



**SILVERLAKE AXIS LTD**  
(Company Registration No. 32447)  
(Incorporated in Bermuda on 29 July 2002)

**Directors**

Goh Peng Ooi (Group Executive Chairman)  
Dr. Kwong Yong Sin (Group Managing Director)  
Datuk Sulaiman bin Daud (Non-Executive Director)  
Goh Shiou Ling (Non-Executive Director)  
Ong Kian Min (Independent Non-Executive Director)  
Professor Tan Sri Dato' Dr. Lin See Yan (Independent Non-Executive Director)  
Lim Kok Min (Independent Non-Executive Director)  
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid (Independent Non-Executive Director)  
Datuk Yvonne Chia (Independent Non-Executive Director)

**Registered Address**

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

4 October 2017

To: The Shareholders of Silverlake Axis Ltd ("**Shareholders**")

Dear Shareholder

- I. **PROPOSED AMENDMENTS TO THE BYE-LAWS**
- II. **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**
- III. **PROPOSED RENEWAL OF SHARE PURCHASE MANDATE**
- IV. **PROPOSED RENEWAL OF INTERESTED PERSONS TRANSACTIONS ("**IPT**")  
GENERAL MANDATE**

We refer to the Notice of Annual General Meeting ("**Notice of AGM**") of Silverlake Axis Ltd ("**Company**") dated 4 October 2017 in respect of the Annual General Meeting to be held on 26 October 2017 at Capricorn & Leo, Level 1, Marina Mandarin Singapore, 6 Raffles Boulevard, Marina Square, Singapore 039594 at 10.00 am ("**AGM**") and Special Resolution 7 ("**Resolution 7**") and Ordinary Resolutions 8, 11 and 12 ("**Resolution 8**", "**Resolution 11**" and "**Resolution 12**", respectively) set out under "*Special Business*" in the Notice of AGM.

The purpose of this letter ("**Letter**") is to provide Shareholders with information relating to (i) the Proposed Amendments to Bye-laws of the Company, (ii) the Proposed Increase in Authorised Share Capital, (iii) the Proposed Renewal of Share Purchase Mandate, and (iv) the Proposed Renewal of IPT General Mandate, and to seek Shareholders' approval in relation thereof.

*Capitalised terms used in this Letter shall, unless otherwise defined herein, have the same meanings ascribed to them in the 2008 Share Purchase Mandate (as defined below) or the 2008 IPT Mandate (as defined below) (as the case may be).*

I. **PROPOSED AMENDMENTS TO THE BYE-LAWS**

1. **Background and Rationale**

On 31 July 2013, the SGX-ST announced that the Listing Rules would be amended, with effect from 1 August 2015, to require issuers to conduct the voting of all resolutions by poll, in order to enhance transparency of the voting process and encourage greater shareholder participation. It is proposed that the bye-laws of the Company ("**Bye-laws**") be amended ("**Proposed Amendments to the Bye-laws**") to be in line with, *inter alia*, the new Listing Rules.

It is proposed that the Bye-laws also be amended: (a) for compliance with the current Appendix 2.2 of the Listing Manual (“**Appendix 2.2**”), which sets out the provisions that must be found in the constitutive documents of issuers and (b) to change the references to certain provisions of the Singapore Companies Act to those of the Securities and Futures Act (Chapter 289) of Singapore (“**SFA**”) as the relevant provisions of the SFA apply in place of those provisions of the Singapore Companies Act. The Company is also taking this opportunity to streamline and rationalise certain other Bye-laws.

The Proposed Amendments to the Bye-laws require a special resolution to be passed by a majority of not less than three-fourths of votes cast by Shareholders entitled to vote on the resolution at the AGM. Accordingly, the Directors propose to seek Shareholders’ approval for Proposed Amendments to the Bye-laws at the AGM, by way of a special resolution.

The Proposed Amendments to the Bye-laws are set out in the **Appendix A** of this Letter.

## 2. **Summary of Proposed Amendments to the Bye-laws**

The following sets out a summary of the main proposed amendments to the Bye-laws which are proposed pursuant to **Resolution 7**.

### (i) **Listing Manual**

Listing Rule 730(2) provides that if an issuer amends its constitutive documents, they must be made consistent with all the listing rules prevailing at the time of the amendment. It is proposed that the following Bye-laws be amended to comply with the listing rules prevailing.

- (a) Bye-law 9 relates to rights attached to preference shares. In line with paragraph (1)(b) of Appendix 2.2, it is proposed that new Bye-law 9(4) be inserted to provide that the rights attaching to shares of a class other than ordinary shares must be expressed.
- (b) Bye-law 22 relates to the Company’s lien on shares that are not fully paid. In line with paragraph 3(a) of Appendix 2.2, it is proposed that Bye-law 22 be amended to reflect that the Company’s lien in respect of such shares shall be restricted, *inter alia*, to unpaid calls and instalments upon the specific shares in respect of which such monies are due and unpaid.
- (c) Bye-law 37 relates to forfeiture of shares. In line with paragraph 3(b) of Appendix 2.2, it is proposed that Bye-law 37A be inserted to provide for the return of residual sum (after satisfaction of the unpaid amounts) to the person whose shares have been forfeited.
- (d) Bye-law 50 provides that if the Board refuses to register a transfer of any share, it shall, within one (1) month after the date on which the transfer was lodged, send out a notice of refusal to each of the transferor and transferee. In line with Rule 733 of the Listing Manual, it is proposed that the timeline for sending out the notice of transfer be amended to within ten (10) market days after the date on which the transfer was lodged.
- (e) Bye-law 55 relates to the holding of general meetings. In line with paragraph 10 of Appendix 2.2, it is proposed that Bye-law 55 be amended to provide that for so long as the shares of the Company are listed on the Designated Stock Exchange, the interval between the close of the Company’s financial year and the date of the Company’s annual general meeting shall not exceed four (4) months or such other period as may be prescribed or permitted by the Designated Stock Exchange. It is proposed that Bye-law 55 also be amended to be in line with Rule 730A(1) of the Listing Manual to provide that the place of the general meeting shall be determined in accordance with the rules and regulations of the Designated Stock Exchange.
- (f) Bye-law 56 provides that general meetings (other than an annual general meeting) may be held in any part of the world. In line with Rule 730A(1) of the Listing Manual, it is proposed that Bye-law 56 be amended to provide that the place of the general meeting shall be determined in accordance with the rules and regulations of the Designated Stock Exchange.

- (g) On 31 July 2013, the SGX-ST announced that the Listing Rules would be amended, with effect from 1 August 2015, to require issuers to conduct the voting of all resolutions by poll, in order to enhance transparency of the voting process and encourage greater shareholder participation. In line with Rule 730A(2) of the Listing Manual, it is proposed that Bye-laws 65, 66, 67, and 68 be amended. It is proposed that Bye-law 65 also be amended to be consistent with Section 178 of the Singapore Companies Act in relation to the right to demand a poll.
- (h) Bye-law 85 provides for the appointment of directors. Proposed amendments are made to Bye-law 85 to enable the Board to appoint additional directors, in addition to filling in casual vacancies. The proposed amendments are in line with paragraph (9)(b) of Appendix 2.2.
- (i) Bye-law 88 sets out a list of scenarios whereby a director vacates his office. In line with paragraph (9)(n) of Appendix 2.2, it is proposed that new Bye-law 88A be added to call for resignation of a director if he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds.
- (j) In line with Part IV of Chapter 12 of the Listing Manual, it is proposed that Bye-laws 158, 159 and 161 be amended. The proposed amendments would allow the Board to, under certain situations, deliver information or documents to members by electronic means and by publication of an electronic record of such information or document on a website.

(ii) **Singapore Companies Act**

It is proposed that the following amendments be made to the Bye-laws to align them with certain provisions of the Singapore Companies Act.

- (a) Following the migration of the provisions in the Singapore Companies Act which relate to the Central Depository System to the SFA, Bye-law 2 is proposed to be amended such that the expressions “Depositor”, “Depository”, and “Depository Agent” refer to the meanings ascribed to them respectively in the SFA. Consequential amendments are also proposed to be made to Bye-law 1. In addition, a new provision is added, stating that the expressions “electronic communication” and “relevant intermediary” shall have the meanings ascribed to them respectively in the Singapore Companies Act. This follows the introduction of new provisions facilitating electronic communication and the multiple-proxies regime.
- (b) It is proposed that Bye-laws 60, 134, 147, 151, 152, 153 and 156 be updated to substitute the references to the Company’s “accounts” and “profit and loss account” with references to “financial statements”, as appropriate, for consistency with the updated terminology in the Singapore Companies Act.
- (c) In line with Section 178(1)(c) of the Singapore Companies Act, the cut-off time for the deposit of proxy instruments has been extended from 48 hours to 72 hours before the time appointed for holding a general meeting. This is also in line with the new Section 81SJ(4) of the SFA. Amendments are made to Bye-laws 77 and 79 to adopt the extended cut-off period. New Bye-law 65B is also inserted to clarify that the number of votes that a proxy may cast at any general meeting is equivalent to the number of shares entered against his name in the Depository Register as at 72 hours prior to the time of the relevant general meeting as certified by the Depository to the Company.
- (d) Bye-law 77 relates to the voting rights of members and the appointment and deposit of proxies. In line with the multiple proxies regime under the Singapore Companies Act, relevant intermediaries such as banks, capital markets services licence holders which provide custodial services for securities and the Central Provident Fund Board, are allowed to appoint more than two proxies to attend, speak and vote at general meetings. It is proposed that Bye-law 77 be amended to adopt the multiple proxies regime.
- (e) Bye-law 101 concerns the disclosure of directors’ interests in contracts of the Company. It is proposed that Bye-law 101 be amended to extend the disclosure requirements to the Chief Executive Officer and for such disclosure to be made either at the Board meeting or otherwise in accordance with the Singapore Companies Act. This aligns Bye-law 101 with Section 156 of the Singapore Companies Act.

- (f) Bye-law 103 relates to the general powers of the directors. It is proposed that Bye-law 103 be amended to be in line with Section 157A of the Singapore Companies Act to provide that the business of the Company shall be managed by, or under the direction or supervision of, the directors.

(iii) **General Amendments**

The following amendments are proposed to update, streamline and rationalise the Bye-laws generally.

- (a) Bye-law 1 is proposed to be amended by adding in the definitions for “SFA” and “Singapore Companies Act” as these terms are currently not defined. A consequential amendment is proposed to be made to Bye-law 168.
- (b) With effect from 19 November 2012, amendments were made to the SFA, including the adoption of Sections 133, 135, 136, 137 and 137F. These sections apply in place of the sections of the Singapore Companies Act which were referred to in Bye-law 167. It is proposed that Bye-law 167 be amended to refer to the relevant provisions of the SFA instead of the provisions in the Singapore Companies Act.

**II. PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

**3. Background and Rationale**

The Company has an authorised share capital of 3,000,000,000 Shares, of which 2,696,472,800 Shares are already in issue as at the Latest Practicable Date.

As the number of issued Shares is close to the authorised share capital limit of the Company, this may restrict the Company in its future fundraising exercises or transactions involving the issuance of new Shares and/or securities convertible into new Shares.

As such, the Board proposes to increase the authorised share capital of the Company from US\$60,000,000 comprising 3,000,000,000 Shares of par value US\$0.02 each to US\$100,000,000 comprising 5,000,000,000 Shares of par value US\$0.02 each by the creation of an additional 2,000,000,000 new Shares of par value US\$0.02 each (“**Proposed Increase in Authorised Share Capital**”). The new Shares shall rank *pari passu* with the existing Shares upon issue.

The Proposed Increase in Authorised Share Capital will provide the Company with greater flexibility to raise funds and/or to enter into commercial arrangements involving the issue of new Shares in the future.

Accordingly, the Directors propose to seek Shareholders’ approval for Proposed Increase in Authorised Share Capital at the AGM, by way of an ordinary resolution. The Proposed Increase in Authorised Share Capital is set out in **Resolution 8**.

**III. PROPOSED RENEWAL OF SHARE PURCHASE MANDATE**

**4. Background**

Shareholders had approved a mandate (“**2008 Share Purchase Mandate**”) at the Special General Meeting of the Company held on 24 October 2008 to enable the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (“**Shares**”). The 2008 Share Purchase Mandate was renewed by Shareholders at the annual general meetings of the Company in 2009, 2010, 2011, 2012, 2013, 2014, and 2015 and again at the annual general meeting of the Company in 2016 (“**2016 Share Purchase Mandate**”). The authority conferred on the Directors under the 2016 Share Purchase Mandate will expire at the forthcoming AGM unless renewed by the Shareholders.

Accordingly, the Directors propose to seek the approval of Shareholders for the renewal of the 2016 Share Purchase Mandate (“**Renewed Share Purchase Mandate**”), to take effect and continue in force until the conclusion of the next Annual General Meeting of the Company in 2018, by way of an ordinary resolution. The proposed Renewed Share Purchase Mandate is set out in **Resolution 11**. The purpose of this letter is to provide Shareholders with information relating to, *inter alia*, the proposed Renewal of Share Purchase Mandate.

## 5. Rationale for the proposed Renewed Share Purchase Mandate

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

- (a) Share purchases may be considered as one of the ways through which the shareholder value may be increased by enhancing the return on earnings (“**ROE**”) and/or net tangible assets (“**NTA**”) value per share. This effect is greater the more undervalued the shares are when they are purchased. If shares are undervalued, this may be the most profitable course of action for the Company.
- (b) Buying back shares also means that the Company’s earnings are now split among fewer shares, meaning higher earnings per share (“**EPS**”).
- (c) Buying back shares provides the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient, effective and cost-efficient manner.

