue of any of the provisions of the Act;(iii) if he resigns by writing under his hand left at the Office;(iv) if a receiving order is made against him or if he suspends payments or makes any arrangement or compounds with his creditors generally;(v) if he should become of unsound mind or bankrupt during his term of office;
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(vi) if he absents himself from meetings of the Directors for a continuous period of six months without leave from the Directors and the Directors resolve that his office be vacated;

(vii) if he is removed by the Company in general meeting ~~General Meeting~~ pursuant to this Constitution ~~these Articles~~; or

~~(viii) subject to the provisions of the Act at the conclusion of the Annual General Meeting commencing next after he attains the age of 70 years; or~~

~~(ixviii) if his term of office as Director expires.~~

Removal of
Directors

99101.

~~(1) In accordance with the provisions of Section 152 of the Act, the Company may by Ordinary Resolution of which special notice has been given remove any Director before the expiration of his period of office, notwithstanding any provision of these Articles~~ this Constitution or of any agreement between the Company and such Director but without prejudice to any claim he may have for damages for breach of any such agreement. Subject to this Constitution, the Company in general meeting ~~General Meeting~~ may appoint another person in place of a Director so removed from office and any person so appointed shall be subject to retirement by rotation at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy so arising may be filled by the Directors as a casual vacancy.

(2) Subject to the provisions of this Constitution, the Company may by ordinary resolution appoint any other person as an additional director.

ROTATION OF DIRECTORS

Retirement of
Directors by
rotation

400102.

~~(1) Subject to this Constitution ~~these Articles~~ and to the Act, at each Annual annual general meeting~~ General Meeting one-third of the Directors for the time being, or if their number is not a multiple of three, the number nearest to one-third but not less than one-third, shall retire from office by rotation. Provided that all Directors shall retire from office at least once every three years.

(2) Where a Director is disqualified from acting as a director in any jurisdiction other than on technical grounds, the Director shall immediately retire from office.

Selection of
Directors to
retire

404103.

The Directors to retire in every year shall be those who, being subject to retirement by rotation, have been longest in office since their last election or appointment or have been in office for the three years since their last election. However as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

402104.

The Company at the Meeting at which a Director retires under any provision of this Constitution ~~these Articles~~ may by ordinary resolution ~~Ordinary Resolution~~ fill up the vacated office by electing a person thereto. In default the retiring Director shall be deemed to have been re-elected, unless:

(i) at such Meeting it is expressly resolved not to fill up such vacated office or a resolution for the re-election of such Director is put to the Meeting and lost; or

(ii) such Director is disqualified under the Act from holding office as a Director or has given notice in writing to the Company that he is unwilling to be re-elected; or

(iii) such Director has attained any retiring age applicable to him as a Director

The retirement shall not have effect until the conclusion of the Meeting except where a resolution is passed to elect some other person in the place of the retiring Director

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or a resolution for his re-election is put to the Meeting and lost and accordingly a retiring Director who is re-elected or deemed re-elected will continue in office without a break.

Notice of
intention to
appoint Director

~~103~~105.

No person, other than a Director retiring at the ~~Meeting~~meeting, shall, unless recommended by the Directors for re-election, be eligible for appointment as a Director at any ~~general meeting~~ General Meeting unless not less than eleven clear days before the day appointed for the Meeting there shall have been left at the Office notice in writing signed by some Member duly qualified to attend and vote at the ~~Meeting~~meeting for which such notice is given of his intention to propose such person for election and also notice in writing duly signed by the nominee giving his consent to the nomination and signifying his candidature for the office or the intention of such Member to propose him. Provided that in the case of a person recommended by the Directors for election nine clear days' notice only shall be necessary and notice of each and every candidate for election shall be served on all Members at least seven clear days prior to the ~~Meeting~~meeting at which the election is to take place.

Directors'
power to fill
Casual
vacancies and
to appoint
additional
Directors

~~104~~106.

The Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director but the total number of Directors shall not at any time exceed the maximum number fixed by ~~this Constitution~~these Articles. Any Director so appointed shall hold office only until the next ~~Annual~~annual general meeting General Meeting and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at such ~~Meeting~~meeting.

Appointment of
Directors to be
voted on
individually

~~104A~~107.

A resolution for the appointment of two or more Directors by a single resolution shall not be moved at any ~~general meeting~~ General Meeting unless a resolution that it shall be so moved has first been agreed to by the ~~Meeting~~meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

ALTERNATE DIRECTORS

Alternate
Directors

~~105~~108.

(1) Any Director of the Company may at any time appoint any person who is not a Director or an alternate of another Director and who is approved by a majority of his Co-Directors to be his Alternate Director and may at any time remove any such Alternate Director from office. An Alternate Director so appointed shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration from the Company.

(2) An Alternate Director shall (subject to his giving to the Company an address in Singapore) be entitled to receive notices of all meetings of the Directors and to attend and vote as a Director at such meetings at which the Director appointing him is not personally present and generally to perform all functions of his appointor as a Director in his absence.

(3) An Alternate Director shall ipso facto cease to be an Alternate Director on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases for any reason to be a Director otherwise than by retiring and being re-elected at the same meeting.

(4) All appointments and removals of Alternate Directors shall be effected in writing under the hand of the Director making or terminating such appointment left at the Office.

(5) No person shall be appointed the Alternate Director for more than one Director.

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(6) An Alternate Director shall be entitled to contract and be interested in and benefit from contracts and arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director.

PROCEEDINGS OF DIRECTORS

Meetings of Directors	406 <u>109</u> .	(1) The Directors may meet together for the despatch of business, adjourn or otherwise regulate their meetings as they think fit. Subject to this Constitution <u>these Articles</u> , questions arising at any meeting shall be determined by a majority of votes and in case of an equality of votes the Chairman of the meeting shall have a second or casting vote except when only two Directors are present and form a quorum or only two Directors are competent to vote on the question.
Who may summon meeting of Directors		(2) A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors by notice in writing given to each Director. (3) The accidental omission to give to any Director, or the non-receipt by any Director of, a notice of a meeting of Directors shall not invalidate the proceedings at that meeting.
Quorum	407 <u>110</u> .	The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless fixed otherwise shall be a majority of the Directors. A meeting of the Directors at which a quorum is present at the time the meeting proceeds to business shall be competent to exercise all the powers and discretions for the time being exercisable by the Directors.
Relaxation of restriction on voting	108 <u>111</u> .	A Director, notwithstanding his interest, may be counted in the quorum present at any meeting where he or any other Director is appointed to hold any office or place of profit under the Company, or where the Directors resolve to exercise any of the rights of the Company (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company, or where the Directors resolve to enter into or make any arrangements with him or on his behalf pursuant to this Constitution <u>these Articles</u> or where the terms of any such appointment or arrangements as hereinbefore mentioned are considered, and he may vote on any such matter other than in respect of the appointment of or arrangements with himself or the fixing of the terms thereof. A Director shall not vote in respect to any contract or arrangement or proposed contract or arrangement in which he has directly or indirectly a personal material interest.
Proceedings in case of vacancies	409 <u>112</u> .	The Directors may act notwithstanding any vacancies but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with this Constitution <u>these Articles</u> the Directors or Director may, except in an emergency, act only for the purpose of filling up such vacancies or of summoning general meeting <u>General Meetings</u> of the Company. If there are no Directors or Director able or willing to act, then any two Members may summon a general meeting <u>General Meeting</u> for the purpose of appointing Directors.
Chairman of Directors	140 <u>113</u> .	The Directors may from time to time elect a Chairman and, if desired, a Deputy Chairman and determine the period for which he is or they are to hold office. The Deputy Chairman shall perform the duties of the Chairman during the Chairman's absence. The Chairman or, in his absence, the Deputy Chairman shall preside as Chairman at meetings of the Directors but if no such Chairman or Deputy Chairman is elected or if at any meeting the Chairman and the Deputy Chairman are not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting. Any Director acting as Chairman of a meeting of the Directors shall in the case of an equality of votes have the Chairman's right to a second or casting vote where applicable.

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Resolutions in writing	<u>411114.</u>	A resolution in writing signed by the majority of the Directors and constituting a quorum shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form each signed by one or more of the Directors. The expression "in writing" and "signed" include approval by any such Director by telefax, telex, cable, telegram, electronic mail or; any form of electronic communication incorporating, if the Directors deem necessary, the use of such security and/or identification procedures and devices as may be approved by the Directors.
Power to appoint committees	<u>442115.</u>	The Directors may delegate any of their powers to committees consisting of such member or members of their body and (if thought fit) one or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee.
Proceedings at committee meetings	<u>413116.</u>	The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of <u>this Constitution</u> these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Regulation 115 <u>Article</u> .
Validity of acts of Directors in spite of some formal defect	<u>444117.</u>	All acts done by any meeting of Directors or a committee of Directors or by any person acting as Director or a member of such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or a member of the committee and had been entitled to vote.

