

CIRCULAR DATED 21 MARCH 2024

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

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

Unless otherwise defined, capitalised terms appearing on the cover of this Circular bear the same meanings ascribed to them in the section entitled "Definitions" of this Circular.

If you have sold or transferred all your ordinary shares in the capital of Sunrise Shares Holdings Ltd. (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of EGM and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of EGM and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all of your ordinary shares in the capital of the Company represented by physical share certificate(s) which are not deposited with CDP, you should immediately forward this Circular, the Notice of EGM and the accompanying Proxy Form to the purchaser or transferee or the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

A listing and quotation notice has been obtained from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 12 March 2024 for the listing and quotation of the Consideration Shares (as defined herein) on the SGX-ST. The listing and quotation notice from the SGX-ST for the Consideration Shares is not to be taken as an indication of the merits of the Consideration Shares, the Proposed Acquisition, the Company, its subsidiaries and their securities.

This Circular has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the SGX-ST Listing Manual Section B: Rules of Catalist. This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Ms. Lau Sze Mei, Associate Director, at 7 Temasek Boulevard, #18-03B, Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.



SUNRISE SHARES HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 198201457Z)

CIRCULAR TO SHAREHOLDERS IN RELATION TO:

- (1) THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION**
- (2) THE PROPOSED ALLOTMENT AND ISSUE OF 85,714,285 CONSIDERATION SHARES**
- (3) THE WHITEWASH RESOLUTION FOR THE WAIVER OF THE RIGHTS OF INDEPENDENT SHAREHOLDERS TO RECEIVE A MANDATORY OFFER FROM THE VENDOR AS A RESULT OF THE ALLOTMENT AND ISSUANCE OF THE CONSIDERATION SHARES**
- (4) THE PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**

Independent Financial Adviser in connection with the Proposed Acquisition as an IPT and the Whitewash Resolution



XANDAR CAPITAL PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200002789M)

IMPORTANT DATES AND TIMES

Last date and time to submit questions for the EGM	: 1 April 2024 at 3.30 p.m.
Last date and time for lodgement of Proxy Form	: 22 April 2024 at 3.30 p.m.
Date and time of Extraordinary General Meeting	: 24 April 2024 at 3.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day)
Place of Extraordinary General Meeting	: 51 Cuppage Road, #03-03 (Room Vibrant 1 & 2) Singapore 229469

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or is otherwise stated.

General

- “**Amended Constitution**” : The amended constitution proposed to be adopted by the Company
- “**Amendment Act 2005**” : The Companies (Amendment) Act 2005 (No. 21 of 2005)
- “**Amendment Act 2014**” : The Companies (Amendment) Act 2014 (No. 36 of 2014)
- “**Amendment Act 2017**” : The Companies (Amendment) Act 2017 (No. 15 of 2017)
- “**Announcement**” : The announcement of the Company’s entry into the Share Sale Agreement dated 21 November 2023 in relation to the Proposed Acquisition
- “**Catalist Rules**” : The SGX-ST Listing Manual (Section B: Rules of Catalist), as amended or modified from time to time
- “**Circular**” : This circular to Shareholders dated 21 March 2024
- “**Code**” : The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
- “**Companies Act**” or “**Act**” : The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
- “**Companies Regulations**” : The Companies Regulations
- “**Completion**” : Completion of the Proposed Acquisition which shall be within 14 days following the fulfilment and or procurement of the last Conditions Precedents as detailed in paragraph 2.6.7 of this Circular
- “**Conditions Precedent**” : As defined in paragraph 2.6.7 of this Circular
- “**Consideration**” : The consideration for the Proposed Acquisition as detailed in paragraph 2.6.2 of this Circular, being S\$3,500,000, which shall be satisfied by:
- (a) the cash payment of S\$500,000 (“**Cash Consideration**”) to the Vendor; and
 - (b) the remaining S\$3,000,000 (“**Share Consideration**”) by the allotment and issuance of 85,714,285 new shares in the issued share capital of the Company (“**Consideration Shares**”) in favour of the Vendor, at the issue price of S\$0.035 per Consideration Share (“**Issue Price**”)
- “**Constitution**” : The constitution of the Company, as may be amended, modified, or supplemented from time to time
- “**EGM**” : The extraordinary general meeting of the Company to be held on 24 April 2024 at 3.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day) at 51 Cuppage Road, #03-03 (Room Vibrant 1 & 2), Singapore 229469, notice of which is set out on pages N-1 to N-5 of this Circular

DEFINITIONS

“Existing Constitution”	:	The memorandum and articles of association of the Company in force as at the Latest Practicable Date
“FY2022”	:	Financial year ended 31 December 2022
“FY2023”	:	Financial year ended 31 December 2023
“IFA Letter”	:	The letter dated 21 March 2024 issued by the IFA to the Directors containing the opinion and recommendation of the IFA in respect of the Proposed Acquisition as reproduced in Appendix C to this Circular
“Interested Person Transaction” or “IPT”	:	Interested person transaction as defined under Chapter 9 of the Catalist Rules
“Latest Practicable Date”	:	8 March 2024, being the latest practicable date prior to the date of this Circular
“LPS”	:	Loss per Share
“Mental Health (Care and Treatment) Act”	:	The Mental Health (Care and Treatment) Act 2008 of Singapore, as amended or modified from time to time
“NAV”	:	Net asset value
“Notice of EGM”	:	The notice of the EGM as set out on pages N-1 to N-5 of this Circular
“NTA”	:	Net tangible assets
“Parties”	:	The Vendor and the Company collectively
“Personal Data Protection Act”	:	The Personal Data Protection Act 2012 of Singapore
“Practice Note 10A”	:	Practice Note 10A (Acquisitions and Realisations) of the Catalist Rules
“PRC”	:	The People’s Republic of China
“Proposed Acquisition”	:	The proposed acquisition by the Company from the Vendor of the Sale Shares, representing 100.0% of the entire issued share capital of the Target Company, for the Consideration of S\$3,500,000 on and subject to the terms and conditions of the Share Sale Agreement
“Proposed Amendments to the Constitution of the Company”	:	The proposed amendments to the Existing Constitution of the Company
“Proposed Consideration Shares Issue”	:	The proposed allotment and issuance of 85,714,285 Consideration Shares as satisfaction for the Share Consideration
“Proxy Form”	:	The proxy form accompanying this Circular as set out on pages P-1 to P-2 of this Circular
“Register of Members”	:	The register of members of the Company to be kept pursuant to the Companies Act

DEFINITIONS

“Regulations”	:	The regulations of the Company contained in the Constitution
“Resolutions”	:	The special and ordinary resolutions as set out in the Notice of EGM, and “Resolution” shall mean any of them
“Sale Shares”	:	100,000 ordinary shares in the Target Company representing 100.0% of the entire issued share capital of the Target Company
“Securities Account”	:	The securities account(s) maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
“SFA”	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
“Shares”	:	Ordinary shares in the share capital of the Company
“Share Sale Agreement”	:	The definitive share sale agreement dated 21 November 2023 entered into by and between the Company and the Vendor in relation to the Proposed Acquisition
“Statutes”	:	The Companies Act, the SFA and every other written law for the time being in force concerning companies and affecting the Company and any reference to any provision of any Statute is to that provision as so modified, amended or re-enacted or contained in any such subsequent act or acts
“Summary Valuation Report”	:	The summary valuation report dated 8 March 2024 on the Target Company prepared by the Valuer as reproduced in Appendix B to this Circular
“VWAP”	:	Volume weighted average price
“Whitewash Resolution”	:	Has the meaning ascribed to it in <u>paragraph 5</u> of this Circular