The Directors further believe that Share purchases by the Company may help to mitigate short-term market volatility in the Company’s Share price, off-set the effects of short-term speculation and bolster Shareholders’ confidence.

By obtaining the proposed Renewed Share Purchase Mandate, the Company will have the flexibility to undertake purchases of Shares at any time, subject to market conditions, during the period when the Renewed Share Purchase Mandate is in force. If and when circumstances permit, the Directors will decide whether to effect the Share purchases via Market Purchases (as defined below) or Off-Market Purchases (as defined below), after taking into account the amount of surplus cash available, the prevailing market conditions and the most cost-effective and efficient approach. The Directors do not propose to carry out buy-backs to an extent that would, or in circumstances that might, result in a material adverse effect on the liquidity and/or the orderly trading of the Shares and/or the financial position of the Company and its subsidiaries (“**Group**”). Shareholders should also note that purchases or acquisitions of Shares pursuant to the proposed Renewed Share Purchase Mandate may not be carried out to the full limit as authorised.

## 6. Authority and Limits of the Share Purchase Mandate

Any purchase or acquisition of Shares by the Company shall be made in accordance with, and in the manner prescribed by the Companies Act (Cap 50) of Singapore (“**Act**”), the Companies Act 1981 of Bermuda (“**Bermuda Companies Act**”), the Company’s Bye-laws and the Listing Manual (“**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), in particular, Rule 883(1) of the Listing Manual, and such other laws and regulations as may for the time being, be applicable. The authority and limitations placed on purchases or acquisitions of Shares by the Company under the proposed Renewed Share Purchase Mandate are summarised below:

### (a) Maximum Number of Shares

Only shares which are issued and fully paid-up may be purchased or acquired by the Company.

Subject to the Bermuda Companies Act, the total number of Shares which may be purchased or acquired by the Company pursuant to the proposed Renewed Share Purchase Mandate shall not exceed **ten per cent (10%)** of the issued ordinary share capital of the Company as at the date of the passing of **Resolution 11** set out in the Notice of AGM (“**Maximum Limit**”), where the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered by a reduction of its share capital (if applicable) (excluding any treasury shares that may be held by the Company, from time to time and subsidiary holdings).

Purely for illustrative purposes, on the basis of 2,646,617,600 Shares in issue (excluding 49,855,200 treasury shares) as at 12 September 2017 (“**Latest Practicable Date**”) and assuming that no further Shares are issued on or prior to the AGM, not more than 264,661,760 Shares (representing 10% of the Shares in issue, excluding treasury shares and subsidiary holdings, as at that date) may be purchased or acquired by the Company pursuant to the proposed Renewed Share Purchase Mandate.



(b) **Duration of Authority**

The authority conferred on the Directors pursuant to the proposed Renewed Share Purchase Mandate, unless varied or revoked by the Company in a general meeting, may be exercised by the Directors at any time and from time to time during the period commencing from the obtaining of the proposed Renewed Share Purchase Mandate and expiring on the earliest of:

- (i) the conclusion of the next annual general meeting of the Company or the date by which such annual general meeting is required by law to be held;
- (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the proposed Renewed Share Purchase Mandate are carried out to the full extent mandated; or
- (iii) the date on which the authority contained in the proposed Renewed Share Purchase Mandate is varied or revoked by ordinary resolution of the Company in a general meeting.

The proposed Renewed Share Purchase Mandate may be renewed at each annual general meeting or other general meeting of the Company.

(c) **Manner of Purchases or Acquisitions of Shares**

Purchases or acquisitions of Shares may be effected by the Company by way of:

- (i) on-market purchases ("**Market Purchases**"), and/or
- (ii) off-market purchases, otherwise than on a securities exchange, in accordance with an "equal access scheme" as defined in Section 76C of the Act ("**Off-Market Purchases**").

Market Purchases refer to purchases or acquisitions of Shares by the Company effected on the SGX-ST, through one or more duly licensed dealers appointed by the Company for the purpose.

In an Off-Market Purchase, the Directors may impose such terms and conditions which are not inconsistent with the proposed Renewed Share Purchase Mandate, the Listing Manual, the Act and other applicable laws and regulations, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An equal access scheme must, however, satisfy the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made, and
- (iii) the terms of all the offers are the same in respect of all persons offered, except that there shall be disregarded:
  - (aa) differences in consideration attributable to the fact that the offers may relate to Shares with different accrued dividend entitlements;
  - (bb) (if applicable) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid, and
  - (cc) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares in board lots of 1,000 Shares after the Share purchases, in the event there are offeree Shareholders holding odd numbers of Shares.

Under the Listing Manual, if the Company wishes to make an Off-Market Purchase, the Company will issue an offer document containing, *inter alia*, the following information to all Shareholders:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances; and
- (iii) the information required under Rule 883(2), (3), (4), (5) and (6) of the Listing Manual.

(d) **Maximum Purchase Price**

The purchase price (excluding ancillary expenses such as brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for the Shares will be determined by the Directors. However, the purchase price to be paid for the Shares must not exceed the maximum price ("**Maximum Price**") as set out below:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares, and
  - (ii) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares,
- in each case, excluding related expenses of the purchase or acquisition.

For the above purposes:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) market days on which transactions in the Shares were recorded on the SGX-ST immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five-day period, and

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

7. **Status of Purchased Shares**

Under the Bermuda Companies Act, any Share which is purchased or acquired by the Company may either be cancelled or be held by the Company as treasury shares, in accordance with the Bermuda Companies Act, on such terms as the Directors think fair.

8. **Treasury Shares Held by the Company**

Under the laws of Bermuda, a company limited by shares, or other company having a share capital, may, if authorised to do so by its memorandum or Bye-laws, acquire its own shares, to be held as treasury shares, for cash or any other consideration.

A company may not acquire its own shares to be held as treasury shares if, as a result of the acquisition, all of the company's issued shares, other than the shares to be held as treasury shares, would be non-voting shares. Save for the aforementioned, there are no other limits imposed under the laws of Bermuda on how many treasury shares can be held by a company. Please refer to paragraph 6(a) of this Letter for the maximum number of Shares which may be purchased or acquired by the Company pursuant to the proposed Renewed Share Purchase Mandate.

An acquisition by a company of its own shares to be held as treasury shares may be authorised by its board of directors or otherwise by or in accordance with its Bye-laws. No acquisition by a company of its own shares to be held as treasury shares may be effected if, on the date on which the acquisition is to be effected, there are reasonable grounds for believing that the company is, or after the acquisition would be, unable to pay its liabilities as they become due.

Purchases by a company of its own shares, whether to be held as treasury shares or to be cancelled, may only be effected out of the capital paid-up on the purchased shares or out of the funds of the company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of shares made for that purpose. Any premium payable on such a purchase over the par value of the shares to be purchased must be provided for out of the funds of the company otherwise available for dividend or distribution or out of the company's share premium account before the shares are purchased. Any amount due to a shareholder on a purchase by a company of its own shares may (i) be paid in cash; (ii) be satisfied by the transfer of any part of the undertaking or property of the company having the same value, or (iii) be satisfied partly under (i) and partly under (ii).

A company that acquires its own shares to be held as treasury shares may (a) hold all or any of the shares, (b) dispose of or transfer all or any of the shares for cash or other consideration, or (c) cancel all or any of the shares. If shares are cancelled, the amount of the company's issued share capital shall be diminished by the nominal value of those shares, but the cancellation of shares shall not be taken as reducing the amount of the company's authorised share capital.

Under the laws of Bermuda, if a company holds shares as treasury shares the company shall be entered in the register of members as the member holding the shares but the company is not permitted to exercise any rights in respect of those shares, including any right to attend and vote at meetings, and any purported exercise of such a right is void. No dividend shall be paid to the company in respect of shares held by the company as treasury shares, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) shall be made to the company in respect of shares held by the company as treasury shares.

Under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after such sale, transfer, cancellation and/or use, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

## **9. Source of Funds**

Under the Bermuda Companies Act, a purchase of Shares may only be funded out of the capital paid-up on the Shares to be purchased, or out of the funds of the Company which would otherwise be available for dividend or distribution, or out of the proceeds of a fresh issue of Shares made for the purpose of the purchase, and the premium payable on the purchase (i.e. the amount paid in excess of the nominal value of the Shares to be purchased) must be provided for out of the funds of the Company which would otherwise be available for dividend or distribution, or out of the Company's share premium account before the Shares are purchased. The funds for making any proposed purchase shall be from funds legally available for such purpose in accordance with the Bye-laws and the laws of Bermuda. However, no purchase by the Company of its Shares may be effected, if, on the date on which the purchase is to be effected, there are reasonable grounds for believing that the Company is, or, after the purchase would be unable to pay its liabilities as they become due.

If the purchased shares are cancelled, the Company's total issued share capital will be diminished by the total amount of the Shares purchased by the Company. The purchase price paid by the Company for the Shares (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) will correspondingly reduce the funds of the Company otherwise available for dividend or distribution and/or the Company's share premium account.

The Company intends to use its cash and bank balances or bank borrowings or a combination of both to finance purchases of its Shares. The Directors do not propose to exercise the proposed Renewed Share Purchase Mandate to such an extent as would have a material adverse effect on the working capital requirements of the Company or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.



## 10. Financial Effects

The financial effects of a Share purchase on the Group and the Company will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the audited financial accounts of the Group and the Company will depend, *inter alia*, on the factors set out below.

### (a) Purchase or Acquisition out of capital or profits

Under the Bermuda Companies Act, purchases or acquisitions of Shares by the Company may be made out of the funds of the Company which would otherwise be available for dividend or distribution or out of the capital paid-up on the Shares to be purchased or acquired or out of the proceeds of a fresh issue of Shares made for the purpose of the purchase or acquisition and the premium payable on the purchase (i.e. the amount paid in excess of the nominal value of the shares to be purchased) must be provided for out of the funds of the Company which would otherwise be available for dividends or distribution out of the Company's share premium account before the shares are purchased. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital paid up on those shares, the amount available for the distribution of cash dividends by the Company will not be reduced.

### (b) Maximum number of Shares that may be purchased as at the Latest Practicable Date

Based on 2,646,617,600 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, the purchase by the Company of up to the maximum limit of 10% of its issued Shares will result in the purchase or acquisition of 264,661,760 Shares. Notwithstanding, in order to comply with the minimum public float requirement of the Listing Manual, the Company will purchase its shares only to the extent that it will not result in less than 10% of its issued ordinary share capital being held by public shareholders. Accordingly, the Company may only purchase shares up to a maximum of 264,661,760 Shares or 10% of its issued and ordinary share capital pursuant to the proposed Share Purchase Mandate, based on the number of shares in the hands of the public as at the Latest Practicable Date.

### (c) Maximum Price that may be paid for Shares purchased

For illustrative purposes only, assuming the Company purchases the maximum 264,661,760 Shares or 10% of its issued and ordinary share capital at the Maximum Price, the maximum amount of funds required (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) is:

- (i) S\$166,207,585 in the case of Market Purchases of Shares for approximately 264,661,760 Shares based on Maximum Price of S\$0.628 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares traded on the SGX-ST for the five consecutive market days immediately preceding the Latest Practicable Date), and
- (ii) S\$174,147,438 in the case of Off-Market Purchases of Shares for approximately 264,661,760 Shares based on Maximum Price of S\$0.658 for one Share (being the price equivalent to 10% above the Average Closing Price of the Shares traded on the SGX-ST for the five consecutive market days immediately preceding the Latest Practicable Date).

### (d) Illustrative Financial Effects

For illustrative purposes only, on the basis of the assumptions set out above, and assuming that the purchases of Shares are financed solely by internal resources, the financial effects of the purchase of Shares by the Company pursuant to the proposed Renewed Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 30 June 2017 as if the proposed Renewed Share Purchase Mandate had been effective on 30 June 2017 would have been as follows:

**Purchases made out of capital**

(A) Purchases made entirely out of capital and cancelled, and (B) Purchases made entirely out of capital and held as treasury shares.

		<b><u>Market Purchase</u></b>		<b><u>Off-Market Purchase</u></b>	
		<b>(B)</b>		<b>(B)</b>	
		<b>(A)</b>	<b>(B)</b>	<b>(A)</b>	<b>(B)</b>
		Proforma	Proforma	Proforma	Proforma
		After	After	After	After
		Buyback	Buyback	Buyback	Buyback
		and	and held as	and	and held as
		Cancelled	Treasury	Cancelled	Treasury
			Shares		Shares
<b><u>(RM'000)</u></b>	Audited				
<b><u>Company</u></b>	Before				
	Buyback				
Shareholders' Funds	2,012,147	1,491,917	1,491,917	1,467,066	1,467,066
NTA	2,012,147	1,491,917	1,491,917	1,467,066	1,467,066
Current Assets	208,313	146,694	146,694	146,694	146,694
Current Liabilities	90,216	548,827	548,827	573,678	573,678
Cash and Cash Equivalents	61,619	-	-	-	-
Total Borrowings	88,337	546,948	546,948	571,799	571,799
Number of Shares including					
Treasury Shares ('000)	2,696,473	2,431,811	2,696,473	2,431,811	2,696,473
Treasury Shares ('000)	49,855	49,855	314,517	49,855	314,517
<b><u>Financial Ratios</u></b>					
NTA per Share (sen)	76.03	62.63	62.63	61.59	61.59
Current Ratio (times)	2.31	0.27	0.27	0.26	0.26
Gearing Ratio (times)	0.04	0.37	0.37	0.39	0.39
<b><u>Group</u></b>					
Shareholders' Funds	1,157,941	637,711	637,711	612,860	612,860
NTA	966,250	446,020	446,020	421,169	421,169
Net Profit	845,997	845,997	845,997	845,997	845,997
Current Assets	1,194,498	774,219	774,219	774,219	774,219
Current Liabilities	235,194	335,145	335,145	359,996	359,996
Cash and Cash Equivalents	420,279	-	-	-	-
Total Borrowings	90,897	190,848	190,848	215,699	215,699
<b><u>Financial Ratios</u></b>					
NTA per Share (sen)	36.51	18.72	18.72	17.68	17.68
Basic EPS (sen)	31.98	35.53	35.53	35.53	35.53
ROE (%)	73%	133%	133%	138%	138%
Current Ratio (times)	5.08	2.31	2.31	2.15	2.15
Gearing Ratio (times)	0.08	0.30	0.30	0.35	0.35

**Purchases made out of profits**

(C) Purchases made entirely out of profits and cancelled, and (D) Purchases made entirely out of profits and held as treasury shares.

