SBS Transit

A member of ComfortDelGro

SBS TRANSIT LTD

(Incorporated in the Republic of Singapore)
(Co. Reg. No.: 199206653M)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Eighth Annual General Meeting (the "**AGM**") of SBS Transit Ltd. (the "**Company**") will be held on Thursday, 29 April 2021 at 10.00 a.m. via electronic means and at:

AUDITORIUM
COMFORTDELGRO HEADQUARTERS
205 BRADDELL ROAD
SINGAPORE 579701

The AGM is for the purpose of transacting the following business:

ORDINARY BUSINESS:

To consider and, if thought fit, to pass the following Resolutions:

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the Financial Year ended 31 December 2020 together with the Auditors' Report thereon. **(Resolution 1)**
2. To declare a tax-exempt one-tier final dividend of 6.30 cents per ordinary share in respect of the Financial Year ended 31 December 2020. **(Resolution 2)**
3. To approve the payment of Directors' fees of $517,465 for the Financial Year ended 31 December 2020. (FY2019: $508,737) **(Resolution 3)**
4. To re-elect Professor Lim Seh Chun as a director on the following terms: **(Resolution 4)**
   - Professor Lim is an Independent Non-Executive Director who is retiring pursuant to Regulation 100 of the Company's Constitution and, being eligible, has offered himself up for re-election. He will cease to be designated as independent as of 1 January 2022 in accordance with Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST (which will come into effect on 1 January 2022), unless both Resolution 4 and 5 are passed.
   - If both Resolution 4 and Resolution 5 are passed, Professor Lim shall continue to be designated as an Independent Non-Executive Director from 1 January 2022 and for the duration specified in Resolution 5.
   - If only Resolution 4 is passed but Resolution 5 is not passed, Professor Lim shall continue to be designated as an Independent Non-Executive Director up to and including 31 December 2021 and shall thereafter be re-designated as a Non-Independent Non-Executive Director as of and from 1 January 2022.

   [Please refer to Explanatory Note (a)]
5. Subject to and contingent upon Resolution 4 being passed, pursuant to Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will come into effect on 1 January 2022), to re-elect Professor Lim Seh Chun as an Independent Non-Executive Director on the following terms: **(Resolution 5)**
   - If passed, this Resolution shall remain in force until Professor Lim's retirement or resignation as director, or the conclusion of the annual general meeting of the Company in 2024, whichever is the earliest.
   - For the purposes of this Resolution, the Directors and the Chief Executive Officer of the Company and their respective associates (as defined in the Listing Manual of the SGX-ST): (i) shall abstain from voting; and (ii) must not accept appointment as proxies unless specific instructions as to voting are given. Any votes cast by such persons in contravention of the foregoing shall be disregarded for the purposes of determining if this Resolution has been passed in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST.

   [Please refer to Explanatory Note (a)]
6. To note the retirement of Mr Lim Jit Poh as Director of the Company upon the conclusion of this AGM.

   [Please refer to Explanatory Note (b)]
7. To note the retirement of Mr John De Payva as a Director of the Company upon conclusion of this AGM.

   [Please refer to Explanatory Note (c)]
8. To note the retirement of Mr Lim Siang Hoe, Benny as a Director of the Company upon conclusion of this AGM.

   [Please refer to Explanatory Note (d)]
9. To re-appoint Messrs Deloitte & Touche LLP as Auditors and authorise the Directors to fix their Remuneration. **(Resolution 6)**

SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following Resolutions:

ORDINARY RESOLUTIONS:

10. **EXECUTIVE SHARE SCHEME** **(Resolution 7)**

That:

(a) a new share award scheme to be known as the "SBS Executive Share Scheme" (the "**Scheme**"), under which awards ("**Awards**") of fully-paid shares will be granted, free of charge, to eligible participants under the Scheme, the rules and summary details of which are set out in the circular dated 25 March 2021 ("**Circular**"), be and is hereby approved and adopted with effect from the date of the passing of this Resolution;

(b) the directors of the Company ("**Directors**") be and are hereby authorised to:

(i) establish and administer the Scheme; and

(ii) modify and/or alter the Scheme at any time and from time to time, provided that such modifications and/or alterations are effected in accordance with the provisions of the Scheme, and do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the Scheme; and

(c) the Directors be and are hereby authorised to grant Awards in accordance with the provisions of the Scheme and to issue and/or transfer from time to time such number of fully paid-up shares in the capital of the Company ("**Shares**") as may be required to be issued and/or transferred pursuant to the vesting of Awards under the Scheme, provided that:

(i) the total number of new Shares which shall be issued pursuant to Awards granted under the Scheme shall not exceed five per cent (5%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding the relevant date of the Award; and

(ii) the aggregate number of Shares for which an Award may be granted on any date under the Scheme, when added to the aggregate number of Shares that are issued and/or issuable in respect of:

(A) all Awards granted under the Scheme; and

(B) all Shares, options or awards granted under any other share option or share scheme of the Company then in force (if any),

shall be subject to any applicable limits prescribed under the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") ("**Listing Manual**").