GENERAL POWERS OF DIRECTORS

General power of Directors to manage Company's business	<u>145118.</u>	The management of the business of the Company shall be vested in <u>managed by, or under the direction and supervision of</u> the Directors. The Directors may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by the Act or any listing rule of the Exchange expressly directed or required to be exercised or done by the Company in <u>general meeting</u> General Meeting ; provided always that the Directors shall not carry into effect any sale or proposals for disposing of the Company's undertaking or property unless those proposals have been approved by the Company in <u>general meeting</u> General Meeting .
Power to establish local boards, etc.	<u>446119.</u>	The Directors may establish any local boards or agencies for managing any affairs of the Company, either in Singapore or elsewhere, and may appoint any persons to be members of such local boards or any managers or agents, and may fix their remuneration and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person acting in good faith and without notice of any such annulment or variation shall be affected thereby.
Power to appoint attorneys	<u>447120.</u>	The Directors may from time to time by power of attorney under the Seal appoint any company, firm or person or any fluctuating body of persons whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Company

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for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under ~~this Constitution~~ these Articles) .and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with such attorney as the Directors may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Power to keep a branch register ~~118~~121. The Company or the Directors on behalf of the Company may in exercise of the powers in that behalf conferred by the Act cause to be kept a Branch Register or Registers of Members and the Directors may (subject to the provisions of the Act) make and vary such regulations as they think fit in respect of the keeping of any such Register.

Signatures of cheques and bills ~~119~~122. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for moneys paid to the Company; shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

BORROWING POWERS

Directors' borrowing powers ~~120~~123. Subject to the Act, the Directors may at their discretion exercise all powers of the Company to borrow or raise money from time to time for the purpose of the Company and secure the payment of such sums by mortgage, charge or hypothecation of or upon all or any of the property or assets of the Company including any uncalled or called but unpaid capital or by the issue of debentures or otherwise as they may think fit.

ASSOCIATE DIRECTORS

Associate Directors ~~121.~~ ~~The Directors may from time to time appoint any person to be an associate Director and may from time to time cancel any such appointment. The Directors may fix, determine and vary the powers, duties and remuneration of any person so appointed but a person so appointed shall not have any right to attend at any meeting of the Directors except by invitation of the Directors and an associate Director shall not be entitled to a vote at any meeting of the Directors nor shall he be deemed to be a Director for any purposes whatsoever.~~

SECRETARY

Secretary ~~122~~124. The Secretary or Secretaries shall, and a Deputy or Assistant Secretary or Secretaries may, be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary, Deputy or Assistant Secretary so appointed may be removed by them, but without prejudice to any claim he or they may have for damages for breach of any contract of service between him and the Company. The appointment and duties of the Secretary or Secretaries shall not conflict with the provisions of the Act relating thereto.and in particular ~~Section 171~~ thereof.

SEALEXECUTION OF DOCUMENTS BY WAY OF DEED

Execution as a deed 125. (1) Unless otherwise provided under any of the Statutes, the Company may execute a document described or expressed as a deed without affixing a seal onto the document by signature:

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

(ii) _____ on behalf of the Company by at least two (2) Directors;

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

(2) A document described and expressed as a deed that is signed on behalf of the Company in accordance with paragraph (1) has the same effect as if the document was executed under the seal of the Company.

Seal	<u>123126.</u>	(1) The In the event that the Company has a Seal, the Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or a committee of Directors authorised by the Directors in that behalf, and every instrument to which the Seal is affixed shall (subject to the provisions of these Articles this Constitution as to certificates for shares) be signed by a Director, or by a Secretary or some other person appointed by the Directors for the purpose save that as regards any certificates for shares or debentures or other securities of the Company, the Directors may by resolution determine that such signature be dispensed with or affixed by some method or system of mechanical signature or other method approved by the Directors.
Official Seal		(2) The Company may exercise the powers conferred by the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Directors.
Share Seal		(3) For the purposes of Regulation Article 1816, the Company may have a duplicate Seal as referred to in Section 124 of the Act which shall be a facsimile of the Seal with the addition on its face of the words "Share Seal".

AUTHENTICATION OF DOCUMENTS

Power to authenticate documents	<u>124127.</u>	Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee of the Directors, and any books, records, documents and accounts <u>financial statements</u> relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and where any books, records, documents or accounts <u>financial statements</u> are elsewhere than at the Office, the local manager and other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.
Certified copies of resolution of the Directors	<u>125128.</u>	A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee of the Directors which is certified as such in accordance with the provisions of the last preceding Article <u>Regulation 127</u> shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting.

DIVIDENDS AND RESERVES

Payment of dividends	<u>126129.</u>	The Directors may, with the sanction of the Company, by <u>ordinary resolution</u> Ordinary Resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company.
Apportionment of dividends	<u>127130.</u>	Subject to the rights of holders of shares with special rights as to dividend (if any) and except as otherwise permitted by the Act:- (i) all dividends shall be declared and paid in proportion to the number of shares held by a Member but where the shares are partly paid all dividends shall be

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apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and

(ii) all dividends shall be apportioned and paid proportionately to the amounts so paid or credited as paid under any portion or portions of the period in respect of which the dividend is paid.

For the purposes of this ~~Regulation~~Article, no amount paid or credited as paid on a share in advance of calls shall be treated as paid on the share.

Payment of preference and interim dividends	428 <u>131</u> .	If, and so far as in the opinion of the Directors, the profits of the Company justify such payments, the Directors may pay fixed preferential dividends on any express class of shares carrying a fixed preferential dividend expressed to be payable on a fixed date on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they may think fit.
Share Premium Account	129.	DELETED
Dividends not to bear interest	430 <u>132</u> .	No dividend or other moneys payable on or in respect of a share shall bear interest against the Company.
Deduction of debts due to Company	434 <u>133</u> .	The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith.
Retention of dividends on shares subject on lien	432 <u>134</u> .	The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
Retention of dividends on shares pending transmission	433 <u>135</u> .	The Directors may retain the dividends payable on shares in respect of which any person is under this Constitution these Articles, as to the transmission of shares, entitled to become a Member, or which any person under this Constitution these Articles is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same.
Unclaimed dividends	434 <u>136</u> .	The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company. and any dividend and other moneys that are unclaimed after a period of six years from the date of declaration of such dividend or the date on which such moneys are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor entitled thereto shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date of the declaration of such dividend or the date on which such moneys are first payable.
Payment of dividend in specie	435 <u>137</u> .	The Company may, upon the recommendation of the Directors, by <u>ordinary resolution</u> Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company or in any one or more of such ways, and the Directors shall give effect to such Resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members

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upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

Fully paid
shares in lieu of
dividends in
cash

~~135A~~138.

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

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

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

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

(iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "elected ordinary shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and, for such purpose and notwithstanding the provisions of Regulation Article ~~139~~143, the Directors shall capitalise and apply the amount standing to the credit of the Company's reserve accounts as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

(2) (i) The ordinary shares allotted pursuant to the provisions of ~~Article 135A(1) paragraph (1)~~ Article 138 shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

(ii) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of ~~Article 135A paragraph (1)~~ Article 138, with full power to make such provisions as they think fit in the case of shares becoming distributable in fractions (including, notwithstanding any provision to the contrary in ~~this Constitution~~ these Articles, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down).

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(iii) The Directors may, on any occasion when they resolve as provided in ~~Article 135A~~paragraph (1), determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register or (as the case maybe) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of this ~~Regulation Article~~ shall be read and construed subject to such determination.

(iv) The Directors may, on any occasion when they resolve as provided in ~~Article 135A~~paragraph (1), further determine that no allotment of shares or rights of election for shares under that provision shall be made available or made to Members whose registered addresses entered in the Register or (as the case may be) the Depository Register is outside Singapore or to such other Members or class of Members as the Directors may in their sole discretion decide and in such event the only entitlement of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.

(v) Notwithstanding the foregoing provisions of this ~~Regulation Article~~, if at any time after the Directors' resolution to apply the provisions of ~~Article 135A~~paragraph (1) in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and without assigning any reason therefor, cancel the proposed application of ~~Article 135A~~paragraph (1).

Dividends payable by cheque

~~136~~139.

Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto or, if several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such persons and such address as such persons may by writing direct PROVIDED that where the Member is a Depositor, the payment by the Company to CDP of any dividend payable to a Depositor shall to the extent of the payment discharge the Company from any further liability in respect of the payment. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque if purporting to be endorsed or the receipt of any such person shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

Determination of entitlement to dividends

~~136A~~140.

The Directors shall have the power to determine the point of time at which the ~~members~~Members of the Company are entitled to dividends (whether final or interim, declared or to be declared), bonus shares or rights that have been resolved or are to be resolved, shall be determined.

Effect of transfer

~~137~~141.

A transfer of shares shall not pass the right to any dividend declared on such shares before the registration of the transfer.

RESERVES

Power to carry profit to reserve

~~138~~142.

(1) The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for meeting contingencies or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining the works, plant and machinery of the Company or for special dividends or bonuses or for equalising dividends or for any other purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the

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business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund, any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it not prudent to divide.