		<u>Market Purchase</u>		<u>Off-Market Purchase</u>	
		(C)	(D)	(C)	(D)
	Audited Before Buyback	Proforma After Buyback and Cancelled	Proforma After Buyback and held as Treasury Shares	Proforma After Buyback and Cancelled	Proforma After Buyback and held as Treasury Shares
<b><u>(RM'000)</u></b>					
<b><u>Company</u></b>					
Shareholders' Funds	2,012,147	1,491,917	1,491,917	1,467,066	1,467,066
NTA	2,012,147	1,491,917	1,491,917	1,467,066	1,467,066
Current Assets	208,313	146,694	146,694	146,694	146,694
Current Liabilities	90,216	548,827	548,827	573,678	573,678
Cash and Cash Equivalents	61,619	-	-	-	-
Total Borrowings	88,337	546,948	546,948	571,799	571,799
Number of Shares including Treasury Shares ('000)	2,696,473	2,431,811	2,696,473	2,431,811	2,696,473
Treasury Shares ('000)	49,855	49,855	314,517	49,855	314,517
<b><u>Financial Ratios</u></b>					
NTA per Share (sen)	76.03	62.63	62.63	61.59	61.59
Current Ratio (times)	2.31	0.27	0.27	0.26	0.26
Gearing Ratio (times)	0.04	0.37	0.37	0.39	0.39
<b><u>Group</u></b>					
Shareholders' Funds	1,157,941	637,711	637,711	612,860	612,860
NTA	966,250	446,020	446,020	421,169	421,169
Net Profit	845,997	845,997	845,997	845,997	845,997
Current Assets	1,194,498	774,219	774,219	774,219	774,219
Current Liabilities	235,194	335,145	335,145	359,996	359,996
Cash and Cash Equivalents	420,279	-	-	-	-
Total Borrowings	90,897	190,848	190,848	215,699	215,699
<b><u>Financial Ratios</u></b>					
NTA per Share (sen)	36.51	18.72	18.72	17.68	17.68
Basic EPS (sen)	31.98	35.53	35.53	35.53	35.53
ROE (%)	73%	133%	133%	138%	138%
Current Ratio (times)	5.08	2.31	2.31	2.15	2.15
Gearing Ratio (times)	0.08	0.30	0.30	0.35	0.35

**Notes:**

- (1) NTA per share is calculated by the NTA divided by the number of shares excluding treasury shares as at 30 June 2017.
- (2) Basic EPS is calculated by the profit attributable to shareholders divided by the weighted average number of shares excluding treasury shares.
- (3) Current ratio is derived based on current assets divided by current liabilities.

**Shareholders should note that the financial effects set out above are for illustrative purposes only (based on the aforementioned assumptions). The actual impact will depend on, *inter alia*, the number and price of the Shares purchased or acquired (if any). In particular, Shareholders should note that the above analysis is based on the audited financial statements of the Company for the financial year ended 30 June 2017 and is not necessarily representative of future financial performance.**

The Company may take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

## 11. Requirements in the Listing Manual

- (a) Under Rule 886 of the Listing Manual, a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 am (i) in the case of a Market Purchase, on the market day following the day on which the Market Purchase was effected, and (ii) in the case of an Off-Market Purchase, on the second market day after the close of acceptances of the offer. The notification of such purchases or acquisitions to the SGX-ST shall be in such form, and shall include such details, as may be prescribed by the SGX-ST in the Listing Manual.
- (b) The Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time(s). However, as the Company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate in the following circumstances:
  - (i) at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of a decision of the Board until the price-sensitive information has been publicly announced, and
  - (ii) in particular, in accordance with Rule 1207(19) of the Listing Manual on securities dealings, the Company would not purchase or acquire any Shares through Market Purchases during the period of one (1) month immediately preceding the announcement of the Company’s full-year results and the period of two (2) weeks before the announcement of the first quarter, second quarter and third quarter results.
- (c) Rule 723 of the Listing Manual requires a company to ensure that at least 10% of equity securities (excluding preference shares and convertible equity securities) in a class that is listed are held by public shareholders. The “public”, as defined under the Listing Manual, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the Company and its subsidiary companies, as well as the associates of such persons. The proposed share purchase under the proposed Renewed Share Purchase Mandate will not affect the listing status of the Shares on the SGX-ST, and the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

**As at the Latest Practicable Date, there are approximately 649,796,571 Shares in the hands of the public, representing approximately 24.55% of the issued ordinary share capital excluding treasury shares of the Company. To comply with the minimum public float requirement of the Listing Manual, the Company will purchase its shares only to the extent that it will not result in less than 10% of its issued ordinary share capital being held by public shareholders. Accordingly, the Company may purchase shares up to a maximum of 264,661,760 Shares, i.e. 10% of its issued and ordinary share capital pursuant to the Share Purchase Mandate, based on the number of shares in the hands of the public as at the Latest Practicable Date.**

## 12. Take-over Implications

Appendix 2 (“**Appendix 2**”) of the Singapore Code on Take-overs and Mergers (“**Take-over Code**”) contains the Share Buy Back Guidance Note. The take-over implications arising from any purchase by the Company of its Shares are set out below:

### (a) Obligation to Make a Take-over Offer

Any resultant increase in the percentage of voting rights held by a Shareholder and persons acting in concert with him, following any purchase or acquisition of Shares by the Company, will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code (“**Rule 14**”). Consequently, depending on the number of Shares purchased or acquired by the Company and the Company’s issued share capital at that time, a Shareholder or group of Shareholders acting in concert with each other could obtain or consolidate effective control of the Company and could become obliged to make a take-over offer under Rule 14.

(b) **Persons Acting in Concert**

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

Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert, namely, (i) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts), and (ii) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with each other. For this purpose, a company is an associated company of another company if the second company owns or controls at least twenty per cent (20%) but not more than fifty per cent (50%) of the voting rights of the first-mentioned company.

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2.

(c) **Effect of Rule 14 and Appendix 2**

In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to thirty per cent (30%) or more, or, if the voting rights of such Directors and their concert parties fall between thirty per cent (30%) and fifty per cent (50%) of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than one per cent (1%) in any period of six (6) months.

Under Appendix 2, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to thirty per cent (30%) or more, or, if such Shareholder holds between thirty per cent (30%) and fifty per cent (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the proposed Renewed Share Purchase Mandate.

**Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any purchase of Shares by the Company pursuant to the proposed Renewed Share Purchase Mandate are advised to consult their professional advisers before they acquire any Shares in the Company during the period when the proposed Renewed Share Purchase Mandate is in force.**

**The statements herein do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders are advised to consult their professional advisers and/or the Securities Industry Council and/or other relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any purchase or acquisition of Shares by the Company.**

13. **Tax Implications**

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

14. **Shares Purchased by the Company**

The Company has not made any market acquisitions of its ordinary shares in the previous 12 months from the Latest Practicable Date.



#### IV. PROPOSED RENEWAL OF INTERESTED PERSONS TRANSACTIONS (“IPT”) GENERAL MANDATE

##### 15. Background

The Company anticipates that the Group would, in the ordinary course of business, enter into transactions with persons which are considered “Interested Persons” as defined in Chapter 9 of the Listing Manual. It is likely that such transactions will occur with some degree of frequency and could arise at any time and from time to time.

Chapter 9 of the Listing Manual permits a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the Interested Persons.

Shareholders had approved a general mandate (“**2008 IPT Mandate**”) at the Special General Meeting of the Company held on 24 October 2008 (“**SGM**”) to enable the Group and its associated companies or any of them to enter into any of the recurrent transactions falling within the types of IPTs set out in the Company’s Circular to Shareholders dated 2 October 2008 (“**Circular**”), with any party who is of the classes of Interested Persons described in the Circular (“**Interested Persons**”), provided that such IPTs are carried out on normal commercial terms and in accordance with the review procedures for Recurrent Transactions (as defined below) set out in the Circular, for the purposes of Chapter 9 of the Listing Manual. The 2008 IPT Mandate was renewed by Shareholders at the annual general meeting of the Company in 2009, 2010, 2011, 2012, 2013, 2014, 2015 and again at the annual general meeting of the Company in 2016 (“**2016 IPT Mandate**”). The 2016 IPT Mandate will expire on the forthcoming AGM unless renewed by the Shareholders.

Accordingly, the Directors propose to seek the approval of Shareholders for the renewal of the 2016 IPT Mandate (“**Renewed IPT General Mandate**”), to take effect and continue in force until the conclusion of the next annual general meeting of the Company in 2018, by way of an ordinary resolution. The proposed Renewed IPT General Mandate is set out in **Resolution 12**. The purpose of this letter is to provide Shareholders with information relating to, *inter alia*, the proposed Renewal IPT General Mandate.

The scope of the proposed Renewed IPT General Mandate, the particulars of IPTs, the classes of Interested Persons, the methods or procedures for determining transaction prices, and the review procedures in relation to IPTs are set out in **Appendix B** of this Letter.

The scope and key terms and conditions of the MLA and MSA (as defined in paragraph 16 below), the methods and procedures for determining transaction prices and the review and approval procedures in relation to IPTs, as well as the reviews to be made periodically by the Audit Committee in relation thereto, have not changed from that described in the Circular and as approved by Shareholders under the 2008 IPT Mandate at the SGM and renewed by Shareholders under the 2016 IPT Mandate.

##### 16 Rationale for the Renewed IPT General Mandate and benefits to Shareholders

It is envisaged that the Group may from time to time, in the ordinary course of business, continue to engage in recurrent transactions of a revenue or trading nature with the Interested Persons as described in the Circular (“**Recurrent Transactions**”). Such Recurrent Transactions would include, but are not limited to transactions pursuant to the Master Licence Agreement (“**MLA**” as defined in the Circular) and the Master Services Agreement (“**MSA**” as defined in the Circular), the grant of licenses of the Group’s software, resale of IBM System i Products (as defined in the Circular), provision of Services (as defined in the Circular) to, and receipt of Services from, the Interested Persons.

The Directors are of the view that it will be beneficial to the Group to transact or continue to transact with the Interested Persons, especially since the transactions are to be entered into on normal commercial terms.

Due to the time-sensitive nature of commercial transactions, the obtaining of the Renewed IPT General Mandate pursuant to Chapter 9 of the Listing Manual will enable the Group to enter into the categories of IPTs with the specified classes of Interested Persons, provided that such transactions are entered into in the Group’s ordinary course of business on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

The Renewed IPT General Mandate will enhance the Group's ability to pursue business opportunity and will eliminate the need for the Company to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for entering into such transactions. This will substantially reduce administrative time and expenses associated with the making of such announcements or the convening of general meetings from time to time, and allow manpower resources to be focused towards other corporate and business opportunities.

## 17. Disclosures

In accordance with Chapter 9 of the Listing Manual, the Company will disclose in its annual report, the aggregate value of the IPTs conducted pursuant to the Renewed IPT General Mandate during the financial year. In addition the Company will announce the aggregate value of the IPTs conducted pursuant to the Renewed IPT General Mandate for the financial periods which it is required to report on within the time required for the announcement of such report. These disclosures will be in the form set out in Rule 907 of the Listing Manual.

The aggregate value of the IPTs conducted during the current financial year ended 30 June 2017 by the Group were as follows:

Interested Person(s)	Aggregate value of all IPTs during the financial year ended 30 June 2017 (excluding IPTs less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) RM	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding IPTs less than S\$100,000) RM
Companies associated to Mr. Goh Peng Ooi ("Silverlake Entities")		
- Old IPT Mandate <sup>(1)</sup> Revenue from Silverlake Entities	-	1,176,202
- New IPT Mandate <sup>(2)</sup> Revenue from Silverlake Entities	-	69,109,134
- Non- Mandate <sup>(3)</sup> Revenue from Silverlake Entities	633,047	(41,943,605)
		-

### Notes:

- (1) The Old IPT Mandate was approved by shareholders on 31 October 2007 and was subsequently replaced by the New IPT Mandate, as approved by the Shareholders on 24 October 2008. The New IPT Mandate was approved on terms that it did not affect existing licence and/or services agreements previously entered into under the Old IPT Mandate.
- (2) The New IPT Mandate was approved by shareholders on 24 October 2008 for transactions pursuant to Master Licence Agreement and Master Services Agreement. The New IPT Mandate is subject to annual renewal.
- (3) The Non-Mandate revenue was mainly revenue from sale of hardware and provision of enhancement services between Silverlake Holdings Sdn. Bhd. and Silverlake Entities.