[Please refer to Explanatory Note (e)]

11. **SHARE BUYBACK MANDATE** **(Resolution 8)**

That:

(a) for the purposes of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**"), the authority conferred on the Directors to exercise all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Maximum Limit (as hereinafter defined) at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) on-market purchases ("**Market Purchases**"), effected on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

(ii) off-market purchases ("**Off-Market Purchases**") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme or schemes as defined in Section 76C of the Companies Act,

and otherwise in accordance with all other laws and regulations, including but not limited to the provisions of Companies Act and the Listing Manual as may for the time being be applicable, be and is hereby approved generally and unconditionally (the "**Share Buyback Mandate**");

(b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next AGM is held or required to be held by law to be held; and

(ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated.

(c) in this Resolution:

"**Maximum Limit**" means that number of Shares representing not more than ten per cent (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered (excluding any treasury shares and subsidiary holdings); and

"**Maximum Price**", in relation to a Share to be purchased or acquired, means the purchase price (excluding related expenses) which shall not exceed:

(i) in the case of a Market Purchase, one hundred and five per cent (105%) of the Average Closing Price; and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent (120%) of the Average Closing Price.

where:

"**Relevant Period**" means the period commencing from the date on which this Resolution is passed and expiring on the date the next AGM is held or required by law to be held, whichever is earlier, after the date of this Resolution;

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

"**Day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

[Please refer to Explanatory Note (f)]

RECORD AND DIVIDEND PAYMENT DATES

NOTICE IS ALSO HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 7 May 2021, at 5 p.m. for the purposes of determining Shareholders' entitlements to the proposed tax-exempt one-tier final dividend of 6.30 cents per ordinary share for the Financial Year ended 31 December 2020.

Duly completed and stamped transfers received by the Company's Share Registrar, B.A.C.S. Private Limited, 8, Robinson Road, #03-00 ASO Building, Singapore 048544 up to 5.00 p.m. on 7 May 2021 will be registered to determine Shareholders' entitlements to the final dividend. Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 7 May 2021 will be entitled for the proposed final dividend.

The final dividend, if approved by the Shareholders at the Twenty-Eighth Annual General Meeting of the Company, will be paid on 19 May 2021.

BY ORDER OF THE BOARD

Angeline Joyce Lee Siang Pohr
Joint Company Secretary
Singapore

25 March 2021

NOTES:

General

1. Pursuant to the COVID-19 (Temporary Measures) (Alternative arrangements for Meetings for Companies, Variable Capital Companies, Business Trust, Unit Trust and Debenture Holders) Order 2020 (the "**Order**"), the Company is permitted to hold physical meetings with strict adherence to safe management measures. The AGM will be held both physically at 205 Braddell Road, Singapore 579701 and by way of electronic means.
2. Alternative arrangements relating to attendance at the AGM, submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM are set out in this Notice of AGM. This Notice of AGM may also be accessed at the Company's website at **www.sbstransit.com.sg** and will also be made available on SGXNET.

Pre-registration

1. To minimise physical interactions and COVID-19 transmission risk, the number of shareholders allowed to attend the AGM in person will be kept at 25. Shareholders who wish to attend the AGM in person or virtually via webcast should pre-register at **www.conveneagm.sg/SBS_AGM2021** by **10.00 am on Monday, 26 April 2021** to enable the Company to verify their status as shareholders.
2. Following the verification, confirmed shareholders will receive an email by **Tuesday, 27 April 2021**, notifying if they will be able to attend the AGM in person, or virtually using the account credentials created during pre-registration. Please do not disclose your login details to any other persons who are not entitled to attend the AGM. Your presence via the live webcast shall be taken as attendance at the AGM.
3. Shareholders who hold their shares through relevant intermediaries, including CPF and SRS investors, who wish to participate in the AGM via the live webcast should approach their respective relevant intermediaries (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

Submission of questions

1. Shareholders who wish to ask questions relating to the resolutions to be tabled for approval at the AGM must do so in advance via signing in to the pre-registration site. Alternatively, shareholders may email their questions in advance to **IR@comfortdelgro.com**, together with their full name and NRIC/FIN/Company Registration Number, whichever is applicable.
2. All questions must be submitted by **10.00 am on Monday, 26 April 2021**.