Capital gains
From investments
to be placed in
reserve

(2) Notwithstanding anything herein contained, all capital gains arising from the disposal of any of the Company's investments or properties shall not be distributed as dividends but shall instead be transferred to a capital reserve fund to be dealt with by the Company in accordance with the objects of the Company.

BONUS ISSUE AND CAPITALISATION OF PROFITS AND RESERVES

Power to
capitalize
profits

~~139~~143.

The Company may, upon the recommendation of the Directors, by ordinary resolution ~~Ordinary Resolution~~ (including any ordinary resolution ~~Ordinary Resolution~~ passed pursuant to Regulation Article 49(2) resolve:-

(1) to issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members (or as the case may be) the Depository Register at the close of business on:-

(i) the date of the ordinary resolution ~~Ordinary Resolution~~ (or such other date as may be specified therein or determined as therein provided); or

(ii) (in the case of an ordinary resolution ~~Ordinary Resolution~~ passed to Regulation Article 49(2) such other date as may be determined by the Directors;

in proportion to their then holdings of shares; and /or;

(2) capitalise any sum for the time being standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution by appropriating such sum to the person registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-

(i) the date of the ordinary resolution ~~Ordinary Resolution~~ (or such other date as may be specified therein or determined as therein provided);

(ii) (in the case of an ordinary resolution ~~Ordinary Resolution~~ passed pursuant to Regulation Article 49(2)) such other date as may be determined by the Directors,

in proportion to their then existing holding of shares and apply such sum on their behalf in paying in full for unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable preference shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion as aforesaid.

Directors to do
all acts and
things to give
effect

~~140~~144.

(1) The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalization under Regulation Article 139~~143~~, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to Members concerned). The Directors may authorize any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such bonus issue or capitalization and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

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(2) In addition and without prejudice to the powers provided by Regulation Article 139-143 and Article 140paragraph (1), the Directors shall have power to issue shares for which no consideration is payable to the Company and/or to capitalize any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full unissued shares in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive scheme or options scheme or plan implemented by the Company and approved by ~~members~~ Members in general meeting ~~General Meeting~~ in such manner and on such terms as the Directors shall think fit.

MINUTES AND BOOKS

Minutes 441145. (1) The Directors shall cause minutes to be made in books to be provided for the purpose of recording:-

(i) all appointments of officers made by the Directors;

(ii) the names of the Directors present at each meeting of Directors, of the Company and of any committee of Directors;

(iii) of all orders made by the directors and committee of directors; and

(~~iii~~iv) of all Resolutions and proceedings at all Meetings of the Company and of any class of Members, of the Directors and of committees of Directors and of its managing directors (if any).

(2) Any such minutes of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence without any further proof of the facts stated therein.

Keeping of Registers, etc. 442146. The Directors shall duly comply with the provisions of the Act and in particular the provisions with regard to the registration of charges created by or affecting property of the Company, keeping a Register of Directors and Secretaries, a Register of Members, a Register of Mortgages and Charges and a Register of Directors' Share and Debenture Holdings and the production and furnishing of copies of such Registers and of any Register of Holders of Debentures of the Company.

Form of Registers, etc. 443147. Any register, index, minute book, ~~book of accounts~~ financial statements or other book required by this Constitution ~~these Articles~~ or by the Act to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating discovery.

ACCOUNTS FINANCIAL STATEMENTS

Directors to keep proper accounts 444148. The Directors shall cause to be kept such accounting and other records as are necessary to comply with the provisions of the Act and shall cause those records to be kept in such manner as to enable them to be conveniently and properly audited.

Location and Inspection 445149. Subject to the provisions of ~~Section 199~~ of the Act, the ~~books of accounts~~ financial statements shall be kept at the Office or at such other place or places as the Directors think fit within Singapore. No Member (other than a Director) shall have any right to inspect any account or book or document or other recording of the Company except as is conferred by law or authorised by the Directors or by an ordinary resolution ~~Ordinary Resolution~~ of the Company.

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Presentation of accounts	146 <u>150</u> .	In accordance with the provisions of the Act, the Directors shall cause to be prepared and to be laid before the Company in <u>general meeting</u> General Meeting such <u>financial statements, profit and loss accounts, balance sheets, group accounts (if any) and reports, statements and other documents</u> as may be necessary prescribed by the Act. The interval between the close of a financial year of the Company and the date of the Annual General Meeting shall not exceed four months or such other period as may be required by the Act and/or the listing rules of the Exchange.
Copies of accounts	147 <u>151</u> .	<p>A copy of every balance sheet and profit and loss account <u>financial statements and, if required, balance sheet</u> which is to be laid before a <u>general meeting</u> General Meeting of the Company (including every document required by the Act to be annexed thereto) together with a copy of every report of the Auditors' report <u>report</u> relating thereto and of the Directors' report shall not less than fourteen days before the date of the Meeting be sent to every Member of, and every holder of debentures (if any) of, the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act Statutes, the listing rules of the Exchange or of this Constitution <u>or of these Articles</u>; provided <u>always that and subject to the provisions of the listing rules of the Exchange:</u></p> <p>(i) <u>these documents may be sent less than fourteen (14) days before the date of the general meeting if all persons entitled to receive notices of general meetings from the Company so agree; and</u></p> <p>(ii) <u>this Article</u> Regulation shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of a share in the Company or the several persons entitled thereto in consequence of the death or bankruptcy of the holder or otherwise,</p> <p>but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the office.</p>
Accounts Financial statements to Stock Exchange	148 <u>152</u> .	Such number of each document as is referred to in the preceding Article <u>Regulation 151</u> or such other number as may be required by the Exchange shall be forwarded to the Exchange at the same time as such documents are sent to the Members.

AUDITORS

Appointment of Auditors	149 <u>153</u> .	Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act. Every Auditor of the Company shall have a right of access at all times to the accounting and other records of the Company and shall make his report as required by the Act.
Validity of acts of Auditors in spite of some formal defect	150 <u>154</u> .	Subject to the provisions of the Act, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.
Auditors' right to receive notices of and attend General Meetings	151 <u>155</u> .	The Auditors shall be entitled to attend any <u>general meeting</u> General Meeting and to receive all notices of and other communications relating to any <u>general meeting</u> General Meeting to which any Member is entitled and to be heard at any <u>general meeting</u> General Meeting on any part of the business of the Meeting which concerns them as Auditors.

NOTICES

Service of notices	152 <u>156</u> .	(1) <u>Any notice or document (including a share certificate) may be served by the Company on any Member either personally or by sending it through the post in a prepaid letter or wrapper addressed to such Member at his registered address entered in the Register of Members or the Depository Register (as the case may be) or (if he has no address within Singapore) to the address, if any, within Singapore</u>
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supplied by him to the Company or (as the case may be) supplied by him to the Depository as his address for the service of notices or by delivering it to such address as aforesaid.

(2) Without prejudice to the provisions in paragraph (1), but subject otherwise to the Statutes and the listing rules of the Exchange relating to electronic communications, any notice or any other document (including, without limitation, any accounts, reports or financial statements) which is required or permitted to be given, sent or served under the Statutes or under this Constitution by the Company, or by the directors, to a Member may be given, sent or served using electronic communications:

(i) to the current address of that Member;

(ii) by making it available on a website prescribed by the Company from time to time; or

(iii) in such manner as such Member expressly consents to by giving notice in writing to the Company,

in accordance with the provisions of this Constitution, the Statutes and the listing rules of the Exchange.

(3) For the purposes of paragraph (2) above, a Member shall be implied to have agreed to receive such notice or document by way of electronic communications and shall not have a right to elect to receive a physical copy of such notice or document, unless otherwise provided under applicable laws.

(4) For the purposes of paragraph (3) above, the directors may, at their discretion, at any time give a Member an opportunity by way of written notice to elect within a specified period of time whether to receive such notice or document by way of electronic communications or as a physical copy, and such Member shall be deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document, unless otherwise provided under applicable laws.

(5) Where a notice or document is given, sent or served by electronic communications:

(i) to the current address of a person pursuant to paragraph (2), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under applicable laws; or

(ii) by making it available on a website pursuant to paragraph (2)(b), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, or unless otherwise provided under applicable laws.

(6) When a given number of days' notice or notice extending over any other period is required to be given the day of service shall, unless it is otherwise provided or required by this Constitution or by the Act, be not counted in such number of days or period.

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(7) Where a notice or document is given, sent or served to a Member by making it available on a website pursuant to paragraph (5)(b), the Company shall give separate notice to the Member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by any one or more of the following means:

(a) by sending such separate notice to the Member personally or through the post pursuant to paragraph (1);

(b) by sending such separate notice to the Member using electronic communications to his current address pursuant to paragraph (2)(a);

(c) by way of advertisement in the daily press; or

(d) by way of announcement on the Exchange.