## 18. Directors and Substantial Shareholders' Interest

As at the Latest Practicable Date, the interests of Directors and Substantial Shareholders of the Company in the Shares, based on the Company's Register of Directors' Shareholdings and Register of Substantial Shareholders respectively are as follows:

Directors/Substantial Shareholders	Direct Interest (Number of Shares)	Indirect/ Deemed Interest (Number of Shares)	Total Interest	
			Number of Shares	% <sup>(1)</sup>
<b><u>Directors:</u></b>				
Goh Peng Ooi	-	1,701,855,043 <sup>(2)</sup>	<b>1,701,855,043</b>	64.30
Dr. Kwong Yong Sin	15,372,000	950,000 <sup>(3)</sup>	<b>16,322,000</b>	0.62
Datuk Sulaiman bin Daud	600,000	-	<b>600,000</b>	0.02
Ong Kian Min	600,000	-	<b>600,000</b>	0.02
Professor Tan Sri Dato' Dr. Lin See Yan	600,000	-	<b>600,000</b>	0.02
Lim Kok Min	600,000	-	<b>600,000</b>	0.02
Datuk Yvonne Chia	300,000	110,000 <sup>(4)</sup>	<b>410,000</b>	0.02
<b><u>Substantial Shareholders:</u></b>				
Intelligentsia Holding Ltd	1,701,855,043	-	<b>1,701,855,043</b>	64.30
HNA Group (International) Co. Ltd.	142,234,286	-	<b>142,234,286</b>	5.37
NTAsian Discovery Master Fund	132,677,900	-	<b>132,677,900</b>	5.01
Goh Peng Ooi	-	1,701,855,043 <sup>(2)</sup>	<b>1,701,855,043</b>	64.30

### Notes:

- (1) Based on an issued share capital of 2,646,617,600, excluding 49,855,200 treasury shares, as at the Latest Practicable Date.
- (2) Mr. Goh Peng Ooi's deemed interest arises from the 1,701,855,043 shares in the Company held by his wholly-owned company, Intelligentsia Holding Ltd.
- (3) Dr. Kwong Yong Sin's deemed interest arises from the 950,000 shares in the Company held by his spouse, Madam Khoo Beng Gaik @ Nellie.
- (4) Datuk Yvonne Chia's deemed interest arises from the 110,000 shares in the Company held by her spouse, Mr. Francis Chia Mong Tet.

None of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Proposed Increase in Authorised Share Capital and the Proposed Amendments to Bye-laws, other than in their respective capacity as Directors or Shareholders.

In connection with the proposed Renewed Share Purchase Mandate, as at the Latest Practicable Date, none of our Directors or Substantial Shareholders will be obliged to make a mandatory take-over offer in the event that the Company purchased the maximum 10% of the issued Shares under the proposed Renewed Share Purchase Mandate.

In connection with the proposed Renewed IPT General Mandate, Mr. Goh Peng Ooi is deemed to be interested in the Renewed IPT General Mandate. Mr. Goh Peng Ooi and his associates will abstain from voting in respect of **Resolution 12** to adopt the Renewed IPT General Mandate at the AGM, whether in person or by representative or proxy, in respect of their shareholding interests in the Company. In addition, Mr. Goh Peng Ooi has undertaken to ensure that his associates will abstain from such voting in respect of their shareholding interests in the Company at the AGM. In connection with the resolution to adopt the Renewed IPT General Mandate, Mr. Goh Peng Ooi and his associates will also not be appointed as proxies at the AGM.

## 19. **Audit Committee's Statement**

The Company's Audit Committee ("**Audit Committee**") confirms that the scope and key terms and conditions of the MLA and MSA, the methods and procedures for determining transaction prices and the review and approval procedures in relation to IPTs, as well as the reviews to be made periodically by the Audit Committee in relation thereto, have not been changed since the Shareholder's approval of the 2008 IPT Mandate at the SGM and that such methods or procedures are sufficient to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

If, during the periodic reviews by the Audit Committee, it is of the view that the established review procedures are no longer appropriate or adequate to ensure that any of the IPTs will be transacted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the Company will seek a fresh mandate from Shareholders based on new review procedures.

## 20. **Directors' Recommendations**

### Proposed Amendments to the Bye-laws

The Directors, having considered, amongst others, the rationale for the Proposed Amendments to the Bye-laws, are of the opinion that the Proposed Amendments to the Bye-laws is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of **Special Resolution 7**, relating to the Proposed Amendments to the Bye-laws, to be proposed at the AGM.

### Proposed Increase in Authorised Share Capital

The Directors, having considered, amongst others, the rationale for the Proposed Increase in Authorised Share Capital, are of the opinion that the Proposed Increase in Authorised Share Capital is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of **Ordinary Resolution 8**, relating to the Proposed Increase in Authorised Share Capital, to be proposed at the AGM.

### Proposed Renewal of Share Purchase Mandate

The Directors are of the opinion that the proposed Renewal of Share Purchase Mandate is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of **Ordinary Resolution 11** relating to the Proposed Renewal of Share Purchase Mandate, to be proposed at the AGM.

### Proposed Renewal of IPT General Mandate

The Directors who are considered independent for the purposes of the proposed Renewal of IPT General Mandate are Dr. Kwong Yong Sin, Mr. Ong Kian Min, Professor Tan Sri Dato' Dr. Lin See-Yan, Mr. Lim Kok Min, Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid and Datuk Yvonne Chia. They have considered and reviewed, *inter alia*, the review and approval procedures in relation to the IPTs and the Recurrent Transactions and the rationale and the benefits of the proposed Renewal of IPT General Mandate set out in **Appendix B** and the confirmation of the Audit Committee above, and are of the opinion that the proposed Renewal of IPT General Mandate is in the best interests of the Company. Accordingly, they recommend that the Shareholders vote in favour of **Ordinary Resolution 12**, relating to the Proposed Renewal of IPT General Mandate, to be proposed at the AGM.

## 21. **Directors' Responsibility Statement**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposed Amendments to the Bye-laws, the Proposed Increase in Authorised Share Capital, the Proposed Renewal of Share Purchase Mandate, the Proposed Renewal of IPT General Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in the Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Letter in its proper form and context.

22. **Disclaimer**

The SGX-ST takes no responsibility for the accuracy of any of the statements or opinions made or reports contained in this Letter.

23. **Documents for Inspection**

The following documents may be inspected at the office of the Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 during normal business hours from the date hereof up to and including the date of the AGM:

- (a) the Memorandum of Association and Bye-Laws of the Company;
- (b) the Annual Report of the Company for the financial year ended 30 June 2017; and
- (c) the Circular, MLA and MSA.

Yours faithfully,  
For and on behalf of  
The Board of Directors

**Dr. Kwong Yong Sin**  
**Group Managing Director**



**PROPOSED AMENDMENTS TO THE BYE-LAWS**

The amendments which are proposed to be made to the Bye-laws are set out below. For ease of reference and where appropriate, the full text of the existing clause in the Bye-laws which are proposed to be amended have been reproduced. The amendments showing the changes are underlined or denoted with strikethroughs.

**(a) Existing Bye-law 1**INTERPRETATION

1. In these Bye-laws, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

<u>WORD</u>	<u>MEANING</u>
"Act"	<i>the Companies Act 1981 of Bermuda.</i>
"Auditor"	<i>the auditor of the Company for the time being and may include any individual or partnership.</i>
"Bye-laws"	<i>these Bye-laws in their present form or as supplemented or amended or substituted from time to time.</i>
"Board" or "Directors"	<i>the board of directors of the Company or the directors present at a meeting of directors of the Company at which a quorum is present.</i>
"capital"	<i>the share capital from time to time of the Company.</i>
"clear days"	<i>in relation to the period of notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.</i>
"Company"	<i>Silverlake Axis Ltd.</i>
"debenture" and "debenture holder"	<i>include debenture stock and debenture stockholder respectively.</i>
"Depositor"	<i>a person being a Depository Agent or a holder of a Securities Account maintained with the Depository.</i>
"Depository"	<i>The Central Depository (Pte) Limited, a company incorporated in the Republic of Singapore and a wholly-owned subsidiary of the Singapore Exchange Securities Trading Limited, and (where the context requires) shall include any person specified by it in a notice given to the Company, as its nominee.</i>
"Depository Agent"	<i>an entity registered as a Depository Agent with the Depository for the purpose of maintaining securities sub-accounts for its own account and for the account of others.</i>
"Designated Stock Exchange"	<i>the Singapore Exchange Securities Trading Limited for so long as the shares of the Company are listed or quoted on the Singapore Exchange Securities Trading Limited or such other stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company.</i>
"head office"	<i>such office of the Company as the Directors may from time to time determine to be the principal office of the Company.</i>

<i>“market day”</i>	<i>a day on which the Designated Stock Exchange is open for trading in securities.</i>
<i>“Member” or “shareholder”</i>	<i>a duly registered holder from time to time of the shares in the capital of the Company.</i>
<i>“month”</i>	<i>a calendar month.</i>
<i>“Notice”</i>	<i>written notice unless otherwise specifically stated and as further defined in these Bye-laws.</i>
<i>“Office”</i>	<i>the registered office of the Company for the time being.</i>
<i>“paid up”</i>	<i>paid up or credited as paid up.</i>
<i>“Register”</i>	<i>the principal register and where applicable, any branch register of Members to be kept pursuant to the provisions of the Act.</i>
<i>“Registration Office”</i>	<i>in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.</i>
<i>“Seal”</i>	<i>common seal or any one or more duplicate seals of the Company (including a securities seal) for use in Bermuda or in any place outside Bermuda.</i>
<i>“Secretary”</i>	<i>any person firm or corporation appointed by the Board to perform any of the duties of secretary of the Company and includes any assistant, deputy, temporary or acting secretary.</i>
<i>“Securities Account”</i>	<i>the securities account maintained by a Depositor with the Depository.</i>
<i>“Statutes”</i>	<i>the Act and every other act of the Legislature of Bermuda for the time being in force applying to or affecting the Company, its memorandum of association and/or these Bye-laws.</i>
<i>“Treasury Shares”</i>	<i>a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled.</i>
<i>“year”</i>	<i>a calendar year.</i>

#### **Proposed Amendments to Existing Bye-law 1**

It is proposed that Bye-law 1 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, in the manner below:

#### **INTERPRETATION**

1. In these Bye-laws, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

#### **WORD**

#### **MEANING**

<i>“Act”</i>	<i>the Companies Act 1981 of Bermuda.</i>
<i>“Auditor”</i>	<i>the auditor of the Company for the time being and may include any individual or partnership.</i>

<i>"Bye-laws"</i>	<i>these Bye-laws in their present form or as supplemented or amended or substituted from time to time.</i>
<i>"Board" or "Directors"</i>	<i>the board of directors of the Company or the directors present at a meeting of directors of the Company at which a quorum is present.</i>
<i>"capital"</i>	<i>the share capital from time to time of the Company.</i>
<i>"clear days"</i>	<i>in relation to the period of notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.</i>
<i>"Company"</i>	<i>Silverlake Axis Ltd.</i>
<i>"debenture" and "debenture holder"</i>	<i>include debenture stock and debenture stockholder respectively.</i>
<i>"Depositor"</i>	<i><del>a person being a Depository Agent or a holder of a Securities Account maintained with the Depository.</del></i>
<i>"Depository"</i>	<i><del>The Central Depository (Pte) Limited, a company incorporated in the Republic of Singapore and a wholly-owned subsidiary of the Singapore Exchange Securities Trading Limited, and (where the context requires) shall include any person specified by it in a notice given to the Company, as its nominee.</del></i>
<i>"Depository Agent"</i>	<i><del>an entity registered as a Depository Agent with the Depository for the purpose of maintaining securities sub-accounts for its own account and for the account of others.</del></i>
<i>"Designated Stock Exchange"</i>	<i>the Singapore Exchange Securities Trading Limited for so long as the shares of the Company are listed or quoted on the Singapore Exchange Securities Trading Limited or such other stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company.</i>
<i>"head office"</i>	<i>such office of the Company as the Directors may from time to time determine to be the principal office of the Company.</i>
<i>"market day"</i>	<i>a day on which the Designated Stock Exchange is open for trading in securities.</i>
<i>"Member" or "shareholder"</i>	<i>a duly registered holder from time to time of the shares in the capital of the Company.</i>
<i>"month"</i>	<i>a calendar month.</i>
<i>"Notice"</i>	<i>written notice unless otherwise specifically stated and as further defined in these Bye-laws.</i>
<i>"Office"</i>	<i>the registered office of the Company for the time being.</i>
<i>"paid up"</i>	<i>paid up or credited as paid up.</i>
<i>"Register"</i>	<i>the principal register and where applicable, any branch register of Members to be kept pursuant to the provisions of the Act.</i>

<i>“Registration Office”</i>	<i>in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.</i>
<i>“Seal”</i>	<i>common seal or any one or more duplicate seals of the Company (including a securities seal) for use in Bermuda or in any place outside Bermuda.</i>
<i>“Secretary”</i>	<i>any person firm or corporation appointed by the Board to perform any of the duties of secretary of the Company and includes any assistant, deputy, temporary or acting secretary.</i>
<i>“Securities Account”</i>	<i>the securities account maintained by a Depositor with the Depository.</i>
<i><u>“SFA”</u></i>	<i><u>The Securities and Futures Act (Chapter 289) of Singapore.</u></i>
<i><u>“Singapore Companies Act”</u></i>	<i><u>The Companies Act (Chapter 50) of Singapore.</u></i>
<i>“Statutes”</i>	<i>the Act and every other act of the Legislature of Bermuda for the time being in force applying to or affecting the Company, its memorandum of association and/or these Bye-laws.</i>
<i>“Treasury Shares”</i>	<i>a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled.</i>
<i>“year”</i>	<i>a calendar year.</i>