Companies, Persons, Organisation and Agencies

“AC”	:	The audit committee of the Company as at the Latest Practicable Date
“Board”	:	The board of directors of the Company as at the Latest Practicable Date
“CDP”	:	The Central Depository (Pte) Limited
“CPF”	:	Central Provident Fund
“Company”	:	Sunrise Shares Holdings Ltd.
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly 15.0% or more of the nominal amount of all voting Shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control of the Company
“Datuk Wira Boo Kuang Loon” or “Vendor”	:	The Controlling Shareholder of the Company and the sole shareholder of the Target Company

DEFINITIONS

“ Directors ”	:	The directors of the Company as at the Latest Practicable Date, all of whom are considered to be independent for the purposes of the Proposed Acquisition as an IPT and the Whitewash Resolution
“ Group ”	:	The Company together with its subsidiaries, and “ Group of Companies ” shall mean any of them
“ IFA ”	:	Xandar Capital Pte. Ltd., the independent financial adviser appointed by the Company to provide an opinion and to advise the Directors for the purposes of making a recommendation to the Independent Shareholders in respect of the Proposed Acquisition as an IPT and the Whitewash Resolution
“ Independent Shareholders ”	:	The Shareholders who are deemed to be independent for the purposes of voting on the Proposed Acquisition as an IPT, the Proposed Consideration Shares Issue and the Whitewash Resolution, being all the Shareholders except for Datuk Wira Boo Kuang Loon and his associates
“ SGX-ST ” or the “ Exchange ”	:	Singapore Exchange Securities Trading Limited
“ Shareholders ”	:	Registered holders of Shares except that where the registered holder is CDP, the term “ Shareholders ” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register and whose Securities Accounts maintained with CDP are credited with the Shares
“ SIC ”	:	Securities Industry Council
“ SRS ”	:	Supplementary Retirement Scheme
“ Sponsor ”	:	Novus Corporate Finance Pte. Ltd.
“ Target Company ”	:	Falcon Pace Sdn Bhd (Company Registration No. 201901012775 (1322103T)), a company incorporated in Malaysia with its registered address at B-25-2, Block B, Jaya One, No. 72A, Jalan Prof Diraja Ungku Aziz, 46200 Petaling Jaya, Selangor, Malaysia
“ Valuer ”	:	FHMH Corporate Advisory Sdn Bhd, the corporate advisory arm of Baker Tilly Malaysia

Currencies, Units and Others

“ S\$ ” and “ cents ”	:	Singapore dollars and cents, respectively, being the lawful currency of the Republic of Singapore
“ RM ”	:	Malaysian Ringgit, being the lawful currency of Malaysia
“ % ”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms “**subsidiary**” and “**related corporations**” shall have the meanings ascribed to them respectively in Section 5 of the Companies Act.

The term “**associate**” shall have the meaning ascribed to it in the Catalist Rules.

The expression “**acting in concert**” and the term “**concert parties**” shall have the meanings ascribed to them respectively in the Code.

DEFINITIONS

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

References to persons shall include corporations.

Any reference in this Circular to “**Rule**” or “**Chapter**” is a reference to the relevant rule or Chapter in the Catalist Rules as for the time being, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Catalist Rules, or any relevant laws of the Republic of Singapore or any statutory modification thereof and used in this Circular shall have the same meaning assigned to it under the Companies Act, the Catalist Rules, or any relevant laws of the Republic of Singapore or any statutory modification thereof, as the case may be.

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

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding; accordingly, the figures shown as totals in certain tables may not be an aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

SUNRISE SHARES HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198201457Z)

Directors:

Dato' Syed Norulzaman Bin Syed Kamarulzaman (*Independent Non-Executive Chairman*)
Datuk Tan Eng Eng (*Executive Director and Chief Executive Officer*)
Mr. Anthony Ang Meng Huat (*Executive Director*)
Mr. Subramaniam A/L A.V. Sankar (*Independent Non-Executive Director*)
Datuk Lim Tong Lee (*Independent Non-Executive Director*)

Registered Office:

52 Bendemeer Road,
Bendemeer Industrial Estate,
Singapore 339934

21 March 2024

To: Shareholders of Sunrise Shares Holdings Ltd.

Dear Shareholders,

- (1) **PROPOSED ACQUISITION AS AN IPT**
- (2) **PROPOSED CONSIDERATION SHARES ISSUE**
- (3) **WHITEWASH RESOLUTION**
- (4) **PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**

1. INTRODUCTION

1.1 EGM

The Board is proposing to convene the EGM to seek Shareholders' approval for the resolutions set out below.

Resolution	Description
Resolution 1	The Proposed Acquisition as an IPT
Resolution 2	The Proposed Consideration Shares Issue
Resolution 3	The Whitewash Resolution
Resolution 4	The Proposed Amendments to the Constitution of the Company

1.2 Purpose of Circular

The purpose of this Circular is to provide Shareholders with the relevant information relating to the Resolutions, and to seek Shareholders' approval in respect of the same at the EGM. The Notice of EGM is set out on pages N-1 to N-5 of this Circular.

For purposes of this Circular, unless otherwise stated, the foreign exchange rate used is RM1:S\$0.28 (rounded to two (2) decimal places), as extracted from the website of the Monetary Authority of Singapore for the daily exchange rate on 8 March 2024, being the Latest Practicable Date.

LETTER TO SHAREHOLDERS

1.3 Conditionality of Resolutions

Shareholders should note that the passing of Resolution 1 (in respect of the Proposed Acquisition as an IPT), Resolution 2 (in respect of the Proposed Consideration Shares Issue), and Resolution 3 (in respect of the Whitewash Resolution) are conditional on each other. This means that if any of the Resolutions are not approved, none of these Resolutions will be passed. Resolution 4 (in respect of the Proposed Amendments to the Constitution of the Company) is not conditional on the passing of Resolutions 1, 2 and 3 and *vice versa*.

1.4 Legal Adviser

Bird & Bird ATMD LLP has been appointed as the legal adviser to the Company as to Singapore law in relation to the Proposed Acquisition, the Proposed Consideration Shares Issue, the Whitewash Resolution, the Proposed Amendments to the Constitution of the Company, and for purposes of this Circular.

1.5 SGX-ST

The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed, or reports contained in this Circular.

2. THE PROPOSED ACQUISITION

2.1 Introduction

On 21 November 2023, the Company announced that it had entered into the Share Sale Agreement with the Vendor for the Proposed Acquisition. Pursuant to the terms and subject to the conditions of the Share Sale Agreement, the Company shall purchase from the Vendor and the Vendor shall sell to the Company the Sale Shares.

Upon Completion, the Company will hold 100.0% of the entire issued and paid-up share capital of the Target Company, and the Target Company will become a direct wholly-owned subsidiary of the Company.