Service of notices in respect of joint holders	453 <u>157</u> .	All notices with respect to any shares to which persons are jointly entitled shall be given to whichever of such persons is named first on the Register of Members or the Depository Register (as the case may be) and notice so given shall be sufficient notice to all the holders of such shares.
Members shall be served at registered address	454 <u>158</u> .	Any Member with a registered address shall be entitled to have served upon him at such address any notice or document to which he is entitled under <u>this Constitution</u> these Articles .
Service of notice on Members abroad	455 <u>159</u> .	Notwithstanding <u>Regulation Article 154-158</u> , a Member who has no registered address within Singapore and who has not supplied to the Company or (as the case may be) the Depository an address within Singapore for the service of notices shall not be entitled to any notice to which he is entitled under the Articles <u>this Constitution</u> .
Notices in cases of death or bankruptcy	456 <u>160</u> .	A person entitled to a share in consequence of the death or bankruptcy of a Member or otherwise upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also to the Company or (as the case may be) the Depository an address in Singapore for the service of notices and other documents, shall be entitled to have served upon or delivered to him (subject to <u>Regulations Article 154-158 and Article 155-159</u>) at such address any notice or document to which the Member but for his death or bankruptcy or otherwise would be entitled and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid, any notice or document delivered or sent by post to or left at the registered address of any Member or given, sent or served by electronic communication (as the case may be) in pursuance of <u>this Constitution</u> these Articles shall (notwithstanding that such Member be then dead or bankrupt or otherwise not entitled to such share and whether or not the Company have notice of the same) be deemed to have been duly served or delivered in respect of any share registered in the name of such Member in the Register of Members or, where such member <u>Member</u> is a Depositor, entered against his name in the Depository Register as sole or joint holder.
When service effected	457 <u>161</u> .	Any notice or other document if sent by post; and whether by airmail or not, shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is posted, and in proving such service by post it shall be sufficient to prove that the letter or wrapper containing the same was properly addressed and put into the post office as a prepaid letter or wrapper.
Signature on notice	458 <u>162</u> .	Any notice on behalf of the Company or of the Directors shall be deemed effectual if it purports to bear the signature of the Secretary or other duly authorised officer of the Company, whether such signature is printed or written.

APPENDIX 2: NEW CONSTITUTION

Day of service not counted	159.	When a given number of days' notice or notice extending over any other period is required to be given the day of service shall, unless it is otherwise provided or required by these Articles or by the Act, be not counted in such number of days or period.
Notice of <u>general meeting</u> General Meeting	160 <u>163</u> .	Notice of every <u>general meeting</u> General Meeting shall be given in manner hereinbefore authorised to:- (i) every Member; (ii) every person entitled to a share in consequence of the death or bankruptcy or otherwise of a Member who but for the same would be entitled to receive notice of the Meeting; (iii) the Auditors for the time being of the Company; and (iv) the Exchange.

WINDING UP

Distribution of assets in specie	161 <u>164</u> .	If the Company is wound up (whether the liquidation is voluntary, under supervision or by the Court) the Liquidator may, with the authority of a <u>special resolution</u> Special Resolution , divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of Members as the Liquidator with the like authority thinks fit, and the liquidation of the Company may be closed and the Company dissolved, but no Member shall be compelled to accept any shares or other securities in respect of which there is a liability.
Liquidator's commission	162 <u>165</u> .	On a voluntary winding up of the Company, no commission or fee shall be paid to a Liquidator without the prior approval of the Members in <u>general meeting</u> General Meeting . The amount of such commission or fee shall be notified to all Members not less than seven days prior to the Meeting at which it is to be considered.

INDEMNITY

Indemnity of Directors and Officers	163 <u>166</u> .	<u>Subject to the provisions of the Act, every officer of the Company is entitled to be indemnified out of the assets of the Company against any liability incurred by the officer to a person other than the Company and the liability attaching to the officer is in connection with any negligence, default, breach of duty or breach of trust, but shall exclude:</u> (i) <u>any liability of the officer to pay:</u> <u>(a) a fine in criminal proceedings; or</u> <u>(b) a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising); or</u> (ii) <u>any liability incurred by the officer:</u> <u>(a) in defending criminal proceedings in which he is convicted;</u>
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APPENDIX 2: NEW CONSTITUTION

(b) in defending criminal proceedings brought by the Company or a related company in which judgment is given against him; or

(c) in connection with an application for relief in which the court refuses to grant him relief.

~~Subject to the provisions of the Act, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment given in his favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court. Without prejudice to the generality of the foregoing, no Director, Manager, Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or to tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own negligence, wilful default, breach of duty or breach of trust.~~

INSURANCE

Insurance for directors and officers

167.

Subject to the provisions of the Act, the Company may purchase and maintain for an officer of the Company insurance against any liability attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company.

ALTERATION OF ARTICLES/CONSTITUTION

Alteration of Regulations Articles

164/168.

No deletion, amendment or addition to the Articles/Regulations shall be made unless prior approval in writing has been obtained from the Exchange for such deletion, amendment or addition.

SECRECY

Secrecy

165/169.

No Member shall be entitled to require discovery of or any information relating to any detail of the Company's trade or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Members of the Company to communicate to the public save as may be authorised by law, the listing rules of the Exchange and such other stock exchange on which the Company is listed.

PERSONAL DATA OF MEMBERS

Member's personal data

170.

(1) A Member who is a natural person is deemed to have consented to the collection, use and disclosure of his personal data (whether such personal data is provided by that Member or is collected through a third party) by the Company (or its agents or service providers) from time to time for any of the following purposes:

(i) implementation and administration of any corporate action by the Company (or its agents or service providers);

APPENDIX 2: NEW CONSTITUTION

(ii) internal analysis and/or market research by the Company (or its agents or service providers);

(iii) investor relations communications by the Company (or its agents or service providers);

(iv) administration by the Company (or its agents or service providers) of that Member's holding of shares in the capital of the Company;

(v) implementation and administration of any service provided by the Company (or its agents or service providers) to its Members to receive notices of meetings, annual reports and other shareholder communications and/or for proxy appointment, whether by electronic means or otherwise;

(vi) processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for any general meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to any general meeting (including any adjournment thereof);

(vii) implementation and administration of, and compliance with, any provision of this Constitution;

(viii) compliance with any applicable laws, listing rules, take-over rules, regulations and/or guidelines; and

(ix) purposes which are reasonably related to any of the above purpose.

(2) Any Member who appoints a proxy and/or representative for any general meeting and/or any adjournment thereof is deemed to have warranted that where such Member discloses the personal data of such proxy and/or representative to the Company (or its agents or service providers), that Member has obtained the prior consent of such proxy and/or representative for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy and/or representative for the purposes specified in paragraphs (1)(vi) and (1)(viii), and is deemed to have agreed to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such Member's breach of warranty.

APPENDIX 3: EXTRACT OF RESOLUTIONS PASSED IN RESPECT OF COMPACT SHARE ISSUE MANDATE

Compact Share Issue Mandate – Extract of resolutions passed by the Company at the 2018 AGM for the authority to issue shares and/or convertible instruments in the capital of the Company

“RESOLVED that, pursuant to Section 161 of the Companies Act, Chapter 50, and the Listing Manual of SGX-ST, authority be and is hereby given to the Directors of the Company to:

- (a) (i) *issue shares in the capital of the Company whether by way of rights, bonus or otherwise;*
- (ii) *make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, “Instruments”) including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;*
- (iii) *issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues,*

at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit; and

- (b) *(notwithstanding that the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force,*

provided always that

the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the Company’s total number of issued shares (excluding treasury shares), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares (excluding treasury shares) in the Company, and for the purpose of this resolution, the total number of issued shares (excluding treasury shares) shall be the Company’s total number of issued shares (excluding treasury shares) at the time this resolution is passed, after adjusting for:

- (a) *new shares arising from the conversion or exercise of convertible securities;*
- (b) *new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST, and*
- (c) *any subsequent bonus issue, consolidation or subdivision of the Company’s shares, and*

such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.”

APPENDIX 4: EXTRACT OF RESOLUTIONS PASSED IN RESPECT OF THE NEWCO SHARE ISSUE MANDATE

A. NewCo Share Issue Mandate - Extract of resolution passed by Mr Zhang Zengtao for the authority to issue shares and/or convertible instruments in the capital of NewCo

*“RESOLVED that, subject to the Compact Shareholders’ approval of the Scheme being obtained at a meeting of the Compact Shareholders to be convened and held pursuant to an order of the High Court of the Republic of Singapore (the “**Scheme Meeting**”), the Compact Shareholders’ approval of the proposed adoption of the general share issue mandate to grant the Directors of the Company the authority to issue NewCo Shares being obtained at an extraordinary general meeting of Compact (the “EGM”) to be held after the Scheme Meeting and the Scheme becoming effective, pursuant to Section 161 of the Companies Act and the Listing Manual of the SGX-ST(the “**Listing Manual**”), authority be and is hereby given pursuant to the NewCo Constitution for the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:*

- (i) allot and issue NewCo Shares whether by way of rights, bonus or otherwise;*
- (ii) make or grant offers, agreements or options (collectively, **Instruments**) that might or would require NewCo Shares to be issued, including but not limited to the creation and issue of warrants, debentures, or other instruments convertible into NewCo Shares; and/or*
- (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues,*

and (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue NewCo Shares in pursuance of any Instruments made or granted by the NewCo Directors while this Resolution was in force, provided always that:

- (a) the aggregate number of NewCo Shares to be issued pursuant to this Resolution (including NewCo Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) (after deducting such number of ordinary shares in the capital of Compact (if any) which may have been allotted and issued by Compact pursuant to Compact’s general share issue mandate (the “**Compact Share Issue Mandate**”) approved at the last annual general meeting of Compact held on 27 April 2018 (the “2018 AGM”) prior to the effective date of the Scheme) does not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of NewCo (as calculated in accordance with paragraph (b) below), of which the aggregate number of NewCo Shares (including NewCo Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro-rata basis to shareholders of NewCo shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) in the capital of NewCo (as calculated in accordance with paragraph (b) below);*
- (b) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the number of NewCo Shares that may be issued under paragraph (a) above, the percentage of issued shares shall be based on the total number of issued NewCo Shares (excluding treasury shares) with reference to the number of issued shares (excluding treasury shares) in the capital of Compact at the time the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM is passed, after deducting such number of ordinary shares in the capital of Compact (if any) which may have been allotted and issued by Compact pursuant to the Compact Share Issue Mandate prior to the effective date of the Scheme), and after adjusting for:
 - (i) new NewCo Shares arising from the conversion or exercise of any convertible securities which were in existence as at the passing of the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM;**

**APPENDIX 4: EXTRACT OF RESOLUTIONS PASSED IN RESPECT OF THE
NEWCO SHARE ISSUE MANDATE**

- (II) *new NewCo Shares arising from the exercise of share options or vesting of share awards outstanding or subsisting which were in existence as at the time of passing of the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM and which the Company is party or subject to or which is otherwise binding on the Company immediately after completion of the Proposed Restructuring pursuant to the Scheme, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual; and*
- (III) *any subsequent bonus issue, consolidation or subdivision of NewCo Shares;*
- (c) *in exercising the authority conferred by this Resolution, NewCo shall comply with the provisions of the Listing Manual for the time being in force (unless such compliance has been waived by the SGX-ST) and the constitution for the time being of NewCo; and*
- (d) *the authority conferred by this Resolution shall, unless revoked or varied by NewCo at a general meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of NewCo is required by law to be held, whichever is the earlier.”*

APPENDIX 5: CONDITIONS PRECEDENT

The Conditions Precedent set out in the Implementation Agreement dated 16 March 2018 (as amended, modified and supplemented by the Supplemental Agreement dated 10 May 2018), entered into between the Company and NewCo relating to, *inter alia*, the Proposed Restructuring and the Scheme, are reproduced below:

1. **Regulatory Approvals.** Prior to the first application to the Court for an order to convene the Scheme Meeting, the following Regulatory Approvals having been obtained and not having been withdrawn or revoked on or before the Record Date:
 - (i) declaration from MAS that pursuant to section 273(5) of the SFA, Subdivisions (2) and (3) of Division 1 of Part XIII of the SFA (other than section 257 of the SFA) do not apply to the offer of NewCo Shares made pursuant to the Scheme, for a period of six (6) months from the date of the declaration and subject to any conditions as may be imposed by MAS; and
 - (ii) confirmation from SGX-ST save for Part I and Part II of Chapter 2, Chapter 2 and Rule 1309 of the Listing Manual will not be applicable to the Proposed Restructuring; and
 - (iii) the approval-in-principle from SGX-ST for (A) this Document; and (B) the listing and quotation for all the NewCo Shares;
2. **Authorisations.** In addition to the approvals mentioned in paragraph 1 above:
 - (a) in relation to NewCo, all authorisations, consents, clearances, permissions and approvals as are necessary or required (for or in respect of the Proposed Restructuring) by NewCo under any and all laws from all Governmental Agencies; and
 - (b) in relation to Compact, all authorisations, consents, clearances, permissions and approvals as are necessary or required (for or in respect of the Proposed Restructuring) by Compact under any and all laws from all Governmental Agencies or third parties,

(collectively, the **Authorisations**) having been obtained prior to the Record Date, and not having been withdrawn or revoked (if applicable) on or before the Record Date and if any of such Authorisations is subject to any conditions or requires any actions or obligations to be taken or performed, all such actions having been duly taken or performed on or prior to the Record Date save where the failure to obtain any such Authorisation, the withdrawal or revocation of any such Authorisation, or the failure to meet any such condition or take any such action or perform any such obligation in relation to such Authorisation would not have a material effect on the NewCo or any Compact Group Company;
3. **Conversion into Public Company.** Prior to the first application to the Court for an order to convene a Scheme Meeting, NewCo shall have been converted into a public company limited by shares and with a new Constitution in a form to be agreed between NewCo and the Company and which is in accordance with the Listing Manual;
4. **Shareholders' Approval.** The approval of the Scheme by the Entitled Shareholders in compliance with the requirements of Section 210(3AB) of the Companies Act;
5. **Court Order.** The grant of the Court Order by the Court and such Court Order having become final;
6. **No Legal or Regulatory Restraint.** Between the date of this Agreement and up to the Record Date, no injunction or other order, legal or regulatory restraint, prohibition or condition preventing implementation of the Scheme (or the proposed transactions relating to the Proposed Restructuring) having been issued by any Governmental Agency or by any court of competent jurisdiction and remaining in effect as at the Record Date;
7. **No Prescribed Occurrence.** Between the date of this Agreement and up to the Record Date, no Prescribed Occurrence having occurred other than as required or contemplated by this Agreement;

APPENDIX 5: CONDITIONS PRECEDENT

8. **No Termination.** This Agreement not having been terminated pursuant to Clause 8;
9. **Compact's Warranties.** Compact's representations and warranties (as set out in Clause 7.2) being true and correct, as of the date of this Agreement and as of the Record Date as though made on and as of that date unless otherwise provided in this Agreement and Compact having, as of the Record Date, performed and complied in all material respects with all covenants and agreements contained in this Agreement which are required to be performed by or complied with by Compact, on or prior to the Record Date;
10. **NewCo's Warranties.** NewCo's representations and warranties (as set out in Clause 7.1) being true and correct, as of the date of this Agreement and as of the Record Date as though made on and as of that date unless otherwise provided in this Agreement and NewCo having, as of the Record Date, performed and complied in all material respects with all covenants and agreements contained in this Agreement which are required to be performed by or complied with by NewCo, on or prior to the Record Date; and
11. **Voting Undertaking.** Victory Gate Ventures Limited delivering to NewCo the duly executed Voting Undertaking.
12. **Zhang's Waiver.** Mr Zhang Zengtao delivering to NewCo Zhang's Waiver.
13. **Exit from FEC Watch-List under the financial entry criteria.** The Company having satisfied the financial exit criteria stipulated in Rule 1314 of the Listing Manual for its removal from the FEC Watch-List under the financial entry criteria.
14. **ACRA Lodgement.** The lodgement and registration of the Court Order with ACRA pursuant to Section 210(5) of the Companies Act.

APPENDIX 6: PRESCRIBED OCCURRENCES

The Prescribed Occurrences set out in the Implementation Agreement are reproduced below:

1. **Conversion of Shares:** Compact converting all or any of its Compact Shares into a larger or smaller number of shares;
2. **Share Buy-back:** Compact entering into a share buy-back agreement or resolving to approve the terms of a share buy-back agreement under the Companies Act;
3. **Alteration of Share Capital:** Compact resolving to alter its share capital in any way;
4. **Dividends and other Distributions:** Compact declaring, making or paying any dividends or any other form of distribution to its Shareholders without the prior written approval of NewCo;
5. **Injunction:** an injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Proposed Restructuring or any part thereof by NewCo or Compact;
6. **Resolution for Winding Up:** NewCo or any Compact Group Company resolving that it be wound up;
7. **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager and/or provisional judicial manager of NewCo or any Compact Group Company;
8. **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of NewCo or any Compact Group Company;
9. **Composition:** NewCo or any Compact Group Company entering into any arrangement or general assignment or composition for the benefit of its creditors generally;
10. **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of NewCo or any Compact Group Company; or
11. **Insolvency:** NewCo or any Compact Group Company becoming or being deemed by law or a court to be insolvent, or stops or suspends or defaults on, or threatens to stop or suspend or default on, payment of its debts.