**(b) Existing Bye-law 2**

2. In these Bye-laws, unless there be something within the subject or context inconsistent with such construction:-
- (a) *words importing the singular include the plural and vice versa;*
  - (b) *words importing a gender include both genders and the neuter genders;*
  - (c) *words importing persons include companies, associations and bodies of persons whether corporate or not;*
  - (d) *the words:-*
    - (i) *“may” shall be construed as permissive;*
    - (ii) *“shall” or “will” shall be construed as imperative;*
  - (e) *expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form;*
  - (f) *references to any act, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;*
  - (g) *save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Bye-laws if not inconsistent with the subject in the context;*

- (h) *a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members, being entitled so to do, voting in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which not less than twenty-one (21) clear days' Notice, specifying (without prejudice to the power contained in these Bye-laws to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the shares giving that right and in the case of an annual general meeting, if it is so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one (21) clear days' Notice has been given;*
- (i) *a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members, being entitled so to do, voting in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting; and*
- (j) *a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes.*

## **Proposed Amendments to Existing Bye-law 2**

It is proposed that Bye-law 2 be amended by inserting the text shown in underline, in the manner below:

2. *In these Bye-laws, unless there be something within the subject or context inconsistent with such construction:-*
  - (a) *words importing the singular include the plural and vice versa;*
  - (b) *words importing a gender include both genders and the neuter genders;*
  - (c) *words importing persons include companies, associations and bodies of persons whether corporate or not;*
  - (d) *the words:-*
    - (i) *"may" shall be construed as permissive;*
    - (ii) *"shall" or "will" shall be construed as imperative;*
  - (e) *expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form, whether in a physical document or in an electronic communication or form or otherwise.*
  - (f) *references to any act, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;*
  - (g) *save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Bye-laws if not inconsistent with the subject in the context;*



- (h) *a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members, being entitled so to do, voting in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which not less than twenty-one (21) clear days' Notice, specifying (without prejudice to the power contained in these Bye-laws to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the shares giving that right and in the case of an annual general meeting, if it is so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one (21) clear days' Notice has been given;*
- (i) *a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members, being entitled so to do, voting in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting; and*
- (j) *a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes:-*
- (k) *The terms "Depositor", "Depository", and "Depository Agent" shall have the meanings ascribed to them respectively in Section 81SF of the SFA; and*
- (l) *The expressions "electronic communication" and "relevant intermediary" shall have the meanings ascribed to them respectively in the Singapore Companies Act.*

**(c) Existing Bye-law 9**

- 9(1) *In the event of preference shares being issued the total number of issued preference shares shall not at any time exceed the total number of the issued ordinary shares and preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending general meetings of the Company and 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 or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six (6) months in arrear.*
- (2) *Subject to Sections 42 and 43 of the Act, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine.*
- (3) *The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.*

**Proposed Insertion of New Bye-law 9(4)**

It is proposed that a new Bye-law 9(4) be inserted, the text of which is shown in underline, in the manner below:

- 9(1) *In the event of preference shares being issued the total number of issued preference shares shall not at any time exceed the total number of the issued ordinary shares and preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending general meetings of the Company and 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 or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six (6) months in arrear.*

- (2) Subject to Sections 42 and 43 of the Act, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine.
- (3) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.
- (4) For so long as the shares of the Company are listed on the Designated Stock Exchange, in the event the Company creates any class of shares other than ordinary shares, the rights attaching to the shares of such class shall be expressed in these Bye-laws.

**(d) Existing Bye-law 22**

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Bye-law.

**Proposed Amendments to Existing Bye-law 22**

It is proposed that Bye-law 22 be amended by inserting the text as shown in underline, in the manner set out below:

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys 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. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Bye-law.

**(e) Existing Bye-law 37**

37. Until cancelled in accordance with the requirements of the Act, a forfeited share shall be the property of the Company and may be sold, re-allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.

### **Proposed Insertion of New Bye-law 37A**

It is proposed that a new Bye-law 37A be inserted, the text of which is shown in underline, in the manner below:

37. *Until cancelled in accordance with the requirements of the Act, a forfeited share shall be the property of the Company and may be sold, re-allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.*

37A. *If any shares are forfeited and sold, any residue after the satisfaction of the unpaid calls and any accrued interests and expenses shall be paid to the person whose shares have been forfeited, or his executors, administrators or assignees or as he directs.*

### **(f) Existing Bye-law 50**

50. *If the Board refuses to register a transfer of any share, it shall, within one (1) month after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal, stating the facts which are considered to justify the refusal.*

### **Proposed Amendments to Existing Bye-law 50**

It is proposed that Bye-law 50 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, in the manner below:

50. *If the Board refuses to register a transfer of any share, it shall, within ten (10) market days ~~one (1) month~~ after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal, stating the facts which are considered to justify the refusal.*

### **(g) Existing Bye-law 55**

55. *An annual general meeting of the Company shall be held in each year other than the year in which its statutory meeting is convened at such time (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) and place as may be determined by the Board.*

### **Proposed Amendments to Existing Bye-law 55**

It is proposed that Bye-law 55 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, in the manner below:

55. *For so long as the shares of the Company are listed on the Designated Stock Exchange (and thereafter, unless the holding of annual general meetings is dispensed with in accordance with the Act and the Singapore Companies Act), an ~~an~~ annual general meeting of the Company shall be held in each year other than the year in which its statutory meeting is convened at such time (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) and place as may be determined by the Board in accordance with the rules and regulations of the Designated Stock Exchange (if applicable). In addition, for so long as the shares of the Company are listed on the Designated Stock Exchange, the interval between the close of the Company's financial year and the date of the Company's annual general meeting shall not exceed four (4) months or such other period as may be prescribed or permitted by the Designated Stock Exchange.*

### **(h) Existing Bye-law 56**

56. *Each general meeting, other than an annual general meeting, shall be called a special general meeting. General meetings may be held in any part of the world as may be determined by the Board.*

## **Proposed Amendments to Existing Bye-law 56**

It is proposed that Bye-law 56 be amended by inserting the text shown in underline, in the manner below:

56. *Each general meeting, other than an annual general meeting, shall be called a special general meeting. General meetings may be held in any part of the world as may be determined by the Board in accordance with the rules and regulations of the Designated Stock Exchange (if applicable).*

### **(i) Existing Bye-law 60**

- 60(1) *All business shall be deemed special that is transacted at a special general meeting, and also all business that is transacted at an annual general meeting, with the exception of sanctioning dividends, the reading, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors and other officers in the place of those retiring, the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors.*
- (2) *No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy shall form a quorum for all purposes.*

## **Proposed Amendments to Existing Bye-law 60**

It is proposed that Bye-law 60 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, in the manner below:

- 60(1) *All business shall be deemed special that is transacted at a special general meeting, and also all business that is transacted at an annual general meeting, with the exception of sanctioning dividends, the reading, considering and adopting of the ~~accounts~~financial statements and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors and other officers in the place of those retiring, the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors.*
- (2) *No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy shall form a quorum for all purposes.*

### **(j) Existing Bye-law 65**

65. *Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a show of hands every Member present in person (or being a corporation, is present by a representative duly authorised under Section 78 of the Act), or by proxy shall have one vote and on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder or which he represents and in respect of which all calls due to the Company have been paid, but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:-*
- (a) *by the chairman of such meeting; or*
  - (b) *by at least three Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or*



- (c) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (d) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and holding 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 of the total sum paid up on all shares conferring that right.

*A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Member.*

### **Proposed Amendments to Existing Bye-law 65 and Insertion of New Bye-laws 65A and 65B**

It is proposed that Bye-law 65 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, and new Bye-laws 65A and 65B be inserted, in the manner below:

65. *Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a show of hands every Member present in person (or being a corporation, is present by a representative duly authorised under Section 78 of the Act), or by proxy shall have one vote and on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder or which he represents and in respect of which all calls due to the Company have been paid, but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. Subject to Bye-law 65A, a resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded or required:-*

- (a) by the chairman of such meeting; or
- (b) by at least three Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and representing not less than ~~one-tenth~~ five(5) percent of the total voting rights of all Members having the right to vote at the meeting; or
- (d) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and holding 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~~ five(5) percent of the total sum paid up on all shares conferring that right.

*A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Member.*

65A. For so long as the shares of the Company are listed on the Designated Stock Exchange, if required by the listing rules of the Designated Stock Exchange, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by the Designated Stock Exchange).

65B. For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any general meeting on a poll, the reference to shares held or represented shall, in relation to the shares of that Depositor, be the number of shares entered against his name in the Depository Register as at seventy-two (72) hours prior to the time of the relevant general meeting as certified by the Depository to the Company.



**(k) Existing Bye-laws 66**

66. *Unless a poll is duly 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 not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.*

**Proposed Amendments to Existing Bye-law 66**

It is proposed that Bye-law 66 be amended by inserting the text shown in underline, in the manner below:

66. *Unless a poll is duly demanded (and the demand is not withdrawn) or is so required, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution.*

**(l) Existing Bye-laws 67**

67. *If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.*

**Proposed Amendments to Existing Bye-law 67**

It is proposed that Bye-law 67 be amended by inserting the text shown in underline, in the manner below:

67. *If a poll is duly demanded or is required to be taken the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded or required.*

**(m) Existing Bye-laws 68**

68. *A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.*

**Proposed Amendments to Existing Bye-law 68**

It is proposed that Bye-law 68 be amended by inserting the text shown in underline, in the manner below:

68. *A poll which is demanded or required on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days after the date of the demand or the date of the meeting when the poll was required) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.*

**(n) Existing Bye-law 77**

- 77(1) *Any Member entitled to attend and vote at a meeting of the Company who is the holder of two or more shares shall be entitled to appoint not more than two proxies to attend and vote instead of him at the same general meeting provided that if the Member is the Depository:-*

- (a) *the Depository may appoint more than two proxies to attend and vote at the same general meeting and each proxy shall be entitled to exercise the same powers on behalf of the Depository as the Depository could exercise, including, notwithstanding Bye-law 65, the right to vote individually on a show of hands;*

- (b) *the Company shall be entitled and bound:-*
- (i) *to reject any instrument of proxy lodged if the proxy first named in that instrument, being the Depositor, is not shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company, to have any shares credited to a Securities Account; and*
  - (ii) *to accept as the maximum number of votes which in aggregate all the proxies appointed by the Depository in respect of a particular Depositor are able to cast on a poll a number which is the number of shares credited to the Securities Account of that Depositor, as shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of the Depository; and*
  - (iii) *the Company shall accept as valid in all respects the form of proxy approved by the Depository (the "CDP Proxy Form") for use at the date relevant to the general meeting in question notwithstanding that the same permits the Depositor concerned to nominate a person or persons other than himself as the proxy or proxies appointed by the Depository. The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed CDP Proxy Form submitted to it, to have regard to the instructions given by and the notes (if any) set out in the CDP Proxy Form.*
- (2) *In any case where a form of proxy appoints more than one proxy (including the case where such appointment results from a nomination by a Depositor), the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.*
- (3) *A proxy need not be a Member. In addition, subject to sub-paragraph (1) of this Bye-law, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise, including, notwithstanding Bye-law 65, the right to vote individually on a show of hands.*

#### **Proposed Amendments to Existing Bye-law 77 and Insertion of New Bye-law 77(4)**

It is proposed that Bye-law 77 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, and a new Bye-law 77(4) be inserted, the text of which is shown in underline, in the manner below:

- 77(1) *Any Member entitled to attend and vote at a meeting of the Company who is the holder of two or more shares shall be entitled to appoint not more than two proxies to attend and vote instead of him at the same general meeting provided that if the Member is the Depository:-*
- (a) *the Depository may appoint more than two proxies to attend and vote at the same general meeting and each proxy shall be entitled to exercise the same powers on behalf of the Depository as the Depository could exercise, including, notwithstanding Bye-law 65, the right to vote individually on a show of hands;*
  - (b) *the Company shall be entitled and bound:-*
    - (i) *to reject any instrument of proxy lodged if the proxy first named in that instrument, being the Depositor, is not shown in the records of the Depository as at a time not earlier than seventy-two (72) ~~forty-eight (48)~~ hours prior to the time of the relevant general meeting supplied by the Depository to the Company, to have any shares credited to a Securities Account;*

- (ii) *to accept as the maximum number of votes which in aggregate all the proxies appointed by the Depository in respect of a particular Depositor are able to cast on a poll a number which is the number of shares credited to the Securities Account of that Depositor, as shown in the records of the Depository as at a time not earlier than ~~seventy-two (72)~~ ~~forty-eight (48)~~ hours prior to the time of the relevant general meeting supplied by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of the Depository; and*
  - (iii) *the Company shall accept as valid in all respects the form of proxy approved by the Depository (the "CDP Proxy Form") for use at the date relevant to the general meeting in question notwithstanding that the same permits the Depositor concerned to nominate a person or persons other than himself as the proxy or proxies appointed by the Depository. The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed CDP Proxy Form submitted to it, to have regard to the instructions given by and the notes (if any) set out in the CDP Proxy Form.*
- (2) *In any case where a form of proxy appoints more than one proxy (including the case where such appointment results from a nomination by a Depositor), the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.*
- (3) *A proxy need not be a Member. In addition, subject to sub-paragraph (1) of this Bye-law, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise, including, notwithstanding Bye-law 65, the right to vote individually on a show of hands.*
- (4) *Save as otherwise provided in the Singapore Companies Act:*
- (a) *a Member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same general meeting. 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; and*
  - (b) *a Member who is a relevant intermediary may appoint more than two proxies to attend, speak 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. 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.*

**(o) Existing Bye-law 79**

- 79 *The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed on behalf of the appointor (which shall, for this purpose, include a Depositor), or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.*

## Proposed Amendments to Existing Bye-law 79

It is proposed that Bye-law 79 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, in the manner below:

- 79     *The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed on behalf of the appointor (which shall, for this purpose, include a Depositor), or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than seventy-two (72) ~~forty-eight (48)~~ hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.*