2.2 Information on the Vendor

2.2.1 The Vendor is a Malaysian citizen and a businessman with interests in a range of industries including real estate development and investment holding. The Vendor is the sole registered and beneficial owner, and is the sole director, of the Target Company.

2.2.2 The Vendor was the Executive Director and Chief Executive Officer of the Company from 4 September 2023 until 1 March 2024. As of the Latest Practicable Date, the Vendor is not a director of the Company and is not involved in the operations of the Company. Please refer to the announcements dated 1 March 2024 and 7 March 2024 for more information on the cessation of the Vendor as the Executive Director and Chief Executive Officer of the Company. As of the Latest Practicable Date, the Vendor holds 69,012,815 Shares, representing 32.97% of the total number of existing issued Shares, and is a Controlling Shareholder of the Company. As such, the Vendor is an interested person of the Company under Rule 904(4)(a) of the Catalist Rules.

2.2.3 On 10 July 2023, the Vendor acquired his current shareholding of 69,012,815 Shares from Sunrise Wealth Management Pte. Ltd. (the "**July 2023 Acquisition**"). Prior to the July 2023 Acquisition, the Vendor did not own or control any Shares. As a consequence to the July 2023 Acquisition, the Vendor made a mandatory general offer (the "**Offer**") for all the Shares other than those already owed, controlled and agreed to be acquired by him, in accordance with Section 139 of the Securities and Futures Act 2001 of Singapore and Rule 14 of the Code. The Offer has not turned unconditional as to acceptances and had lapsed on 28 August 2023 and accordingly, the shareholding of the Vendor remains the same as upon completion of the July 2023 Acquisition. Please refer to the announcements dated 10 July 2023, 19 July 2023, 26 July 2023, 31 July 2023, 11 August 2023 and 28 August 2023 for more information on the July 2023 Acquisition and the Offer.

LETTER TO SHAREHOLDERS

2.2.4 Save as disclosed in paragraph 2.2.3 of this Circular and the Proposed Acquisition, the Vendor does not have any connection (including business relationship or dealings) with the Company, its Directors and (as far as the Directors are aware) its substantial Shareholders. The Vendor is not holding the Sale Shares in trust or as nominees for other persons. For completeness of disclosure, the Vendor and certain Directors, namely Dato' Syed Norulzaman Bin Syed Kamarulzaman, Mr. Anthony Ang Meng Huat and Mr. Subramaniam A/L A.V. Sankar, are directors of Yong Tai Berhad, a company listed on the Main Market of Bursa Malaysia. Dato' Syed Norulzaman Bin Syed Kamarulzaman, Mr. Anthony Ang Meng Huat and Mr. Subramaniam A/L A.V. Sankar are independent and non-executive directors of Yong Tai Berhad. Datuk Tan Eng Eng was previously the Chief Operating Officer of Yong Tai Berhad, who had resigned from the position on 14 July 2023. For avoidance of doubt, each of the Directors is not a nominee of Datuk Wira Boo Kuang Loon and will not act under the influence, control and instructions of Datuk Wira Boo Kuang Loon.

2.3 Information on the Target Company

2.3.1 The Target Company is a private company limited by shares and incorporated in Malaysia on 12 April 2019. The Target Company has an existing issued and paid-up capital of RM100,000 (S\$28,000) represented by 100,000 ordinary shares. As at the Latest Practicable Date, the Target Company does not have any subsidiaries or associated companies. The principal activity of the Target Company is investment holding. The Target Company started managing the 4-star hotel, The Pines Melaka ("**The Pines Melaka**"), in January 2023 and as at the Latest Practicable Date employs more than 70 employees.

2.3.2 As at the Latest Practicable Date, the Target Company manages 196 rooms of The Pines Melaka, which is located at No. 33 Jalan Tun Sri Lanang, 75100 Melaka, Malaysia. The Pines Melaka, also known as 99 Residence, consists of 390 apartment units which was developed in 2015 and fully sold to different owners. These apartment units were then leased back, and managed and operated as hotel rooms by another private company in which the Vendor has certain interest ("**Private Company**") under a guaranteed rental return ("**GRR**") model. Under the GRR model, owners of the apartment units are entitled to receive a fixed rental from the Private Company which is computed based on 7.5% per annum of the purchase price of each apartment unit. The Pines Melaka commenced its hotel operation in September 2015.

2.3.3 However, the Covid-19 pandemic in 2020 had severely affected the hotel industry in Malaysia, including The Pines Melaka. Consequently, owners holding 178 units terminated their tenancy agreements with the Private Company in 2022, while owners holding 196 units had signed new tenancy agreements with the Target Company based on a yield rental model. Another up to 16 potential tenancy agreements between the Target Company and owners holding the remaining 16 units are currently under consideration by these owners. The tenancy agreements entered into between the Company and the owners are valid for three (3) years with renewable terms. Under the yield rental model, owners of the apartment units are entitled to receive different tiers of rental rates which are computed based on the occupancy rates of the apartment units. For example, if the overall occupancy rate of the apartment units is 70.0%, the rental payable to the owners will be 7.0% per annum of the purchase price of each of their apartment unit.

2.3.4 The leased units by the Company are currently operated as hotel rooms and are currently managed by the Target Company which range from the smaller Premier Rooms (of 31 square meters) to the larger Two-Bedroom Executive Suites (of 91 square meters) that are suitable for business travelers and holiday goers. The Pines Melaka is a short 20-minute drive from the Malacca International Airport and 110-minute drive from the Kuala Lumpur International Airport. It is the first hotel in Melaka to have poolside suites and its rooms are among the largest in the city. The hotel's facilities include saltwater swimming pools, a restaurant, a children's playground, electric vehicle charger and gym facilities.¹