THE SCHEME

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

Case No.: HC/OS 665/2018

**In the matter of Section 210 of
the Companies Act (Cap. 50)**

And

**In the matter of
COMPACT METAL INDUSTRIES LTD
(COMPANY REGISTRATION NO. 197500009H)**

...Applicant

SCHEME OF ARRANGEMENT

Under Section 210 of the Companies Act, Chapter 50

Between

Compact Metal Industries Ltd

And

Shareholders (as defined herein)

And

International Cement Group Ltd

THE SCHEME

PRELIMINARY

In this Scheme, except to the extent that the context requires otherwise, the following expressions bear the following respective meanings, namely:

ACRA	:	The Accounting and Corporate Regulatory Authority of Singapore
Announcement Date	:	16 March 2018, being the date of the announcement made by the Company on the SGXNET in relation to, <i>inter alia</i> , the Scheme
Books Closure Date	:	A date and time (before the Effective Date) to be announced by the Company, at which time the share transfer books and the register of members of the Company will be closed to determine the entitlements of Shareholders in respect of the Scheme
CDP	:	The Central Depository (Pte) Limited
Companies Act	:	The Companies Act (Cap. 50) of Singapore, as amended or modified from time to time
Company	:	Compact Metal Industries Ltd, incorporated in Singapore on 2 January 1975, a public company limited by shares, whose shares are listed on the Main Board of SGX-ST
Conditions Precedent	:	The conditions precedent set out in Schedule 2 of the Implementation Agreement
Court	:	The High Court of the Republic of Singapore
Court Order	:	The order of the Court sanctioning the Scheme under section 210 of the Companies Act
Effective Date	:	The date on which the Scheme, if approved, becomes effective in accordance with its terms
Encumbrance	:	Any mortgage, assignment of receivables, debenture, lien, hypothecation, charge, pledge, title retention, right to acquire, security interest, option, pre-emptive or other similar right, right of first refusal, restriction, third-party right or interest, any other encumbrance, condition or security interest whatsoever or any other type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect
Entitled Shareholders	:	Shareholders who are registered as such on the Books Closure Date
Implementation Agreement	:	The implementation agreement dated 16 March 2018 (as amended, supplemented and modified by the Supplemental Agreement dated 10 May 2018), entered into between the Company and NewCo relating to, <i>inter alia</i> , the Proposed Restructuring
Latest Practicable Date	:	29 June 2018, being the latest practicable date prior to the printing of the Scheme Document
Market Days	:	A day on which SGX-ST is open for trading in securities

THE SCHEME

Mr Zhang Zengtao	:	Mr Zhang Zengtao, who holds two (2) NewCo Shares as at the Latest Practicable Date. Mr Zhang Zengtao is currently a substantial shareholder and executive director of the Company
NewCo	:	International Cement Group Ltd., incorporated in Singapore on 5 November 2015, a public company limited by shares
NewCo Shares	:	Ordinary shares in the share capital of NewCo
Relevant Court Date	:	The first day on which the Court hears the application for an order under section 210 of the Companies Act approving the Scheme or, if the application is adjourned or subject to appeal for any reason, the first day on which the adjourned or appealed application is heard
Scheme	:	This scheme of arrangement in its present form or with or subject to any modification thereof or addition thereto or condition(s) approved or imposed by the Court between the Company, NewCo and the Entitled Shareholders
Securities Account	:	Securities account maintained by a Depositor with CDP, but does not include a securities sub-account
SGX-ST	:	Singapore Exchange Securities Trading Limited
SGXNET	:	A system network used by listed companies to send information and announcements to SGX-ST or any other system network prescribed by SGX-ST
Shareholders	:	Persons who are registered as holders of Shares in the register of members of the Company or who, being Depositors, have Shares entered against their names in the Depository Register
Shares	:	Ordinary shares in the share capital of the Company
Supplemental Agreement	:	The supplemental agreement dated 10 May 2018 entered into by the Company and NewCo to amend, modify and supplement the Implementation Agreement
Zhang's Waiver	:	The irrevocable undertaking given by Mr Zhang Zengtao to the Company and NewCo to waive his rights to receive two (2) NewCo Shares out of the total number of NewCo Shares to be issued to him pursuant to this Scheme
% or <i>per cent.</i>	:	Percentage or per centum

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 (Cap. 289).

The terms **subsidiary** and **related corporation** shall have the meanings ascribed to them in sections 5 and 6 of the Companies Act respectively.

The term **holder** in relation to any share, includes a person entitled to that share by transmission.

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

THE SCHEME

A reference to an enactment or statutory provision shall include a reference to any subordinate legislation made under the relevant enactment or statutory provision and is a reference to that enactment, statutory provision or subordinate legislation as from time to time amended, consolidated, modified, re-enacted or replaced.

Any reference to a time of day or date shall be a reference to Singapore time and date, as the case may be, unless otherwise stated.

1. RECITALS

- 1.1 The Company was incorporated in Singapore on 2 January 1975 and was listed on the Mainboard of SGX-ST on 8 August 1995. Its primary business has been in the manufacturing and marketing of aluminium extrusions. In 2015, the Company has also obtained shareholders' approval to diversify into the cement business.
- 1.2 As at the Latest Practicable Date, the Company has 5,663,816,419 Shares in issue.
- 1.3 The primary purpose of this Scheme is the acquisition by NewCo of all the Shares to restructure the Company as a wholly-owned subsidiary of NewCo. The Company and NewCo have entered into the Implementation Agreement to set out their respective obligations with respect to the Scheme.

2. CONDITIONS PRECEDENT

The Scheme is conditional upon:

- (a) each Condition Precedent being satisfied or, subject to the terms of the Implementation Agreement, being waived; and
- (b) as at 8.00 a.m. on the Relevant Court Date, the Implementation Agreement not having been terminated.

3. TRANSFER OF SHARES

- 3.1 Pursuant to the Scheme, the Shares are to be transferred by the Shareholders to NewCo (a) fully paid; (b) free from any Encumbrances; and (c) together with all rights, benefits and entitlements attaching thereto, including the right to receive and retain all rights and other distributions (if any) declared, paid or made by the Company on or after the date of the Announcement Date, save for any dividends that may be paid by the Company prior to the Books Closure Date.
- 3.2 Against the transfer of the Shares provided in Clause 3.1 of this Scheme:
 - (a) in the case of Entitled Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of the Entitled Shareholders, to debit, not later than five (5) Market Days after the Effective Date, all the Shares standing to the credit of the Securities Account of such Entitled Shareholders and credit all of such Shares to the Securities Account of NewCo; and
 - (b) in the case of Entitled Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Shareholders, an instrument or instruction of transfer of all the Shares held by such Entitled Shareholders, and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Shareholders.

4. ISSUE OF NEWCO SHARES

- 4.1 In consideration of the transfer of the Shares provided for in Clause 3.1, NewCo shall allot and issue one (1) new NewCo Share for every one (1) Share transferred by the Entitled Shareholders, save in respect of Mr Zhang Zengtao who has given Zhang's Waiver to the Company and NewCo to waive his right to receive two (2) new NewCo Shares out of the total number of NewCo Shares to be issued to him pursuant to this Scheme.

THE SCHEME

- 4.2 The NewCo Shares shall (a) be credited as fully paid; (b) free from any Encumbrances; (c) rank *pari passu* in all respects with one another as well as with the two (2) existing issued NewCo Shares as of the Effective Date; and (d) have the same rights, benefits and entitlements attaching thereto as the two (2) existing issued NewCo Shares as of the Effective Date.
- 4.3 NewCo shall cause the share certificates for the NewCo Shares allotted and issued pursuant to the Scheme to be sent no later than ten (10) calendar days after the Effective Date to:
- (a) Entitled Shareholders (not being Depositors), by sending at the risk of such Shareholders the same by ordinary post addressed to such Shareholders at their respective addresses in the register of members of the Company on the Books Closure Date or, in the case of joint Shareholders, to the address of the first named Shareholder, and neither the Company nor NewCo shall be liable for any loss in transmission; and
 - (b) Entitled Shareholders (being Depositors), by sending the same to CDP. CDP shall send to such Shareholders, by ordinary post to the address as maintained with CDP and at the risk of such Shareholders, a statement showing the number of NewCo Shares credited to their respective Securities Accounts.

5. EFFECTIVE DATE

- 5.1 Subject to the conditions precedent set out in Clause 2 of this Scheme, this Scheme shall become effective upon a copy of the Court Order sanctioning the Scheme under Section 210 of the Companies Act being duly lodged with ACRA for registration.
- 5.2 The Company and NewCo may jointly consent, for and on behalf of all concerned, to any modification of or amendment to the Scheme or to any condition which the Court may think fit to approve or impose.
- 5.3 The Scheme shall be governed by, and construed in accordance with, the laws of Singapore and the Company, NewCo and the Shareholders submit to the exclusive jurisdiction of the courts of Singapore. Save as provided for in the Scheme, a person who is not a party to the Scheme has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore, to enforce any term or provision of the Scheme.