## (p) Existing Bye-law 85

- 85(1) *Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. All Directors shall be natural persons. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter the Company may by ordinary resolution at any general meeting appoint any person to be a Director either as an additional Director or to fill a casual vacancy.*

*(2) The Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or, where a maximum number of Directors has been determined by the Members and the Members have authorised the Board to appoint additional Directors, as an additional Director.*

*(3) Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.*

*(4) Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.*

*(5) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (4) above may be filled by the election or appointment by the Members at the meeting at which such Director is removed or, in the absence of such election or appointment, such general meeting may authorise the Board to appoint a Director to fill any vacancy in the number left unfilled.*

*(6) Any Director appointed by the Board shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election at that meeting.*

*(7) The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than two (2).*



## **Proposed Amendments to Existing Bye-law 85**

It is proposed that Bye-law 85 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, in the manner below:

85(1) *Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. All Directors shall be natural persons. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter the Company may by ordinary resolution at any general meeting appoint any person to be a Director either as an additional Director or to fill a casual vacancy.*

*(2) Notwithstanding subparagraph (1) above, the Board shall have the power from time to time and at any time to appoint any person as a Director by way of an ordinary resolution either to fill a casual vacancy or ~~where a maximum number of Directors has been determined by the Members and the Members have authorised the Board to appoint additional Directors,~~ as an additional Director, but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these Bye-laws, if any.*

*(3) Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.*

*(4) Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.*

*(5) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (4) above may be filled by the election or appointment by the Members at the meeting at which such Director is removed or, in the absence of such election or appointment, as a casual vacancy in accordance with subparagraph (2) such general meeting may authorise the Board to appoint a Director to fill any vacancy in the number left unfilled.*

*(6) Any Director appointed by the Board shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election at that meeting, but shall not be taken into account for the purposes of determining the number of Directors who are to retire by rotation at such meeting.*

*(7) The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than two (2).*

## **(q) Existing Bye-law 88**

88. *The office of a Director shall be vacated if the Director:*

- (1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board whereupon the Board resolves to accept such resignation;*
- (2) becomes of unsound mind or dies;*
- (3) without special leave of absence from the Board, is absent from meetings of the Board for six consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated; or*
- (4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;*

- (5) *is prohibited by law from being a Director; or*
- (6) *ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Bye-laws.*

#### **Proposed Amendments to Existing Bye-law 88 by Insertion of New Bye-law 88A**

It is proposed that Bye-law 88 be amended by insertion of a new Bye-law 88A, the text of which is shown in underline, in the manner below:

88. *The office of a Director shall be vacated if the Director:*

- (1) *resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board whereupon the Board resolves to accept such resignation;*
- (2) *becomes of unsound mind or dies;*
- (3) *without special leave of absence from the Board, is absent from meetings of the Board for six consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated; or*
- (4) *becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;*
- (5) *is prohibited by law from being a Director;*
- (6) *ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Bye-laws.*

88A. *For so long as the shares of the Company are listed on the Designated Stock Exchange, where a Director is disqualified from acting as a Director in any jurisdiction for reasons other than on technical grounds, he must immediately resign from the Board.*

#### **(r) Existing Bye-law 101**

*A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Bye-law, a general Notice to the Board by a Director to the effect that:*

- (a) *he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with that company or firm; or*
- (b) *he is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with a specified person who is connected with him*

*shall be deemed to be a sufficient declaration of interest under this Bye-law in relation to any such contract or arrangement, provided that no such Notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.*



## **Proposed Amendments to Existing Bye-law 101**

It is proposed that Bye-law 101 be amended by inserting the text shown in underline, in the manner below:

*A Director or Chief Executive Officer who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest, at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested, or in such manner in accordance with the Singapore Companies Act. For the purposes of this Bye-law, a general Notice to the Board by a Director to the effect that:*

- (a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with that company or firm; or*
- (b) he is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with a specified person who is connected with him*

*shall be deemed to be a sufficient declaration of interest under this Bye-law in relation to any such contract or arrangement, provided that no such Notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given, or such disclosure is made in accordance with the Singapore Companies Act.*

## **(s) Existing Bye-law 103**

*103(1) The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Statutes or by these Bye-laws required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Statutes and of these Bye-laws and to such regulations being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made, provided that the Board shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company's undertaking unless such proposals have been approved by the Company in general meeting. The general powers given by this Bye-law shall not be limited or restricted by any special authority or power given to the Board by any other Bye-law.*

*(2) Any person contracting or dealing with the Company in the ordinary course of business shall be entitled to rely on any written or oral contract or agreement or deed, document or instrument entered into or executed as the case may be by any two of the Directors acting jointly on behalf of the Company and the same shall be deemed to be validly entered into or executed by the Company as the case may be and shall, subject to any rule of law, be binding on the Company.*

*(3) Without prejudice to the general powers conferred by these Bye-laws it is hereby expressly declared that the Board shall have the following powers:-*

- (a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed.*
- (b) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.*
- (c) to resolve that the Company be discontinued in Bermuda and continued in a named country or jurisdiction outside Bermuda subject to the provisions of the Act.*

### **Proposed Amendments to Existing Bye-law 103**

It is proposed that Bye-law 103 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, in the manner below:

- 103(1) *The business of the Company shall be managed, or under the direction or supervision of, ~~and conducted by the Board,~~ which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Statutes or by these Bye-laws required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Statutes and of these Bye-laws and to such regulations being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made, provided that the Board shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company's undertaking unless such proposals have been approved by the Company in general meeting. The general powers given by this Bye-law shall not be limited or restricted by any special authority or power given to the Board by any other Bye-law.*
- (2) *Any person contracting or dealing with the Company in the ordinary course of business shall be entitled to rely on any written or oral contract or agreement or deed, document or instrument entered into or executed as the case may be by any two of the Directors acting jointly on behalf of the Company and the same shall be deemed to be validly entered into or executed by the Company as the case may be and shall, subject to any rule of law, be binding on the Company.*
- (3) *Without prejudice to the general powers conferred by these Bye-laws it is hereby expressly declared that the Board shall have the following powers:-*
- (a) *to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed.*
  - (b) *to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.*
  - (c) *to resolve that the Company be discontinued in Bermuda and continued in a named country or jurisdiction outside Bermuda subject to the provisions of the Act.*

### **(t) Existing Bye-law 134**

134. *Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if any books, records, documents or accounts are elsewhere than at the Office or the head office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. 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 Board or any committee which is so certified 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 minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.*

### **Proposed Amendments to Existing Bye-law 134**

It is proposed that Bye-law 134 be amended by inserting the text shown in underline, in the manner below:

134. Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents, ~~and accounts, and financial statements~~ relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if any books, records, documents, ~~or accounts~~ or financial statements are elsewhere than at the Office or the head office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. 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 Board or any committee which is so certified 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 minutes or extract is a true and accurate record of proceedings at a duly constituted meeting. Any authentication or certification made pursuant to this Bye-law may be made by any electronic means approved by the Directors from time to time for such purpose incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.

### **(u) Existing Bye-law 147**

147. The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye-law and subject to Section 40(2A) of the Act, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

### **Proposed Amendments to Existing Bye-law 147**

It is proposed that Bye-law 147 be amended by inserting the text shown in underline, in the manner below:

147. The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the financial statements ~~profit and loss account~~) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye-law and subject to Section 40(2A) of the Act, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

**(v) Existing Bye-law 151**

151. *Subject to Section 88 of the Act, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least fourteen (14) days before the date of the general meeting and laid before the Company in general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.*

**Proposed Amendments to Existing Bye-law 151**

It is proposed that Bye-law 151 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, in the manner below:

151. *Subject to Section 88 of the Act, a printed copy of the Directors' statement report, accompanied by the ~~financial statements balance sheet and profit and loss account~~, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least fourteen (14) days before the date of the general meeting and laid before the Company in general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.*

**(w) Existing Bye-law 152**

- 152(1) *Subject to Section 88 of the Act, at each annual general meeting, the Members shall appoint an auditor to audit the accounts of the Company and if an appointment is not so made, the Auditor in office shall continue in office until a successor is appointed. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.*
- (2) *Subject to Section 89 of the Act, a person, other than an incumbent Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-one (21) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the Auditor.*
- (3) *The Members may, at any general meeting convened and held in accordance with these Bye-laws, by special resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.*

**Proposed Amendments to Existing Bye-law 152**

It is proposed that Bye-law 152 be amended by inserting the text shown in underline, in the manner below:

- 152(1) *Subject to Section 88 of the Act, at each annual general meeting, the Members shall appoint an auditor to audit the accounts financial statements of the Company and if an appointment is not so made, the Auditor in office shall continue in office until a successor is appointed. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.*
- (2) *Subject to Section 89 of the Act, a person, other than an incumbent Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-one (21) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the Auditor.*



- (3) *The Members may, at any general meeting convened and held in accordance with these Bye-laws, by special resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.*

**(x) Existing Bye-law 153**

153. *Subject to Section 88 of the Act the accounts of the Company shall be audited at least once in every year.*

**Proposed Amendments to Existing Bye-law 153**

It is proposed that Bye-law 153 be amended by inserting the text shown in underline, in the manner below:

153. *Subject to Section 88 of the Act the ~~accounts~~ financial statements of the Company shall be audited at least once in every year.*

**(y) Existing Bye-law 156**

156. *The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.*

**Proposed Amendments to Existing Bye-law 156**

It is proposed that Bye-law 156 be amended by inserting the text shown in underline, in the manner below:

156. *The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts, financial statements and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.*

**(z) Existing Bye-law 158**

158. *Any Notice from the Company to a Member shall be given in writing or by cable, telex or facsimile transmission message and any such Notice and (where appropriate) any other document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.*

## Proposed Amendments to Existing Bye-law 158 and Insertion of New Bye-law 158A

It is proposed that Bye-law 158 be amended by inserting the text shown in underline, and a new Bye-law 158A be inserted, in the manner below:

158. Any Notice from the Company to a Member shall be given in writing or by cable, telex or facsimile transmission message and any such Notice and (where appropriate) any other document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange. Without prejudice to the foregoing, but subject to the rules and regulations of the Designated Stock Exchange (if applicable), any notice may be given by electronic means (including facsimile and electronic mail) and any such notice and (where appropriate) any other document may be served or delivered by the Company on or to any Member by transmitting it by electronic means (including facsimile and electronic mail) to any such address or number supplied by him to the Company for the giving of notice to him or by delivering it in accordance with Bye-law 158A. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

158A. Subject to the rules and regulations of the Designated Stock Exchange (if applicable):

- (a) the Board may deliver any information, notice or documents to a Member by publication of an electronic record of such information, notice or documents on a website and by sending the Member a notice of their availability ("Notice") and including therein details of the publication of the information or documents on the website, the address of the website, the place on the website where the information or documents may be found, how the information or document may be accessed on the website;
- (b) for the purposes of this Bye-law 158A, a member shall be deemed to have given implied consent to receive such information, notice or documents by way of such electronic communications and shall not have a right to elect to receive a physical copy of such information, notice or document, unless otherwise provided under the Act and/or any other applicable regulations or procedures, including the Listing Manual;
- (c) in the case of information or documents delivered in accordance with Bye-law 158A(a), service or delivery shall be deemed to have occurred when (i) the Member is notified in accordance with that Bye-law; and (ii) the information or document is published on the website. In proving such service or delivery, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of the publication on the website shall be conclusive evidence thereof; and
- (d) notwithstanding Bye-law 158A(b) above, if upon receipt of a Notice, a member elects to receive such information, notice or documents in physical form, the Company shall send to that member such information, notice or documents within seven (7) days of receipt of that member's election.