¹ <https://www.thepines-melaka.com/>

LETTER TO SHAREHOLDERS

2.4 Rationale for and benefits of the Proposed Acquisition

- 2.4.1 The Group's main business activity is in the provision of property consultancy, management and related services. The Group currently has property consultancy service contracts for two (2) projects located in Zhuhai, PRC. Following the July 2023 Acquisition, whereby the Vendor emerged as the new largest Controlling Shareholder of the Company, the Group has been actively exploring business opportunities which could enhance shareholder value.
- 2.4.2 The Proposed Acquisition is part of the Group's efforts to expand its core business outside of the Group's existing PRC market into the Southeast Asia hospitality market, to generate additional revenue streams for the Group and mitigate concentration risks. Notwithstanding that the Target Company has only commenced its management of The Pines Melaka in January 2023, it is to be noted that The Pines Melaka had commenced its hotel operation in 2015 and following the re-opening of borders, the Malaysian tourism industry had shown signs of recovery with improving occupancy rates and higher average room rates arising from the pent-up demand for hotel rooms, including Melaka, which is considered as one of the most visited cities in Malaysia. For second half of the calendar year ended 31 December 2023, The Pines Melaka achieved an average occupancy rate of approximately 50.0%.
- 2.4.3 The Pines Melaka is a 4-star hotel strategically located within the city centre of Melaka, with close proximity to the United Nations Educational, Scientific and Cultural Organisation (UNESCO) world heritage sites and easy access to major highways. The Board believes that The Pines Melaka is one of the most established hotels in Melaka and has been well managed by an experienced hotel management team, previously under the Private Company and, since January 2023, under the Target Company.
- 2.4.4 The Board is of the view that the Proposed Acquisition offers an opportunity for the Group to generate additional business revenue streams and explore the hospitality market in Malaysia.
- 2.4.5 The satisfaction of bulk of the Consideration for the Proposed Acquisition by way of issuance of the Consideration Shares will reduce the required cash outlay by the Group.
- 2.4.6 The Directors are of the view that the expansion of the Company's core business outside the PRC market, specifically the Proposed Acquisition of the Target Company, does not change the Company's risk profile. The Company had previously sought for and obtained approval of the Shareholders at an extraordinary general meeting for the diversification of the Group's business on 26 April 2017 to include, amongst others, the property business and the hospitality business in Asia (the "**Diversification Mandate**"). Please refer to the circular dated 10 April 2017 for the full details of the Diversification Mandate.
- 2.4.7 The Directors are of the view that although The Pines Melaka operates outside the jurisdiction of the PRC, the hotel operation pursuant to the Proposed Acquisition aligns with the scope of the Company's diversification of the hospitality business in Asia, of which Malaysia is a part of. As such, the undertaking of the business of the Target Company in Malaysia should be considered within the ordinary course of business of the Company. The Directors are also of the view that the risk profile of businesses in Malaysia are not significantly different from that in PRC and will not expose the Company into significant new risk as compared to when the Company obtained the Diversification Mandate. Further, the Directors are familiar with the business conditions and environment in Malaysia, given their experience and business background in Malaysia for several years. The hotel is currently managed by an experienced hotel management team. Further, the operation of one (1) hotel does not significantly change the risk profile of the Company or increase the scale of the Company's existing operations significantly, and accordingly, the Proposed Acquisition does not constitute a major acquisition under Chapter 10 of the Catalyst Rules. At the same time, in addition to the Company servicing the two (2) existing property consultancy service contracts in PRC, as mentioned above in paragraph 2.4.1 of this Circular, the Proposed Acquisition provides an opportunity for the Company to mitigate concentration risk and generate additional revenue streams as part of its expansion of core business, as noted above in

LETTER TO SHAREHOLDERS

paragraphs 2.4.2 and 2.4.4 of this Circular, while leveraging on the expertise and experience of the new board and management team of the Company. In addition, the Proposed Acquisition will not have a material adverse impact on the financial performance and net asset value or gearing position of the Company. Please refer to paragraph 2.5.2 below for the financial information on the Target Company as well as paragraph 7 for the relative figures under Chapter 10 of the Catalist Rules. Notwithstanding the above, the Company is seeking the Shareholders' approval for, amongst others, the Proposed Acquisition as an IPT.

2.5 Information on Sale Shares

2.5.1 Number of Sale Shares

The Sale Shares comprise 100,000 ordinary shares in the Target Company, representing 100.0% of the entire issued and paid-up share capital of the Target Company. The Sale Shares are entirely held by the Vendor.

The paid-up share capital of the Target Company was increased from RM1 (comprising one (1) share of the Target Company) to RM100,000 (comprising 100,000 issued shares in the Target Company) in October 2023.

2.5.2 Financial Information of the Target Company

Net Profit

The Target Company's financial year end is 30 June. Based on its latest unaudited management accounts for the financial year ended 30 June 2023, the Target Company recorded a net profit after tax of RM752,800 (S\$210,784).² For the unaudited three (3) months period ended 30 September 2023 and six (6) months period ended 31 December 2023, the Target Company recorded a net profit after tax of RM256,962 (S\$71,949) and RM1,000,404 (S\$280,113) respectively.

It should be noted that that the financial performance of the Target Company reflects mainly its performance in managing The Pines Melaka as the Target Company had only commenced managing the hotel since January 2023.

Net Asset Value

Based on the unaudited management accounts of the Target Company for the financial year ended 30 June 2023, the NAV of the Target Company was RM735,170 (S\$205,847).³ For the unaudited three (3) months period ended 30 September 2023 and six (6) months period ended 31 December 2023, the NAV of the Target Company was RM992,132 (S\$277,797) and RM1,835,572 (S\$513,960) respectively.

Further details of the financial information of the Target Company are set out in **Appendix A** to this Circular.

2.5.3 Valuation

There is no open market value for the Sale Shares as they are not publicly traded. The Company has commissioned the Valuer, FHMH Corporate Advisory Sdn. Bhd., the corporate advisory arm of Baker Tilly Malaysia, to conduct an independent business valuation to determine the fair market value of the 100.0% equity interest in the Target Company as at 31 October 2023. The business valuation of the Target Company conducted by the Valuer was carried out in accordance with the International Valuation Standards as prescribed by the International Valuation Standards Council.

² The figures provided for the latest unaudited management accounts for the financial year ended 30 June 2023 are restated as at the Latest Practicable Date pursuant to adjustments made by the management of the Target Company in the preparation of the final accounts prior to the audit.

³ The figures provided for the latest unaudited management accounts for the financial year ended 30 June 2023 are restated as at the Latest Practicable Date pursuant to adjustments made by the management of the Target Company in the preparation of the final accounts prior to the audit.

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Based on the valuation report dated 8 March 2024 (the “**Valuation Report**”), the basis of the valuation is the fair market value which is defined as the price a willing buyer would pay a willing seller in a transaction on the open market as defined by the International Valuation Standards. The concept of market value means the cash equivalent price of an asset being valued assuming the transaction took place under conditions existing at the date of valuation of the assets. The amount would not be considered market value if it was influenced by special motivations or characteristics of a buyer or seller.

The Valuer has taken into consideration the Target Company’s future earnings generating capabilities, projected future cash flows, its sustainability as well as various business considerations and risk factors affecting its business. Accordingly, the Valuer has adopted the discounted cash flow to equity (“**Discounted FCFE**”) under the income approach as the primary valuation methodology, and the relative valuation analysis (“**RVA**”) under the market approach as a cross-check to the Discounted FCFE methodology. The Discounted FCFE seeks to value the Target Company based on its projected future performance. RVA seeks to compare a company’s implied trading multiple to those of the comparable companies to determine the company’s financial worth, and the price-to-earnings multiple method as a cross check to the Discounted FCFE methodology.

Based on the Discounted FCFE methodology, the fair market value of the entire equity interest in the Target Company ranged from RM10.70 million (S\$3.10 million) to RM14.19 million (S\$4.11 million) with mid-point of RM12.20 million (S\$3.54 million). Based on the RVA, the implied price-earnings multiple based on the fair market value of the Target Company against the 12-month aggregated profit after tax is below the median and range of price-earnings multiples of comparable companies as stated in the Valuation Report. The exchange rate used in this paragraph is RM1:S\$0.29 as set out in the Valuation Report and Summary Valuation Report.

A copy of the Summary Valuation Report is set out in **Appendix B** to this Circular.

2.6 Principal terms of the Proposed Acquisition

2.6.1 Proposed Acquisition

Subject to the terms and conditions of the Share Sale Agreement, the Company shall purchase from the Vendor and the Vendor agrees to sell to the Company the Sale Shares, which represent 100.0% of the Target Company’s entire issued share capital.