Dated this 6th day of July 2018

Legal Options LLC
151 Chin Swee Road #07-02
Manhattan House
Singapore 169876

Solicitor(s) for the Applicant(s)

NOTICE OF SCHEME MEETING

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

Case No.: HC/OS 665/2018

**In the matter of Section 210 of
the Companies Act (Cap. 50)**

And

**In the matter of
COMPACT METAL INDUSTRIES LTD
(COMPANY REGISTRATION NO. 197500009H)**

...Applicant(s)

SCHEME OF ARRANGEMENT

under Section 210 of the Companies Act, Chapter 50

Between Compact Metal Industries Ltd

And

Shareholders (as defined herein)

And

International Cement Group Ltd

NOTICE OF SCHEME MEETING

NOTICE OF SCHEME MEETING

1. NOTICE is hereby given that by an Order of Court dated 28 June 2018 (**Order**), the High Court of the Republic of Singapore (**Court**) has directed a meeting (**Meeting**) of Shareholders (as defined in the Schedule hereto) of Compact Metal Industries Ltd (**Company**) to be convened and such meeting shall be held at Level 4, 120 Pioneer Road Singapore 639597 on 30 July 2018 at 10.00 a.m. of all the members of the Company for the purposes of considering and, if thought fit, approving (with or without modifications) the following resolution (**Scheme Resolution**):

*“That the Scheme of Arrangement dated 6 July 2018 (**Scheme**) proposed to be made pursuant to Section 210 of the Companies Act (Chapter 50 of Singapore), between (i) the Company, (ii) the Shareholders; and (iii) International Cement Group Ltd, a copy of which has been circulated with the Notice convening this Meeting, be and is hereby approved.”*
2. A copy of the said Scheme and the Explanatory Statement required to be furnished pursuant to Section 211 of the Companies Act are incorporated in the Scheme Document (as defined in the Schedule hereto) of which this Notice forms part. Capitalised terms used in this Notice which are not defined in this Notice shall bear the same meanings ascribed to them in the scheme document dated 6 July 2018 of which this Notice forms part.
3. A Shareholder entitled to attend and vote at the Meeting may vote in person at the Meeting or may appoint one (and not more than one) person, whether member of the Company or not, as his proxy to attend and vote in his stead. A form of proxy available for this Meeting (**Proxy Form**) is enclosed with the Scheme Document of which this Notice forms part.
4. Copies of the Scheme Document and any related documents may be obtained by Shareholders (including Overseas Shareholders (as defined in the Schedule hereto)) on request at the registered office of the Company situated at 120 Pioneer Road, Singapore 639597 or at the office of the Company's share registrar, M&C Services Private Limited at 112 Robinson Road #05-01 Singapore 068902, during usual business hours on any day (other than a public holiday, Saturday or Sunday) prior to the day appointed for the Meeting. Alternatively, an Overseas Shareholder may write in to the Share Registrar at the same address to request for the Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three (3) Market Days (as defined in the Schedule hereto) prior to the date of the Meeting.
5. The Company requests that forms appointing proxies be lodged at the Company's share registrar's office at 112 Robinson Road #05-01 Singapore 068902, not less than 48 hours before the time appointed for the Meeting. If forms are not so lodged, they must be handed to the Chairman at the meeting at which they are to be used.
6. Each Shareholder entitled to attend and vote at the Meeting, and who votes in person or by proxy at the Meeting, may only cast all the votes it uses at the Meeting in one way, namely, either for or against the Scheme Resolution. In the case of joint Shareholders, any one of such persons may vote, but if more than one of such persons shall be present at the Meeting, the person whose name stands first in the register of members of the Company or, as the case may be, the Depository Register (as defined in Section 81SF of the SFA (as defined in the Schedule hereto)) shall alone be entitled to vote.
7. Each Proxy Form must be signed by the appointer or his attorney duly authorised in writing. Where a Proxy Form is executed by a corporation, it must be executed under its common seal or signed by its attorney. A corporation which is a Shareholder may authorise by a resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act.
8. By the Order, the Court has appointed Chng Beng Hua, a director of the Company, or failing him, any director of the Company, to act as Chairman of the Meeting and has directed the Chairman to report the results thereof to the Court.
9. If a majority in number representing three-fourths in value of the members of the Company present and voting either in person or by proxy at the Meeting (or any adjourned Meeting) agrees to the said Scheme, with or without modification, such Scheme shall be binding on all members of the Company if approved by a subsequent Order of Court.

NOTICE OF SCHEME MEETING

THE SCHEDULE

Expression	Meaning
“Companies Act”	The Companies Act, Chapter 50 of Singapore
“Market Day”	A day on which the Singapore Exchange Securities Trading Limited is open for the trading of securities
“Overseas Shareholders”	Shareholders whose addresses are outside Singapore, as shown on the register of members of the Company or, as the case may be, in the records of The Central Depository (Pte) Limited
“Scheme Document”	The document dated 6 July 2018 containing the said Scheme and any other document(s) which may be issued by or on behalf of the Company to amend, revise, supplement or update the document(s) from time to time
“SFA”	The Securities and Futures Act, Chapter 289 of Singapore
“Shareholders”	<p>(i) Persons who are registered as holders of Shares in the register of members of the Company (other than The Central Depository (Pte) Limited); and</p> <p>(ii) Where The Central Depository (Pte) Limited is registered in the register of members of the Company as the holder of Shares, Depositors (as defined in Section 81SF of the SFA) who have Shares entered against their names in the Depository Register (as defined in Section 81SF of the SFA),</p> <p>and includes persons entitled to those Shares by transmission</p>
“Shares”	Issued and paid-up ordinary shares in the capital of the Company

Personal data privacy:

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

Dated this 6th day of July 2018

Legal Options LLC
151 Chin Swee Road #07-02
Manhattan House
Singapore 169876

Solicitor(s) for the Applicant(s)

NOTICE OF EXTRAORDINARY GENERAL MEETING

COMPACT METAL INDUSTRIES LTD

(Incorporated in Singapore)
(Company Registration No. 197500009H)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of Compact Metal Industries Ltd (the “**Company**”) will be held at Level 4, 120 Pioneer Road Singapore 639597 at 10.30 a.m. (or such earlier or later time as soon as practicable following the conclusion or adjournment of the Scheme Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place (or its adjournment thereof)) for the purpose of considering, and if thought fit, passing (with or without modification) Resolution 1 as an ordinary resolution and Resolution 2 as a special resolution:

All capitalised terms used in this notice of EGM which are not defined herein shall have the same meanings ascribed to them in the document dated 6 July 2018 to Shareholders (the “**Document**”).

RESOLUTION 1: ORDINARY RESOLUTION

THE PROPOSED ADOPTION OF THE GENERAL SHARE ISSUE MANDATE OF INTERNATIONAL CEMENT GROUP LIMITED

THAT conditional upon the Scheme being approved and the Scheme becoming effective, authority be and is hereby given for the NewCo Directors at any time, to such persons and upon such terms and for such purposes as the NewCo Directors may in their absolute discretion deem fit, to:

- (i) allot and issue NewCo Shares whether by way of rights, bonus or otherwise;
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require NewCo Shares to be issued or other transferable rights to subscribe for or purchase NewCo Shares, including but not limited to the creation and issue of warrants, debentures, or other instruments convertible into NewCo Shares; and/or
- (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues,

and (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue NewCo Shares in pursuance of any Instruments made or granted by the NewCo Directors while this Resolution was in force, provided always that:

- (a) the aggregate number of NewCo Shares to be issued pursuant to this Resolution (including NewCo Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) (after deducting such number of ordinary shares in the capital of the Company (if any) which may have been allotted and issued by the Company pursuant to the Compact Share Issue Mandate prior to the effective date of the Scheme) does not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of NewCo (as calculated in accordance with paragraph (b) below), of which the aggregate number of NewCo Shares (including NewCo Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro-rata basis to shareholders of NewCo shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) in the capital of NewCo (as calculated in accordance with paragraph (b) below);

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the number of NewCo Shares that may be issued under paragraph (a) above, the percentage of issued shares shall be based on the total number of issued NewCo Shares (excluding treasury shares) with reference to the number of issued shares (excluding treasury shares) in the capital of the Company at the time the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM is passed, after deducting such number of ordinary shares in the capital of the Company (if any) which may have been allotted and issued by the Company pursuant to the Compact Share Issue Mandate prior to the effective date of the Scheme), and after adjusting for:
- (I) new NewCo Shares arising from the conversion or exercise of any convertible securities which were in existence as at the passing of the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM;
 - (II) new NewCo Shares arising from the exercise of share options or vesting of share awards outstanding or subsisting which were in existence as at the time of passing of the resolution to approve the renewal of the Compact Share Issue Mandate at the 2018 AGM and which the Company is party or subject to or which is otherwise binding on the Company immediately after completion of the Proposed Restructuring pursuant to the Scheme, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual; and
 - (III) any subsequent bonus issue, consolidation or subdivision of NewCo Shares;
- (c) in exercising the authority conferred by this Resolution, NewCo shall comply with the provisions of the Listing Manual for the time being in force (unless such compliance has been waived by the SGX-ST) and the constitution for the time being of NewCo; and
- (d) the authority conferred by this Resolution shall, unless revoked or varied by NewCo at a general meeting, continue in force until the conclusion of the next annual general meeting of NewCo or the date by which the next annual general meeting of NewCo is required by law to be held, whichever is the earlier.

RESOLUTION 2: SPECIAL RESOLUTION

THE PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY

THAT:

- (i) the regulations contained in the New Constitution as set out in Appendix 2 of the Document, be and are hereby approved and adopted as the Constitution of the Company in substitution for, and to the exclusion of, the existing Compact Articles of the Company; and
- (ii) the Directors and/or any of them be and are hereby authorised to complete and do all things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Special Resolution.

BY ORDER OF THE BOARD
COMPACT METAL INDUSTRIES LTD

Zhang Zengtao
Managing Director

6 July 2018

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM in his stead. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (b) A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore (the "Act").