**(aa) Existing Bye-law 159**

159. Any Notice or other document:

- (a) *if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof; and*
- (b) *if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission shall be conclusive evidence thereof.*

**Proposed Amendments to Existing Bye-law 159**

It is proposed that Bye-law 159 be amended by inserting the text shown in underline, in the manner below:

159. Any Notice or other document:

- (a) *if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof; and*
- (b) *if served or delivered in any other manner contemplated by these Bye-laws (save for a notice or document delivered in accordance with Bye-law 158A(a)), shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission by electronic means, unless otherwise provided under the rules and regulations of the Designated Stock Exchange (if applicable); and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission by electronic means shall be conclusive evidence thereof, unless otherwise provided under the rules and regulations of the Designated Stock Exchange (if applicable).*

**(bb) Existing Bye-law 161**

161. *For the purposes of these Bye-laws, a cable or telex or facsimile transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received.*

### **Proposed Amendments to Existing Bye-law 161**

It is proposed that Bye-law 161 be amended by inserting the text shown in underline, in the manner below:

161. *For the purposes of these Bye-laws, a cable or telex or facsimile transmission message or an electronic mail purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received.*

### **(cc) Existing Bye-law 167**

- 167(1) *For so long as the shares of the Company are listed on the Designated Stock Exchange, each Director shall, upon his appointment to the Board, give an undertaking to the Company that, for so long as he remains a Director, he shall forthwith notify the Secretary of the particulars of the shares beneficially owned by him at the time of his appointment and of any change in such particulars.*
- (2) *For so long as the shares of the Company are listed on the Designated Stock Exchange, each Member shall, (a) upon becoming a substantial shareholder of the Company, (b) for so long as he remains a substantial shareholder of the Company, upon a change in his interest or interests in the Company and (c) upon ceasing to be a substantial shareholder of the Company, give the Secretary a notice in writing of (a) the particulars of the shares beneficially owned by him, or (b) the particulars of the change in interests (including the date of change and the circumstances by reason of which that change has occurred), or (c) the particulars of the date and circumstances of the cessation of substantial shareholding, as the case may be, within two (2) days after (a) becoming a substantial shareholder, (b) the date of change in interests, or (c) the date of cessation, as the case may be. For the purposes of this Bye-law 167(2), the term "substantial shareholder" shall have the same meaning ascribed to it in Section 81(1) and 81(2) of the Companies Act, Chapter 50 of Singapore (the "Singapore Companies Act") and the term "interest" or "interests" shall have the same meaning ascribed to it in Section 7 of the Singapore Companies Act.*
- (3) *For so long as the shares of the Company are listed on the Designated Stock Exchange, the provisions of Section 92 of the Singapore Companies Act, giving the Company power to require disclosure of beneficial interest in its shares, shall apply.*

### **Proposed Amendments to Existing Bye-law 167**

It is proposed that Bye-law 167 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, in the manner below:

167. *Without limiting the effect of the SFA:*
- (1) *For so long as the shares of the Company are listed on the Designated Stock Exchange, each Director shall, upon his appointment to the Board, give an undertaking to the Company that, for so long as he remains a Director, he shall forthwith notify the ~~Secretary~~ Company of the particulars of the shares ~~beneficially owned by him in the Company or a related corporation of the Company, which he holds, or in which he has an interest and the nature and extent of that interest at the time of his appointment and of any change in such particulars.~~*

- (2) *For so long as the shares of the Company are listed on the Designated Stock Exchange, each Member shall, (a) upon becoming a substantial shareholder of the Company, (b) for so long as he remains a substantial shareholder of the Company, upon a change in percentage level of his interest or interests in the voting shares in the Company and (c) upon ceasing to be a substantial shareholder of the Company, give the Company ~~Secretary~~ a notice in writing of (a) the particulars of the voting shares in the Company in which he has or had an interest or interests and the nature and extent of that interest or interests beneficially owned by him, or (b) the particulars of the change in interests (including the date of change and the circumstances by reason of which that change has occurred), or (c) the particulars of the date and circumstances of the cessation of substantial shareholding, as the case may be, within two (2) business days after (a) becoming aware that he is a substantial shareholder, (b) the date of change in percentage level of interests, or (c) the date of cessation, as the case may be. Such notice shall be in such form and shall contain such information as the Monetary Authority of Singapore may prescribe. For the purposes of this Bye-law 167(2), the term "substantial shareholder" shall have the same meaning ascribed to it in Sections 2(5) and 2(6)81(1) and 81(2) of the SFA Companies Act, Chapter 50 of Singapore (the "Singapore Companies Act") and the term "interest" or "interests" shall have the same meaning ascribed to it in Section 47 of the SFA and the term "percentage level" shall have the meaning ascribed to it under Section 136(3) of the SFA-Singapore Companies Act.*
- (3) *For so long as the shares of the Company are listed on the Designated Stock Exchange, the provisions of Section 137F 92 of the ~~SFA-Singapore Companies Act~~, giving the Company power to require disclosure of beneficial interest in its shares, shall apply.*

**(dd) Existing Bye-law 168**

168. *For so long as the shares of the Company are listed on the Designated Stock Exchange, the provisions of Sections 138, 139 and 140 of the Singapore Securities and Futures Act 2001 and the Singapore Code on Take-overs and Mergers shall apply, mutatis mutandis, to all take-over offers for the Company.*

**Proposed Amendments to Existing Bye-law 168**

It is proposed that Bye-law 168 be amended by inserting the text shown in underline and by deleting the text shown in strikethrough, in the manner below:

168. *For so long as the shares of the Company are listed on the Designated Stock Exchange, the provisions of Sections 138, 139 and 140 of the SFA ~~Singapore Securities and Futures Act 2001~~ and the Singapore Code on Take-overs and Mergers shall apply, mutatis mutandis, to all take-over offers for the Company.*

**THE PROPOSED RENEWED IPT GENERAL MANDATE**

**1. BACKGROUND AND PARTICULARS OF IPTs**

1.1 The Group engages in transactions involving the following products and services, in the normal course of business, with the Interested Persons:

(a) Grant of licences of the Software under the MLA

Within this category are transactions between the Group and the Interested Persons where the Group grants, and the Interested Persons accept rights to:

- (i) resell, implement, copy, customise and/or use the Software, and/or
- (ii) sub-licence the right to use the Software to End-Users,

in accordance with the terms and conditions of the MLA.

The licence shall comprise either a Non-Enterprise Licence or an Enterprise Licence. The Renewed IPT General Mandate applies to the grant of both Non-Enterprise Licence and Enterprise Licence by the Group to the Interested Persons.

Under the MLA, the Group is required to provide the Interested Persons with such assistance as is reasonably necessary to assist the Interested Persons with the marketing and promotion of the Software. Such assistance forms part of the Group's normal reselling arrangement, which is provided to both Interested Persons and unrelated third parties.

(b) Resale of IBM System i Products under the MSA

This category covers the resale of IBM System i Products in Malaysia by the Group to the Interested Persons. The Renewed IPT General Mandate applies to the resale of IBM System i Products to the Interested Persons.

(c) Provision of Services under the MSA

The Renewed IPT General Mandate applies to the following transactions under this category:

- (i) the provision of Customisation, Implementation and Maintenance services by the Group to the Interested Persons in connection with the Group's software products; and
- (ii) the receipt of Customisation, Implementation and Maintenance services by the Group from the Interested Persons in connection with the Group's software products.

1.2 The Directors are seeking approval from the Shareholders for the proposed Renewed IPT General Mandate for the Group to enter into the categories of transactions listed in paragraph 1.1 above with the Interested Persons, provided that such transactions are made on normal commercial terms and are not prejudicial to the interest of the Company and its minority Shareholders.

1.3 The Company expects the frequency of such transactions, which are in the Group's ordinary course of business, to increase and to facilitate the growth of this line of business, are seeking Shareholders' approval for this category of transaction.

## **2. SCOPE OF RENEWED IPT GENERAL MANDATE**

- 2.1 The Renewed IPT General Mandate will cover IPTs as set out in paragraph 1.1 above.
- 2.2 The Renewed IPT General Mandate will not cover any transactions between the Group and the Interested Persons which have a value below S\$100,000 (representing total value of each entire transaction with the Interested Persons and/or the same end-client), as the threshold and aggregation requirements under Chapter 9 of the Listing Manual do not apply to such transactions.
- 2.3 Transactions with the Interested Persons that do not fall within the ambit of the Renewed IPT General Mandate will be subject to the provisions of Chapter 9 and/or other applicable provisions of the Listing Manual.

## **3. CLASSES OF INTERESTED PERSONS**

- 3.1 The Renewed IPT General Mandate shall apply to the IPTs (as described in paragraph 1.1 above) which are carried out with the following classes of Interested Persons:
  - (a) Mr. Goh Peng Ooi; and/or
  - (b) all such entities which may from time to time deemed to be an Associate of Mr. Goh Peng Ooi.
- 3.2 Mr. Goh Peng Ooi owns 100% of Intelligentsia Holding Ltd (“IHL”), which in turn holds 64.30% direct interest in the Company. Mr. Goh Peng Ooi thus holds a deemed interest of 64.30% in the Company through IHL.
- 3.3 Transactions with Interested Persons which are not listed in paragraphs 1.1 and 3.1 above and which do not fall within the ambit of the Renewed IPT General Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual.

## **4. SALIENT TERMS OF THE IPTs**

### **METHODS OR PROCEDURES FOR DETERMINING TRANSACTION PRICES**

- 4.1 The Company and Mr. Goh Peng Ooi have undertaken under the MLA and MSA to procure that:
  - (a) all the categories of IPTs under grant of licences of the Software as described in paragraph 1.1 above which are entered into between the Group and the Interested Persons on or after the effective date of the MLA shall be governed by the terms and conditions as set out in the MLA and shall at all times be effected on terms that are consistent with and which are expressly stated to be subject to the terms and conditions of the MLA; and
  - (b) all the categories of IPTs under provision of Services and resale of IBM System i Products as described in paragraph 1.1 above which are entered into between the Group and the Interested Persons on or after the effective date of the MSA shall be governed by the terms and conditions as set out in the MSA and shall at all times be effected on terms that are consistent with and which are expressly stated to be subject to the terms and conditions of the MSA.

### **Pricing model for licensing of Software under the MLA**

- 4.2 In consideration of the grant of a licence of the Group’s software to an Interested Person under the MLA, the Group shall charge the Interested Persons, a licence fee, determined using a pricing model (“**Pricing Model**”).



4.3 The Pricing Model is a point based system where the licence fee is determined by reference to:

- (a) A table of points allocated to each software module, feature and component ("**Points Allocation Table**")

The Points Allocation Table comprises the complete list of software modules, features and components, with points allocated to each software module, feature and component of the Software ("**Allocated Points**"). The Allocated Points are determined based on a designated formula.

- (b) A table of licence fee bands ("**Licence Fee Bands Table**")

The Licence Fee Bands Table comprises 7 licence fee bands which are linked to 2 pricing dimensions: (i) number of Customers, and (ii) number of Branches of the End-User of the Software ("**Pricing Dimensions**"), and 1 licence fee band for Enterprise Licensing. Each licence fee band in the Licence Fee Bands Table represents 100 Allocated Points.

4.4 The licence fee calculation method is as follows:

$$\text{Licence Fee} = \frac{X}{100 \text{ Allocated Points}} \times Y$$

Where:

X = the sum of Allocated Points of each of the modules, features or components licensed to the licensee ("**Aggregate Allocated Points**").

Y = the base licence fee for 100 Allocated Points ("**Base Licence Fee**") (see paragraphs 4.5 and 4.6 below for further details).

4.5 In respect of Non-Enterprise Licensing of the Software, the management of the Company shall determine the Base Licence Fee by making reference to the applicable licence fee band for both the pricing dimensions. The Base Licence Fee shall be the higher of the two (2) licence fees determined using both the pricing dimensions.

4.6 In respect of Enterprise Licensing of the Group's software, the management of the Company shall submit its recommendation to the Audit Committee as to the Base Licence Fee of the Enterprise Licensing ("**Base Enterprise Licence Fee**") for approval. The Base Enterprise Licence Fee shall be no less than S\$38.4 million and shall, in any case, be supported by an independent valuation report and be subject to the prior approval of the Audit Committee. The minimum Base Enterprise Licence Fee of S\$38.4 million is determined based on Management's view of current market conditions.

4.7 The Pricing Model shall be made readily available for reference by the relevant operational staff and/or executives to govern pricing of the Software for both Interested Persons and unrelated third party.

#### **Pricing for resale of IBM System i Products under the MSA**

4.8 The profit margin charged by the Group to the Interested Person shall not be less than the profit margin charged by the Group to unrelated parties for similar product.

4.9 The profit margin to be charged by the Group to the Interested Person shall be calculated by the Company with reference to the average profit margin derived by the Group from sales of IBM System i Products to unrelated third parties in the last completed financial year from time to time. The profit margin charged by the Group to the Interested Person shall be disclosed as part of the quarterly IPTs report to the Audit Committee.

- 4.10 The profit margin earned on resale of IBM System i Products varies for each transaction as hardware sales and pricing are influenced by factors such as market condition and competitive bid situations. As such, Management is of the view that an average of the profit margins earned from sales of the IBM System i Products to unrelated third parties would reflect a fair margin. The profit margin in each case shall take into account the cost paid to IBM plus any expenses incurred by the Group in connection with the sale(s), including but not limited to the shipment, delivery and/or installation of the relevant products.

#### **Pricing for provision of Services under the MSA**

- 4.11 The pricing for provision of software Implementation and Customisation services under the MSA shall be based on a list of man-day rates ("**Man-day Rates**"). Such services can be categorised into the following:
- (a) With predefined scope and statement of work  
  
Provision of software Implementation and Customisation services with a clear predefined scope and statement of work are charged on a "fixed price" basis, arrived at by applying the Man-day Rates to the estimated man-days required to complete the work, and
  - (b) Without predefined scope  
  
Where the scope is not defined or is insufficiently defined to enable the estimation of man-days required to complete the work so as to arrive at a "fixed price", the services are charged on a "time and material" basis.
- 4.12 The Maintenance services fee for the provision of Maintenance services by the Group to the Interested Persons under the MSA, calculated on an annual basis, shall be based on at a fixed percentage ("**Maintenance Service Fee Rate**") of the licence fee charged by the Group to the relevant Interested Person or End-User for the use of the Software to which such services relate.
- 4.13 For avoidance of doubt, in respect of the provision of Services by the Group to the Interested Person, the rate to be applied shall be at the Man-day Rates and the Maintenance Service Fee Rate, as the case may be. In respect of the provision of Services by the Interested Person to the Group, the rate to be applied by the Interested Person shall be no more than that of the Man-day Rates and the Maintenance Service Fee Rate, as the case may be.
- 4.14 The Man-day Rates and Maintenance Service Fee Rate shall be made readily available for reference by the relevant operational staff and/or executives to govern pricing of the provision of Services.

#### **Discounts**

- 4.15 The guiding principle of the IPTs pricing is that the pricing extended to the Interested Persons shall be no more favourable than those extended to unrelated third parties.
- 4.16 The pricing for IPTs covered by the Renewed IPT General Mandate shall be based on the pricing guidelines stated in this mandate and the MLA and MSA as the case may be.
- 4.17 Notwithstanding paragraphs 4.15 and 4.16 above, Management may recommend to the Audit Committee and the Audit Committee shall have the discretion to approve a discount when Management and the Audit Committee are of the view that the discount is in the best interests of the Group and is necessary to enable the Group to maintain a competitive edge or to facilitate entry into a new market or industry. Management shall provide the Audit Committee with relevant business case, including information to support the recommendation for discount, and the Audit Committee shall evaluate the business case and supporting information submitted. No discounts shall be allowed without the prior approval of the Audit Committee.