2.6.2 Consideration

The Consideration for the Proposed Acquisition is S\$3,500,000, which shall be satisfied by:

- (a) the Cash Consideration of S\$500,000 to the Vendor; and
- (b) the Share Consideration of S\$3,000,000 by the allotment and issuance of 85,714,285 Consideration Shares in favour of the Vendor, at the Issue Price of S\$0.035 per Consideration Share.

2.6.3 Issuance and Allotment of Consideration Shares

All Consideration Shares shall rank *pari passu* with the existing Shares, and will be free of any pre-emptive rights or rights of first refusal and free of any mortgage, charge, lien or encumbrance.

The Proposed Acquisition is conditional upon, amongst others, the receipt and non-withdrawal of the listing and quotation notice from the SGX-ST for the listing of and quotation for the Consideration Shares on the Catalist Board of the SGX-ST. The Company has, via the Sponsor, submitted an application to the SGX-ST for the listing and quotation of the Consideration Shares. The Company has, on 12 March 2024, obtained the listing and quotation notice from the SGX-ST for the listing and quotation of the Consideration Shares, subject to certain conditions set out in paragraph 4.3 of this Circular.

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2.6.4 Issue Price of Consideration Shares

The Issue Price of each Consideration Share of S\$0.035 per Share is equivalent to the VWAP of the Shares on 17 November 2023, being the last market day preceding the date of the Share Sale Agreement where trading of the Shares was conducted.

2.6.5 Number of Consideration Shares

Based on the Issue Price of S\$0.035 per Share, an aggregate of 85,714,285 Consideration Shares will be issued as satisfaction of the Share Consideration of S\$3,000,000.

2.6.6 Basis for Consideration

The Consideration was arrived at after arm's length negotiations between the Company and the Vendor and on a "willing-buyer willing-seller" basis after taking into consideration the results of the financial due diligence undertaken by the Company, the rationale for and benefits of the Proposed Acquisition as set out in paragraph 2.4 above as well as the independent valuation conducted by the Valuer commissioned by the Company.

2.6.7 Conditions Precedent

Completion of the Proposed Acquisition is conditional upon, among others, the following conditions having been fulfilled (each a "**Condition Precedent**", and collectively, the "**Conditions Precedent**") within one (1) month from the date of the Share Sale Agreement or such extended date as may be mutually agreed in writing between the Parties:

- (a) the outcome of the legal and financial due diligence exercises is to the satisfaction of the Company;
- (b) the issuance of the formal valuation report with a valuation satisfactory to the Company in its reasonable discretion, provided always that the value of the Sale Shares set out in the valuation report shall not be lower than the Consideration. In the event the value of the Sale Shares set out in the formal valuation report is lower than the Consideration, the Parties shall renegotiate and make the necessary announcement;
- (c) the Vendor receiving a waiver from the SIC from the requirement to make a mandatory general offer under the Code, and any conditions attached to such waiver being satisfactory to the Company in its reasonable discretion ("**Whitewash Waiver**") and the satisfaction of all the conditions set out by the SIC in the Whitewash Waiver (including but not limited to the issuance of an opinion from the IFA to be appointed);
- (d) the Company obtaining such approval(s) as may be required from the SGX-ST in respect of transactions contemplated in the Share Sale Agreement, including the purchase of the Sale Shares and the issue of the Consideration Shares;
- (e) the Company satisfying all conditions and/or requirements imposed by the SGX-ST and the Catalist Rules with respect to the transactions contemplated by the Share Sale Agreement, including but not limited to the requirements in Chapter 9 of the Catalist Rules, and the issuance of the opinion from the IFA that transaction contemplated by the Share Sale Agreement as an IPT is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders;
- (f) the receipt and non-withdrawal of the listing and quotation notice from the SGX-ST for the listing of and quotation for the Consideration Shares on the Catalist Board of the SGX-ST;
- (g) the approval of the Directors and the Shareholders of the Company at an EGM to be convened in respect of all the transactions contemplated herein (including but not limited to the acquisition of the Sale Shares as an IPT to be settled by way of the Cash Consideration and the issuance of the 85,714,285 Consideration Shares, and the Whitewash Resolution);

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- (h) Other Approvals
 - (i) if required, the approval or consent of any government in any jurisdiction, whether federal, state, provisional, territorial or local, any authority of any government, any non-government regulatory authority and any other third parties which the Company or the Vendor may be required to obtain for the purchase of the Sale Shares contemplated herein and for the issuance of the Consideration Shares; and
 - (ii) any other Condition Precedent as may be required arising from the outcome of the legal and/or financial due diligence exercise conducted on the Target Company.

Pursuant to the Company's announcement dated 21 December 2023, as the Conditions Precedent had not all been fulfilled within one (1) month from the date of the Share Sale Agreement, the Company and the Vendor agreed in writing by way of a letter to extend such date to fulfil the Conditions Precedent to 28 February 2024. As the Conditions Precedent had required more time than what was initially contemplated under the announcement on 21 December 2023, the Company and the Vendor have further agreed in writing by way of a letter to further extend such date to fulfil the Conditions Precedent to 30 April 2024, as announced by the Company on 27 February 2024.

2.7 Completion of the Proposed Acquisition

Completion shall be within 14 days fulfilment and or procurement of the last Condition Precedent as detailed in paragraph 2.6.7 above.

2.8 Source of Funds

The Cash Consideration of S\$500,000 for the Proposed Acquisition shall be funded by the Group's internal resources.

3. THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION

3.1 Chapter 9 of the Catalist Rules

Chapter 9 of the Catalist Rules governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be entities at risk, with the listed company's interested persons. Under Chapter 9 of the Catalist Rules, where a listed company or any of its subsidiaries or any of its associated companies which is an entity at risk proposes to enter into transactions with the listed company's interested persons, the listed company is required to seek shareholders' approval if the value of the transaction (either in itself or aggregated with the value of other transactions with the same interested person during the same financial year) is equal to or exceeds 5.0% of the group's latest audited NTA. For the avoidance of doubt, the requirement for shareholders' approval does not apply to any transaction below S\$100,000.

For the purposes of Chapter 9 of the Catalist Rules:

- (a) **"approved exchange"** means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Catalist Rules.
- (b) **"entity at risk"** means:
 - (i) the issuer;
 - (ii) a subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange; or

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- (iii) an associated company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.
- (c) “**interested person**” means:
 - (i) a director, chief executive officer, or controlling shareholder of the issuer; or
 - (ii) an associate of any such director, chief executive officer, or controlling shareholder.
- (d) “**interested person transaction**” means a transaction between an entity at risk and an interested person.
- (e) a “**transaction**” includes (i) the provision or receipt of financial assistance, (ii) the acquisition, disposal or leasing of assets, (iii) the provision or receipt of goods or services, (iv) the issuance or subscription of securities, (v) the granting of or being granted options, and (vi) the establishment of joint ventures or joint investments, whether or not in the ordinary course of business, and whether or not entered into directly or indirectly.