Voting

1. Shareholders (whether individual or corporate), either attending in person or via the live webcast, must appoint the Chairman of the Meeting as his/her/its proxy to attend and vote on his/her/its behalf at the AGM if such shareholder wishes to exercise his/her/its voting rights at the AGM.
2. Where a shareholder (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
3. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF or SRS approved nominees to submit their votes not less than 7 working days before the AGM by **10.00 am on Tuesday, 20 April 2021**.
4. The proxy form for the AGM may be accessed at the Company's website at **www.sbstransit.com.sg/agm2021proxyform**, and on SGXNET. The electronic proxy form is also available on the Company's AGM pre-registration site, **www.conveneagm.sg/SBS_AGM2021**.
5. The proxy form must be submitted in the following manner:
   a. If submit by post, be deposited at the Company's registered office at 205 Braddell Road, Singapore 579701; or
   b. If submitted by electronic mail, be sent to **agm2021@sbstransit.com.sg**; or
   c. If submitted electronically, be lodged at the Company's AGM pre-registration site, **www.conveneagm.sg/SBS_AGM2021**.

   in either case, by **10.00 am on Monday, 26 April 2021**
6. The instrument appointing the Chairman of the meeting as proxy must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Shareholders will not be able to vote through the live webcast and can only vote via their proxy forms which are required to be submitted in accordance with the foregoing paragraphs.

Annual Report and other documents

The Annual Report for the financial year ended 31 December 2020 and the Circular dated 25 March 2021 in relation to the proposed adoption of the SBS Executive Share Scheme and the proposed adoption of the Share Buy Back Mandate have been uploaded on SGXNET on 25 March 2021 and may be accessed via SGXNET and also the Company's website at **www.sbstransit.com.sg**.

PERSONAL DATA PRIVACY:

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

EXPLANATORY NOTES:

ORDINARY BUSINESS:

(a) Ordinary Resolution 4 and Ordinary Resolution 5 relate to Professor Lim Seh Chun's[1] re-election as a director of the Company and his continued designation as an Independent Non-Executive Director. As of 1 January 2022, Professor Lim would have been a Director of the Company for an aggregate period of more than 9 years and will cease to be regarded as independent on such date pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST (which will come into effect on 1 January 2022), unless Resolution 4 and Resolution 5 are both passed.

If Resolution 4 and Resolution 5 are both passed, Professor Lim will continue to be designated as an Independent Non-Executive Director of the Company for the duration specified in Resolution 5.

If only Resolution 4 is passed but Resolution 5 is not passed, Professor Lim shall continue to be designated as an Independent Non-Executive Director of the Company up to and including 31 December 2021, and shall thereafter be re-designated as a Non-Independent Non-Executive Director as of and from 1 January 2022.

If Resolution 4 is not passed, Resolution 5 will not be put to the vote at the Annual General Meeting in the interest of efficiency.

The Nominating Committee and the Board have determined that Professor Lim Seh Chun has remained objective and independent in Board deliberations. His vast experience enables him to provide the Board and the various Board Committees on which he has been serving, with pertinent experience and competence to facilitate sound decision making. His length of service does not in any way interfere with his exercise of independent judgement nor hinder his ability to act in the best interest of the Company. The Board is of the view that Professor Lim Seh Chun is able to continue to discharge his duties independently with integrity and competence.

(b) Mr Lim Jit Poh will, upon his retirement as a Director of the Company, cease to be Chairman of the Board and the SBS Tender Committee, and member of the Nominating Committee and the Remuneration Committee.

(c) Mr John De Payva will, upon his retirement as a Director of the Company, cease to be a member of the Remuneration Committee and the Service Quality Committee.

(d) Mr Lim Siang Hoe, Benny will, upon his retirement as a Director of the Company, cease to be a member of the Audit and Risk Committee and the Nominating Committee.

[1] Detailed information on the Directors who are proposed to be re-elected can be found under the sections entitled "**Board of Directors**", "**Directors' Particulars**" and "**Additional Information on Directors Seeking Re-election**" in the 2020 Annual Report of the Company.

SPECIAL BUSINESS:

(e) Ordinary Resolution 7, if passed, will adopt the Scheme in the manner as set out in the Circular. The Company therefore wishes to adopt the Scheme, subject to, and upon, approval of shareholders being obtained for the Scheme at this AGM. The rationale for the adoption of the Scheme, details of and a summary of the principal rules of the Scheme are set out in the Circular.

(f) Ordinary Resolution 8, if passed, will empower the Directors to exercise all powers of the Company to purchase or otherwise acquire (whether by way of market purchases or off-market purchases) Shares on the terms of the Share Buyback Mandate as set out in the Circular.

The Company may use internal sources of funds to finance its purchases or acquisitions of Shares. The Directors do not propose to exercise the Share Buyback Mandate to such extent that it would result in any material adverse effect on the listing status of the Shares on the SGX-ST, liquidity and/or the orderly trading of the Shares and/or the financial position of the Group. The amount of financing required for the Company to purchase its Shares pursuant to the Share Buyback Mandate and the impact on the Company's financial position, cannot be realistically ascertained as at the date of this Notice as this will depend on factors such as the aggregate number of Shares purchased and the purchase prices paid at the relevant times.

An illustration of the financial impact of the purchase or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate on the Audited Financial Statements of the Group for the Financial Year ended 31 December 2020 is set out in the Circular.

As the COVID-19 situation continues to evolve, the Company will closely monitor the situation and reserves the right to take further measures as appropriate at short notice up to the day of the AGM.

Shareholders are advised to closely monitor announcements made by the Company on SGXNET.