### **Revisions of pricing methodology**

- 4.18 The Points Allocation Table and Licence Fee Bands Table under the Pricing Model and the Man-day Rates and Maintenance Service Fee Rate under the pricing for provision of Services or any part thereof shall be reviewed from time to time and be revised according to prevailing market condition and/or pricing. All such revisions shall be reviewed and approved by the Audit Committee before implementation of the revision.
- 4.19 However, any revisions to the pricing methodologies for licensing of Software under the MLA, resale of IBM System i Products under the MSA, and provision of Services under the MSA shall require the approval of the Shareholders.

### **Credit terms**

- 4.20 The credit terms extended to the Interested Persons shall be no more favourable than those extended by the Group to unrelated third parties for similar transactions. The Group has a credit control and collections process which is applied to both Interested Persons and unrelated third parties. Follow ups on outstanding balances are diligently performed on all debtors to ensure that they are aware of their payment obligations and follow up calls and visits, where necessary, are made to collect overdue debts.

### **OTHER CONDITIONS ATTACHED TO THE MLA AND MSA**

#### **Reporting requirements, audit and review rights under the MLA**

- 4.21 Each Interested Person holding a Non-Enterprise Licence is required, if and when requested by the Group, to:
- (a) forthwith update the Group in writing on the details of the pricing dimensions applicable to the relevant Interested Person or End-User(s), as the case may be, under such licence;
  - (b) allow the Audit Committee or its duly authorised representative(s) to audit the books and records of the relevant Interested Person to verify the details of the pricing dimensions applicable to such Interested Person and/ or End-User(s), as the case may be, and
  - (c) where the relevant Interested Person is not the End-User of the Software, use all reasonable endeavours, to the extent permitted by law, to procure that the Audit Committee or its duly authorised representative(s) be allowed to audit the books and records of the relevant End-User(s) to verify the details of the pricing dimensions applicable to such End-User(s).
- 4.22 Where an Interested Person is the End-User under a Non-Enterprise Licence or is carrying out an Outsourcing Arrangement under a Non-Enterprise Licence, the fees for the Non-Enterprise Licence shall be subject to review and upward adjustment by the Group from time to time in the event of any change to the pricing dimensions of the relevant End-User such as would ordinarily result in a higher licence fee being imposed under the Pricing Model.
- 4.23 Where an Interested Person is not the End-User under a Non-Enterprise Licence and is not carrying out an Outsourcing Arrangement under a Non-Enterprise Licence, the fees for the Non-Enterprise Licence shall be subject to review and upward adjustment by the Group from time to time in the event of any change to the pricing dimensions of the relevant End-User such as would ordinarily result in a higher licence fee being imposed under the Pricing Model provided always that the relevant Interested Person has a similar right to increase the licence fee payable by the relevant End-User and provided always that the relevant Interested Person shall use its best endeavours to procure such a right from the relevant End-User. Any additional licence fee determined to be payable pursuant to this clause shall be settled by the relevant Interested Person in accordance with the MLA.

- 4.24 The Audit Committee shall have the right to periodically review the terms (including the licence fee) of any licence granted by the Group to an Interested Person. The review shall be undertaken on a quarterly basis by the Audit Committee, with allowance for more frequent reviews if deemed necessary by the Audit Committee. In no circumstances shall the licence fee charged to the Interested Person not be in line with the terms of the MLA and the Pricing Model. If the Audit Committee reasonably determines, in the course of such review, that the terms of any licence granted to an Interested Person are inconsistent with the terms of the MLA and the Pricing Model in a manner that is prejudicial or adverse to the interests of the Group, the parties agree to take all such steps as may be necessary to amend the terms of such licence so as to ensure consistency with the terms of the MLA and that the relevant Interested Person shall forthwith compensate the Group for any loss or damage suffered (including any shortfall in the applicable licence fee payable) as a result of the earlier inconsistency; provided always that this clause shall not apply in the event of any deviation from the terms of the MLA which the Group has confirmed in writing to the relevant Interested Person has been duly approved by the Audit Committee in accordance with the terms of the MLA.

#### **Review rights under the MSA**

- 4.25 The Audit Committee shall have the right to periodically review the terms of any agreement for the re-sale of IBM System i Products ("**Re-sale Agreement**") or for the provision of Services ("**Services Agreement**") entered into between the Group and an Interested Person. The review shall be undertaken on a quarterly basis by the Audit Committee, with allowance for more frequent reviews if deemed necessary by the Audit Committee. If the Audit Committee reasonably determines, in the course of such review, that the terms of any Re-sale Agreement or Services Agreement are inconsistent with the terms of the MSA in a manner that is prejudicial or adverse to the interests of the Group, the parties agree to take all such steps as may be necessary to amend the terms of such Re-sale Agreement or Services Agreement so as to ensure consistency with the terms of the MSA and to procure that the relevant Interested Person shall forthwith compensate the Group for any loss or damage suffered (including any shortfall in the applicable re-sale price and/or fee payable for the Services) as a result of the earlier inconsistency; provided always that this clause shall not apply in the event of any deviation from the terms of the MSA which the Group has confirmed in writing to the relevant Interested Person has been duly approved by the Audit Committee in accordance with the terms of the MSA.

#### **Intellectual property rights**

- 4.26 All intellectual property rights in or relating to the Software and the Software documentation are and shall remain the property of the Group.

#### **Termination**

- 4.27 The MLA and MSA will terminate if:
- (a) all of Mr. Goh Peng Ooi and his associates cease to be an Interested Person, or
  - (b) in the event that the Renewed IPT General Mandate is withdrawn or otherwise ceases to be in force.

## 5. TRADEMARKS

5.1 The Group has the exclusive use of the following trademarks in connection with the banking software system:

Trade Mark	Class	Country	Registration No.	Date of Application	Date of Registration	Expiry Date
<b>SILVERLAKE</b>	42	Singapore	T0507323Z	4 May 2005	12 Mar 2015	4 May 2025
	42	Thailand	SM28384	9 Mar 2005	20 Feb 2005	8 Mar 2025
	42	Jordan	83440	1 Dec 2005	1 Dec 2005	1 Dec 2025
	42	Japan	5026670	23 Mar 2006	16 Feb 2007	16 Feb 2027
	42	Indonesia	IDM000095591	17 Feb 2005	12 Dec 2014	17 Feb 2025
	42	Philippines	4-2005-005519	15 Jun 2005	16 Oct 2006	16 Oct 2026
	42	Vietnam	4-2005-16233	1 Dec 2005	1 Dec 2005	1 Dec 2025
	42	Sri Lanka	125894	17 Jun 2005	10 Jun 2015	10 Jun 2025
	42	Saudi Arabia	135838	11 Oct 2008	17 Apr 2011	17 Jun 2018
	42	United Arab Emirates	119937	5 Oct 2008	5 Oct 2008	5 Oct 2018
	42	Brunei	37114	15 Jun 2005	15 Jun 2005	15 Jun 2025
<b>SILVERLAKE</b>	09	China	3453118	31 Jan 2003	14 Jul 2004	13 Jul 2024
	35	China	3453117	31 Jan 2003	28 Aug 2004	27 Aug 2024
	42	China	3453119	31 Jan 2003	21 Dec 2004	20 Dec 2024
	42	Indonesia	IDM000062329	13 Jan 2004	20 Jan 2006	13 Jan 2024
<b>SILVERLAKE</b>	09	Malaysia	95001949	9 Mar 1995	9 Mar 1995	9 Mar 2022
<b>SILVERLAKE SILVERLAKE</b>	42	Malaysia	09010385	24 Jun 2009	24 Jun 2009	24 Jun 2019
<b>SILVERLAKE iPFS SILVERLAKE iPFS</b>	09	Malaysia	04004586	8 Apr 2004	8 Apr 2004	8 Apr 2024
<b>SILVERLAKE AXIS SILVERLAKE AXIS</b>	09	Singapore	T0907376E	3 Jul 2009	3 Jul 2009	3 Jul 2019
	42	Singapore	T0907380C	3 Jul 2009	3 July 2009	3 Jul 2019
<b>silverlake</b> <small>SYMMETRY AT WORK</small>	42	Singapore	T1205646I	19 Apr 2012	19 Apr 2012	19 Apr 2022
	42	Philippines	4-2012-004852	20 Apr 2012	8 Nov 2012	8 Nov 2022
	42	Brunei	42867	30 Apr 2012	30 Apr 2012	30 Apr 2022
	42	Japan	5628423	6 Jun 2013	8 Nov 2013	8 Nov 2023
<b>silverlake</b> <small>SYMMETRY AT WORK</small> <b>silverlake</b> <small>SYMMETRY AT WORK</small>	42	Malaysia	2011016785	21 Sep 2011	21 Sep 2011	21 Sep 2021
<b>SILVERLAKE Silverlake silverlake</b>	42	Hong Kong	303162294	10 Oct 2014	10 Oct 2014	9 Oct 2024

### Notes:

Class 09 - Computer software; compact discs; magnetic cards, disks and tapes.

Class 35 - Compilation of information into computer databases; systemization of information into computer databases; computerized file management; computerised database management.



Class 42 - Consulting services relating to computers, computer software, computer hardware, computer networks, computer systems; computer programming; computer software design, maintenance and update; designing, creating, implementing and maintaining web sites for others; computer systems analysis; computer system design; data conversion of computer programmes and data (not physical conversion); hosting computer sites; installation of computer software; integration of computer systems and networks.

- 5.2 The following trademark applications are still pending approval from the relevant trademark offices. There is no assurance that the trademark applications will be subsequently approved by the relevant authorities. In the event that any of the trademark applications is not granted, the Directors are of the opinion that it is unlikely to have a significant impact on the business operations and financial performance as the Group does not rely significantly on trademarks for its business.

Trade Mark	Class	Country	Application No.	Date of New/Renewal Application
	42	Indonesia	J002015002881	26 Jan 2015
	42	Thailand	843838	23 April 2012

**Note:**

Class 42 - Consulting services relating to computers, computer software, computer hardware, computer networks, computer systems; computer programming; computer software design, maintenance and update; designing, creating, implementing and maintaining web sites for others; computer systems analysis; computer system design; data conversion of computer programmes and data (not physical conversion); hosting computer sites; installation of computer software; integration of computer systems and networks.

- 5.3 The Group intends to file further trademarks applications as and when warranted.

## 6. REVIEW PROCEDURES IN RELATION TO IPTs

Pursuant to Chapter 9 of the Listing Manual which governs transactions between a listed company and its interested persons and taking into consideration the MLA and MSA as the case may be, the following review procedures have been established in relation to the Renewed IPT General Mandate:

- 6.1 The Group shall maintain:

- (a) A register to record all Interested Persons; and
- (b) A comprehensive record of all categories of Interested Persons and non-interested persons transactions entered into by the Group, with details on the nature of the transaction and the amount of and detailed calculation for the fees and charges, including pricing dimension used to determine the Base Licence Fee, and any discounts given.

- 6.2 The Audit Committee shall be provided with the registers and comprehensive records of IPTs described above and such other relevant information and agreements which it may reasonably require, and it shall review the information on a quarterly basis to ensure that all categories of IPTs between the Group and the Interested Persons are carried out at arm's length in accordance with the terms of the MLA and MSA, as the case may be, including the adherence to the Group's Pricing Model (including the Points Allocation Table and Licence Fee Bands Table), pricing methodology for the provision of Services and IBM System i Products and discount policy, in its conduct of IPTs. The Audit Committee may decide to review such transactions on a more frequent basis if it deems necessary.

- 6.3 If the Audit Committee reasonably determines, during its review, that the terms of any licence granted to, sale of IBM System i Products to, or Services provided to/by, Interested Persons are inconsistent with the terms of the MLA and MSA, as the case may be, and the Renewed IPT General Mandate in a manner that is prejudicial or adverse to the interests of the Group, the parties agree to take all such steps as may be necessary to amend the terms of the relevant licence to ensure consistency with the terms of the MLA and MSA, as the case may be, and the Renewed IPT General Mandate and that the relevant Interested Person shall forthwith compensate the Group for any loss or damage suffered (including any shortfall in the applicable licence fee payable, Service fee payable and IBM System i Product re-sale price) as a result of the earlier inconsistency, provided always that this shall not apply to any deviation from the terms of the MLA and MSA, as the case may be, which has been duly approved by the Audit Committee.
- 6.4 The Audit Committee shall also review the credit terms and billing and payment arrangements extended to the Interested Persons from time to time by comparing them against those extended to unrelated third parties for similar transactions or services, to ensure that they are no more favourable than those extended by the Group to unrelated third parties.
- 6.5 The Group's annual internal audit shall incorporate a review of all Interested Persons and IPTs entered into pursuant to the Renewed IPT General Mandate. The internal auditor shall report directly to the Audit Committee on all of its findings from the review of the IPTs.
- 6.6 The Audit Committee shall, when it deems necessary, have the right to require the appointment of auditors or any independent professionals to review all matters relating to the MLA and MSA.
- 6.7 If during its periodic review, the Audit Committee believes that the guidelines and procedures as stated in the Renewed IPT General Mandate have become inappropriate and/or are no longer sufficient to ensure that the interests of the Company and the minority Shareholders are not prejudiced and that the IPTs are on normal commercial terms, a fresh mandate based on new guidelines and procedures shall be sought from Shareholders.
- 6.8 All the members of the Audit Committee shall be non-executive Directors who do not hold any executive directorships or equity interests in the Interested Persons.
- 6.9 If any member of the Audit Committee has an interest in a transaction, he shall abstain from participating in the review and approval process in relation to that transaction.