3.2 The Proposed Acquisition as an Interested Person Transaction

The Vendor is a Controlling Shareholder of the Company. He was the Executive Director and Chief Executive Officer of the Company from 4 September 2023 until 1 March 2024. As of the Latest Practicable Date, the Vendor holds 69,012,815 Shares, representing 32.97% of the total number of issued Shares of the Company. As such, the Vendor is deemed an interested person of the Company within the meaning of Chapter 9 of the Catalist Rules *vis-à-vis* the Company, which is regarded as an “entity at risk” pursuant to Chapter 9 of the Catalist Rules.

Accordingly, the Proposed Acquisition constitutes an IPT under Chapter 9 of the Catalist Rules.

3.3 NTA of the Group

Based on the Group’s latest audited financial statements for FY2022, as at 31 December 2022, the NTA of the Group was S\$3,802,090 and 5.0% of the latest audited NTA of the Group is S\$190,105.

3.4 Value of Interested Person Transaction

The Consideration of S\$3,500,000 for the Proposed Acquisition represents approximately 92.1% of the latest audited NTA of the Group. Accordingly, as the value of the Consideration represents more than 5.0% of the latest audited NTA of the Group, approval of the Shareholders will be required for the Proposed Acquisition, in accordance with Rule 906(1)(a) of the Catalist Rules.

Pursuant to Rule 919 and Rule 921(7) of the Catalist Rules, the Vendor and any associates of the Vendor must not vote on the resolutions in respect of the Proposed Acquisition as an IPT nor accept appointments as proxies unless specific instructions as to voting are given.

3.5 Total Value of Interested Person Transactions

The Share Sale Agreement for the Proposed Acquisition was entered into during the immediately preceding financial year ended 31 December 2023. Save for the Proposed Acquisition, the aggregate value of all interested person transactions entered into by the Group for the immediately precedent financial year beginning 1 January 2023 to 31 December 2023 is S\$170,000, being the management consultancy fee charged by the Group to Hong Kong Sunrise Asset Management (“**HKSAM**”), a company wholly-owned by Mr Wong Siu Fai, a former Controlling Shareholder of the Company. The consultancy and management service agreement between the Company and HKSAM was terminated on 22 March 2023. As announced on 1 December 2023, Mr Wong Siu Fai had disposed of his 100.0% shareholding in Prosperity Luck Overseas Inc. (“**Prosperity Luck**”), which held a direct interest of 45,351,537 Shares, to

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Hong Kong CY Development Co., Limited on 29 November 2023. Accordingly, Mr Wong Siu Fai is no longer deemed interested in the Shares held by Prosperity Luck and has ceased to be a Controlling Shareholder of the Company as at the Latest Practicable Date.

Save as disclosed above and the Proposed Acquisition, since the immediately preceding financial year beginning 1 January 2023 to 31 December 2023, there are no other interested person transactions over S\$100,000 entered into by the Group.

On the basis that the Completion takes place in the current financial year ending 31 December 2024, save for the Proposed Acquisition, there are no other interested person transactions over S\$100,000 entered into by the Group since the current financial year beginning 1 January 2024 and up to the Latest Practicable Date.

3.6 Appointment of IFA for the Proposed Acquisition as an IPT

Rule 921(4)(a) of the Catalist Rules requires that the Company obtains an opinion from the IFA as to whether the Proposed Acquisition (and all other transactions which are the subject of aggregation pursuant to Rule 906 of the Catalist Rules):

- (a) is on normal commercial terms; and
- (b) is prejudicial to the interests of the Company and its minority Shareholders.

Xandar Capital Pte. Ltd. has been appointed by the Company as the IFA to the Directors to opine on whether the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

A copy of the IFA Letter dated 21 March 2024, containing the IFA's opinion in full, is set out in **Appendix C** to this Circular. Shareholders are advised to read the IFA Letter carefully and in its entirety. The opinion of the IFA has been extracted from the IFA Letter and is reproduced in paragraph 3.7 of this Circular below. All terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter, unless otherwise stated.

3.7 Opinion of the IFA

The following is an extract from paragraph 8 of the IFA Letter to the Directors and should be read by Shareholders in conjunction with, and in the full context of, the full text of the IFA Letter. All terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter, unless otherwise stated.

“8. OUR OPINION AND RECOMMENDATION

Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Proposed Acquisition and the Whitewash Resolution. We have carefully considered as many factors as we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

8.1 “FAIRNESS” OF THE TERMS OF THE PROPOSED ACQUISITION

We set out below a summary of the key factors we have taken into our consideration when assessing the “fairness” of the terms of the Proposed Acquisition:

8.1.1 Factors for the “fairness” of the terms of the Proposed Acquisition

The following factors substantiate the “fairness” of the terms of the Proposed Acquisition:

- (a) *the Consideration is within the range of fair market value of the Sale Shares as opined by the Valuer and is at a slight premium of approximately 1.02% to the mid-point valuation of S\$3.46 million opined by the Valuer;*

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- (b) *the basis of determining the Issue Price upon VWAP is fairly common amongst the Precedent Comparable Acquisitions set out in paragraph 6.2.1 of this IFA Letter;*
- (c) *the Issue Price represents premia of more than 100% to the NAV per Share and cash and cash equivalents per Share as set out in paragraph 6.2.2 of this IFA Letter; and*
- (d) *the Issue Price is generally within a 15% fluctuation range of the closing prices of the Shares for the 12 months period prior to the Announcement Date and represents less than 10% discount to the VWAP of the Shares for the 12 months period, six (6) months period, and three (3) months period prior to and including the Last Trading Day.*

8.1.2 Factors against the “fairness” of the terms of the Proposed Acquisition

The only factor which undermines the “fairness” of the terms of the Proposed Acquisition is the financial effects of the Proposed Acquisition on the Group’s net tangible assets per Share as at 31 December 2023 which will reduce to 0.60 cents from 1.07 cents as the share capital of the Company will increase with the allotment and issue of the Consideration Shares and the Group’s net tangible assets as at 31 December 2023 will decrease by approximately 21.14% from approximately S\$2.24 million to approximately S\$1.77 million upon Completion. In addition, the Group may record significant goodwill arising from the Proposed Acquisition in view of the low net tangible assets of the Target Company compared to the Consideration to be paid to the Vendor, and such goodwill will be subject to annual impairment test in accordance with the accounting policies of the Group.

8.2 “REASONABLENESS” OF THE TERMS OF THE PROPOSED ACQUISITION

We set out below a summary of the key factors we have taken into our consideration when assessing the “reasonableness” of the terms of the Proposed Acquisition:

8.2.1 Factors for the “reasonableness” of the terms of the Proposed Acquisition

The following factors substantiate the “reasonableness” of the Proposed Acquisition:

- (a) *the Proposed Acquisition is beneficial to the Group as it is part of the Group’s efforts to expand its core business into the Southeast Asia hospitality market, in order to generate additional revenue streams to the Group, as well as mitigate the concentration risks;*
- (b) *as set out in paragraph 6.3 of this IFA Letter, while the Target Company has only commenced its hotel management operations in January 2023, the revenue generated by the Target Company from the hotel management operations for the period from 1 January 2023 to 31 December 2023 already represents more than 11 times of the Group’s revenue for FY2023; and*
- (c) *other consideration as set out in paragraph 6.7 of this IFA Letter.*

8.2.2 Factors against the “reasonableness” of the terms of the Proposed Acquisition

None.