- (2) A proxy need not be a member of the Company.
- (3) A corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the EGM, in accordance with its Constitution and Section 179 of the Act.
- (4) The instrument appointing a proxy(ies) must be deposited at Company's share registrar's office at 112 Robinson Road #05-01 Singapore 068902 not less than 48 hours before the time appointed for the EGM.

Personal data privacy:

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

PROXY FORM FOR USE AT THE SCHEME MEETING

IMPORTANT:

1. For investors who have used their CPF moneys to buy Compact Metal Industries Ltd's Shares, this Document is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend the Scheme Meeting as observers have to submit their requests through their respective CPF Approved Nominees so that their CPF Approved Nominees may register with the Company's Share Registrar (Please see Note 12).

Personal Data Privacy

By submitting an instrument appointing a proxy and/or representative, the Shareholder accepts and agrees to the personal data privacy terms set out in the Notice of Scheme Meeting dated 6 July 2018.

COMPACT METAL INDUSTRIES LTD

(Incorporated in the Republic of Singapore)
(Company Registration No.: 197500009H)

FORM OF PROXY FOR USE AT THE SCHEME MEETING (OR AT ANY ADJOURNMENT THEREOF)

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

Case No.: HC/OS/ 665/2018

**In the matter of Section 210 of
the Companies Act (Cap. 50)**

And

**In the matter of
COMPACT METAL INDUSTRIES LTD
(COMPANY REGISTRATION NO. 197500009H)**

...Applicant(s)

SCHEME OF ARRANGEMENT

under Section 210 of the Companies Act, Chapter 50

Between

Compact Metal Industries Ltd

And

Shareholders (as defined herein)

And

International Cement Group Ltd



PROXY FORM FOR USE AT THE SCHEME MEETING

*I/We _____ *NRIC/Passport No. _____

of _____ (Address)

being a *Shareholder/Shareholders of Compact Metal Industries Ltd, hereby appoint:

Name	Address	NRIC/Passport No.	Total Number of Shares Held

or failing him, the Chairman of the Scheme Meeting convened on the directions of the High Court of Singapore as my/our proxy, to attend and vote for *me/us on *my/our behalf and, if necessary, to demand a poll, at the Scheme Meeting to be held at 120 Pioneer Road on 30 July 2018 at 10.00 a.m. and at any adjournment thereof.

*I/We direct *my/our proxy to vote for or against the Resolution to be proposed at the Scheme Meeting as indicated below. In the absence of specific directions, the proxy will vote or abstain as he may think fit, as he will on any other matter arising at the Scheme Meeting. The authority includes the right to demand or to join in demanding a poll and to vote on a poll.

Resolution	FOR	AGAINST
To approve the Scheme		

If you wish to vote "FOR" the Scheme Resolution referred to in the notice convening the Scheme Meeting, please indicate with a tick (✓) in the box marked "**FOR**" as set out above. If you wish to vote "AGAINST" the Scheme Resolution referred to in the notice convening the Scheme Meeting, please indicate with a tick(✓) in the box marked "**AGAINST**" as set out above. **DO NOT TICK IN BOTH BOXES.**

Dated this _____ day of _____ 2018

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

IMPORTANT: PLEASE READ NOTES ON THE OPPOSITE PAGE

PROXY FORM FOR USE AT THE SCHEME MEETING

Notes:

1. All capitalised terms used herein and defined in the Notice of Scheme Meeting shall, unless otherwise defined herein, bear the respective meanings ascribed thereto in the said Notice of Scheme Meeting.
2. In the space provided for “**Total Number of Shares Held**”, please insert the total number of Shares you hold. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Shareholders of our Company, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Shareholders, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Shareholders. If no number is inserted, the instrument appointing a proxy shall be deemed to relate to all the Shares in the capital of the Company held by you.
3. A Shareholder entitled to attend and vote at the Scheme Meeting is entitled to appoint one (and not more than one) person as his proxy to attend and vote in his stead. A proxy need not be a member of the Company. The appointment of a proxy by this instrument shall not preclude a Shareholder from attending and voting in person at the Scheme Meeting. If a Shareholder attends the Scheme Meeting in person, the appointment of a proxy shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy to the Scheme Meeting.
4. Each Shareholder entitled to attend and vote at the Scheme Meeting, and who votes in person or by proxy at the Scheme Meeting, may only cast all the votes it uses at the Scheme Meeting in one way, namely, either for or against the Scheme Resolution.
5. To be effective, the instrument appointing a proxy (or representative) must be deposited at the Registrar's office at 112 Robinson Road #05-01 Singapore 068902, not less than 48 hours before the time appointed for holding the above meeting.
6. The instrument appointing a proxy must be under the hand of the appointer or of his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its duly authorised officer or attorney.
7. Where an instrument appointing a proxy is signed on behalf of the appointer by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a Shareholder may authorise, by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the above meeting, in accordance with Section 179 of the Companies Act (Chapter 50) of Singapore.
9. In the case of joint holders of Shares, any one of such persons may vote, but if more than one of such persons be present at the Scheme Meeting, the person whose name stands first on the Register of Members or (as the case may be) the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore) shall alone be entitled to vote.
10. Any alteration made to this instrument of proxy should be initialled by the person who signs it.
11. The Company shall be entitled to reject the instrument appointing a proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy lodged if the shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Scheme Meeting, as certified by The Central Depository (Pte) Limited to the Company.
12. CPF Approved Nominees acting on the request of the CPF Investors who wish to attend the Scheme Meeting as observers are requested to submit in writing, a list with details of the investors' names, NRIC/ Passport numbers, addresses and number of Shares held. The list, signed by an authorised signatory of the CPF Approved Nominee, should reach the Company's Share Registrar at 112 Robinson Road #05-01 Singapore 068902, at least 48 hours before the time appointed for holding the Scheme Meeting.

PROXY FORM FOR USE AT THE EXTRAORDINARY GENERAL MEETING

IMPORTANT:

1. For investors who have used their CPF moneys to buy Compact Metal Industries Ltd's Shares, this Document is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to vote should contact their CPF Approved Nominees.

COMPACT METAL INDUSTRIES LTD

(Incorporated in the Republic of Singapore)
(Company Registration No.: 197500009H)

FORM OF PROXY FOR USE AT THE EXTRAORDINARY GENERAL MEETING (OR AT ANY ADJOURNMENT THEREOF)

I / We, _____ NRIC No./ Passport No. _____

of _____ (Address)

being a member / members of COMPACT METAL INDUSTRIES LTD (the "Company"), hereby appoint:

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

and /or (delete as appropriate)

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

or failing him/her, or either or both of the persons referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at Extraordinary General Meeting of the Company to be held on 30 July 2018 ("EGM") at Level 4, 120 Pioneer Road Singapore 639597 at 10.30 a.m. (or such earlier or later time as soon as practicable following the conclusion of the Scheme Meeting to be held at 10.00 a.m. on the same day and at the same place (or its adjournment thereof)) for the purpose of considering and, if thought fit, approving (with or without modification) the Ordinary Resolution and Special Resolution referred to in the Notice of EGM, and at such EGM (or at any adjournment thereof) to vote for *me/us and in *my/our name(s) for the said Ordinary Resolution and Special Resolution (either with or without modification, as *my/our proxy(ies) may approve) or against the said Ordinary Resolution and Special Resolution as hereunder indicated.

If no specific direction as to voting is given or in the event of other matter arising at the EGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

Resolutions	For	Against
Resolution 1 (Ordinary Resolution): To approve the proposed adoption of the general share issue mandate of International Cement Group Limited		
Resolution 2 (Special Resolution): To approve the adoption of the New Constitution by the Company		

(Please indicate with a cross [X] in the space provided whether you wish your vote to be cast "For" or "Against" the Resolutions as set out in the Notice of the Meeting. Alternatively, please indicate the number of votes as appropriate.)

Dated this _____ day of _____ 2018

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

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES ON THE OPPOSITE PAGE



PROXY FORM FOR USE AT THE EXTRAORDINARY GENERAL MEETING

Notes:

1. A member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at a meeting of the Company is entitled to appoint one proxy or two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
2. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
3. This Proxy Form must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
4. A body corporate which is a member may also appoint by resolution of its directors or other governing body an authorised representative or representatives in accordance with its Constitution and Section 179 of the Companies Act, Chapter 50 of Singapore to attend and vote for and on behalf of such body corporate.
5. This Proxy Form must be deposited at the Registrar's office at 112 Robinson Road #05-01 Singapore 068902 not less than 48 hours before the time appointed for holding the EGM.
6. Please insert in the space in this instrument of proxy provided the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this instrument of proxy shall be deemed to relate to all the shares held by you.
7. The Company shall be entitled to reject this instrument of proxy if it is incomplete, not properly completed, or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of a member whose shares are deposited with the Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument of proxy lodged if such member is not shown to have shares entered against his/her name in the Depository Register 72 hours before the time fixed for holding the above EGM, as certified by CDP to the Company.

PERSONAL DATA PRIVACY

8. Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.
9. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extra-Ordinary General Meeting dated 29 September 2017.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.