8.3 OUR OPINION AND RECOMMENDATION

Accordingly, after taking into account the above factors and the information made available to us as at the Latest Practicable Date, we are of the opinion that, (i) the Proposed Acquisition, as an interested person transaction, is on normal commercial terms; (ii) the Proposed Acquisition, as an interested person transaction, is not prejudicial to the interests of the Company and its minority

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Shareholders; and (iii) the terms of the Proposed Acquisition, being the subject of the Whitewash Resolution, are fair and reasonable. Accordingly, we recommend that the Directors advise the Independent Shareholders to VOTE FOR the Whitewash Resolution.”

Shareholders are advised to read and consider the IFA Letter for the Proposed Acquisition as an IPT in its entirety as reproduced in Appendix C of this Circular and consider carefully the recommendations of the Directors for the Proposed Acquisition set out in paragraph 12 of this Circular.

3.8 Statement of the AC

The AC has considered the terms of the Proposed Acquisition, the opinion of the IFA set out in the IFA Letter and is of the view that the Proposed Acquisition as an IPT is (a) on normal commercial terms and (b) not prejudicial to the interests of the Company and its minority Shareholders.

4. THE PROPOSED CONSIDERATION SHARES ISSUE

4.1 Consideration Shares

As satisfaction for part of the Consideration for the Proposed Acquisition, 85,714,285 Consideration Shares will be issued to the Vendor, representing approximately 40.9% of the existing share capital of the Company comprising 209,337,290 Shares as at the Latest Practicable Date. After Completion, the Consideration Shares will represent approximately 29.1% of the enlarged share capital of the Company comprising 295,051,575 Shares.

4.2 Shareholders' Approval

The allotment and issuance of Consideration Shares to a substantial Shareholder

Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules provide, among others, that an issuer must obtain the prior approval of shareholders in general meeting for the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer unless the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer is made pursuant to a general mandate previously obtained from shareholders of the issuer at a general meeting as provided in Rule 806 of the Catalist Rules.

The allotment and issue of the Consideration Shares to the Vendor requires the approval of Shareholders under Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules as the Consideration Shares will not be issued under the Company's general issue mandate pursuant to Rule 806 of the Catalist Rules, which was previously obtained from Shareholders at the latest annual general meeting of the Company held on 28 June 2023.

Pursuant to Rule 812(1) of the Catalist Rules, an issue must not be placed to, *inter alia*, Directors and substantial Shareholders. Rule 812(2) of the Catalist Rules provides that Rule 812(1) of the Catalist Rules does not apply if specific shareholders' approval is obtained, and the Directors and the substantial Shareholder and their associates must abstain from voting on the resolution in respect of such issuance. As the Vendor falls within the restrictions of Rule 812(1) of the Catalist Rules, specific Shareholders' approval will be required to be obtained for the allotment and issue of the Consideration Shares to the Vendor in connection with the Proposed Consideration Shares Issue. In addition, the Vendor and his associates will abstain from voting in their capacity as Shareholder(s) in relation to the Proposed Consideration Shares Issue.

Specific Approval from Shareholders

In light of the abovementioned, the Company will seek specific approval from Shareholders at the EGM for the following:

- (a) the allotment and issue of the Consideration Shares to the Vendor pursuant to Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules; and

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- (b) the allotment and issue of the Consideration Shares to the Vendor pursuant to Rule 812 of the Catalist Rules.

4.3 Listing and Quotation Notice

The Company has, on 5 March 2024, submitted an application to the SGX-ST via its Sponsor for the listing and quotation of the 85,714,285 Consideration Shares on the Catalist Board of the SGX-ST. On 12 March 2024, the Company has received the listing and quotation notice for the Consideration Shares from the SGX-ST, subject to the following:

- (i) Compliance with SGX-ST's listing requirements; and
- (ii) Shareholders' approval being obtained for the Proposed Acquisition, the Proposed Consideration Shares Issue and the Whitewash Resolution.

The listing and quotation notice for the Consideration Shares, is not to be taken as an indication of the merits of the Consideration Shares, the Proposed Acquisition, the Company, its subsidiaries and their securities. The SGX-ST assumes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.

Please refer to the announcement dated 12 March 2024 for more information on the Company's receipt of the listing and quotation notice for the Consideration Shares from the SGX-ST.

5. THE WHITEWASH RESOLUTION

5.1 Mandatory General Offer Requirement under Rule 14 of the Code

Under Rule 14 of the Code, except with the SIC's consent, where:

- (a) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30.0% or more of the voting rights in a company; or
- (b) any person who, together with persons acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1.0% of the voting rights,

such person must extend a general offer for all the remaining shares in the company which he does not already own or control, to the holders of any class of share capital of the company which carries votes and in which such person, or persons acting in concert with him, hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

5.2 Obligation under Rule 14 of the Code

5.2.1 The Consideration Shares represent approximately 40.9% of the existing issued share capital of the Company as at the Latest Practicable Date and will represent, following Completion and issuance of the Consideration Shares, 29.1% of the enlarged issued share capital of the Company. The Company has no treasury shares and no outstanding convertible securities.

5.2.2 The issuance of the Consideration Shares to the Vendor will result in his shareholding interest in the Company increasing from 69,012,815 Shares, representing 32.97% of the existing issued share capital of the Company, to 154,727,100 Shares, representing 52.44% of the enlarged issued share capital of the Company. Accordingly, the shareholdings in the Company of the remaining Shareholders will be diluted from 67.03% to 47.56% based on the enlarged issued share capital of the Company upon the Completion.

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5.2.3 The Vendor confirms that there are currently no parties acting in concert with him who are Shareholders of the Company. The allotment and issuance of the Consideration Shares will give rise to an obligation for the Vendor to make a mandatory general offer for all the remaining Shares not owned by him and parties acting in concert with him under Rule 14 of the Code. Accordingly, an application was made to the SIC for a Whitewash Waiver of the obligation of the Vendor to make a mandatory general offer for all the remaining Shares of the Company not held by the Vendor pursuant to Rule 14 of the Code as a result of the issuance and allotment of the Consideration Shares.

5.3 Whitewash Waiver

On 8 February 2024, the SIC has granted the Vendor a waiver of the requirement under Rule 14 of the Code to make a general offer for all the remaining Shares not held by the Vendor and his concert parties arising from the allotment and issuance of the Consideration Shares (i.e. the Whitewash Waiver), subject to the following conditions (collectively, the “**SIC Conditions**”) being satisfied:

- (a) a majority of holders of voting rights of the Company approving at a general meeting, before the issue of the Consideration Shares to the Vendor, by way of poll to waive their rights to receive a general offer from the Vendor (the “**Whitewash Resolution**”);
- (b) the Whitewash Resolution is separate from other resolutions;
- (c) the Vendor, persons acting in concert with him as well as parties not independent of them, abstain from voting on the Whitewash Resolution;
- (d) the Vendor and persons acting in concert with him did not acquire or are not to acquire any Shares or instruments convertible into and options in respect of Shares in the Company (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new shares in the Company which have been disclosed in this Circular):
 - (i) during the period between the date of the announcement of the Company’s entry into the Share Sale Agreement and the date shareholders’ approval is obtained for the Whitewash Resolution; and
 - (ii) in the six (6) months prior to the date of the announcement of the Company’s entry into the Share Sale Agreement but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the Proposed Acquisition;
- (e) the Company appoints an IFA to advise its independent shareholders on the Whitewash Resolution;
- (f) the Company sets out clearly in this Circular:
 - (i) the details of the Proposed Acquisition;
 - (ii) the dilution effect to existing holders of voting rights upon the Vendor acquiring the Consideration Shares;
 - (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares held by the Vendor and persons acting in concert with him as at the Latest Practicable Date;
 - (iv) the number and percentage of voting rights to be issued to the Vendor as a result of his acquisition of the Consideration Shares;

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- (v) that the acquisition of the Consideration Shares by the Vendor would result in the Vendor and his concert parties holding Shares carrying over 49.0% of the voting rights of the Company and the fact that the Vendor and his concert parties will be free to acquire further Shares without incurring any obligation under Rule 14 to make a general offer. Specific and prominent reference should be made to this; and
- (vi) that the Independent Shareholders, by voting for the Whitewash Resolution, are waiving their rights to receive a general offer from the Vendor at the highest price paid by the Vendor and his concert parties for Shares in the Company in the past six (6) months preceding the offer. Specific and prominent reference should be made to this;
- (g) this Circular states that the waiver granted by the SIC is subject to the conditions stated at paragraphs (a) to (f) above;
- (h) the Vendor obtaining the SIC's approval in advance for those parts of this Circular that refer to the Whitewash Resolution; and
- (i) to rely on the Whitewash Resolution, the approval of the Whitewash Resolution must be obtained within three (3) months of the date of SIC's grant of the Whitewash Waiver on 8 February 2024 and the acquisition of the Consideration Shares by the Vendor must be completed within three (3) months of the date of the approval of the Whitewash Resolution.

As at the date of this Circular, save for the conditions set out in paragraphs (a), (c), (d) and (i) above, all the other SIC Conditions set out above have been satisfied.

5.4 Advice to Independent Shareholders

The Independent Shareholders are requested to vote by way of poll on the Whitewash Resolution at the EGM. Independent Shareholders should note that the Completion is conditional upon, *inter alia*, the passing of the Whitewash Resolution by the Independent Shareholders as the Whitewash Resolution is a Condition Precedent in the Share Sale Agreement. In view of this, in the event that the Whitewash Resolution is not approved by the Independent Shareholders, the Proposed Acquisition will not proceed. Please refer to paragraph 1.3 above for more details on the conditionality of the Resolutions to be passed at the EGM.

INDEPENDENT SHAREHOLDERS SHOULD NOTE THAT:

- (a) **BY VOTING IN FAVOUR OF THE WHITEWASH RESOLUTION, THEY WILL BE WAIVING THEIR RIGHTS TO RECEIVE A MANDATORY GENERAL OFFER FOR ALL THE SHARES WHICH THE VENDOR WOULD OTHERWISE BE OBLIGED TO MAKE AT THE HIGHEST PRICE PAID BY THE VENDOR AND HIS CONCERT PARTIES FOR SHARES IN THE COMPANY IN THE PAST SIX (6) MONTHS PRECEDING THE COMMENCEMENT OF THE OFFER; AND**
- (b) **THE ISSUANCE OF THE CONSIDERATION SHARES WILL RESULT IN THE VENDOR HOLDING SHARES CARRYING OVER 49.0% OF THE VOTING RIGHTS OF THE COMPANY BASED ON THE ENLARGED SHARE CAPITAL OF THE COMPANY AND IN SUCH SCENARIO, THE VENDOR AND HIS CONCERT PARTIES WILL BE FREE TO ACQUIRE FURTHER SHARES WITHOUT INCURRING ANY OBLIGATION UNDER RULE 14 OF THE CODE TO MAKE A MANDATORY GENERAL OFFER FOR THE COMPANY.**

5.5 Advice from the IFA in relation to the Whitewash Resolution

Xandar Capital Pte. Ltd. has been appointed as the IFA to advise the Directors in respect of the Whitewash Resolution. A copy of the IFA Letter, setting out its advice and recommendation to the Directors, is reproduced in **Appendix C** of this Circular.

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The following is an extract from paragraph 8 of the IFA Letter to the Directors and should be read by Shareholders in conjunction with, and in the full context of, the full text of the IFA Letter. All terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter, unless otherwise stated.

“8. OUR OPINION AND RECOMMENDATION

Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Proposed Acquisition and the Whitewash Resolution. We have carefully considered as many factors as we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

8.1 “FAIRNESS” OF THE TERMS OF THE PROPOSED ACQUISITION

We set out below a summary of the key factors we have taken into our consideration when assessing the “fairness” of the terms of the Proposed Acquisition:

8.1.1 Factors for the “fairness” of the terms of the Proposed Acquisition

The following factors substantiate the “fairness” of the terms of the Proposed Acquisition:

- (a) the Consideration is within the range of fair market value of the Sale Shares as opined by the Valuer and is at a slight premium of approximately 1.02% to the mid-point valuation of S\$3.46 million opined by the Valuer;*
- (b) the basis of determining the Issue Price upon VWAP is fairly common amongst the Precedent Comparable Acquisitions set out in paragraph 6.2.1 of this IFA Letter;*
- (c) the Issue Price represents premia of more than 100% to the NAV per Share and cash and cash equivalents per Share as set out in paragraph 6.2.2 of this IFA Letter; and*
- (d) the Issue Price is generally within a 15% fluctuation range of the closing prices of the Shares for the 12 months period prior to the Announcement Date and represents less than 10% discount to the VWAP of the Shares for the 12 months period, six (6) months period, and three (3) months period prior to and including the Last Trading Day.*

8.1.2 Factors against the “fairness” of the terms of the Proposed Acquisition

The only factor which undermines the “fairness” of the terms of the Proposed Acquisition is the financial effects of the Proposed Acquisition on the Group’s net tangible assets per Share as at 31 December 2023 which will reduce to 0.60 cents from 1.07 cents as the share capital of the Company will increase with the allotment and issue of the Consideration Shares and the Group’s net tangible assets as at 31 December 2023 will decrease by approximately 21.14% from approximately S\$2.24 million to approximately S\$1.77 million upon Completion. In addition, the Group may record significant goodwill arising from the Proposed Acquisition in view of the low net tangible assets of the Target Company compared to the Consideration to be paid to the Vendor, and such goodwill will be subject to annual impairment test in accordance with the accounting policies of the Group.

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8.2 “REASONABLENESS” OF THE TERMS OF THE PROPOSED ACQUISITION

We set out below a summary of the key factors we have taken into our consideration when assessing the “reasonableness” of the terms of the Proposed Acquisition:

8.2.1 Factors for the “reasonableness” of the terms of the Proposed Acquisition

The following factors substantiate the “reasonableness” of the Proposed Acquisition:

- (a) *the Proposed Acquisition is beneficial to the Group as it is part of the Group’s efforts to expand its core business into the Southeast Asia hospitality market, in order to generate additional revenue streams to the Group, as well as mitigate the concentration risks;*
- (b) *as set out in paragraph 6.3 of this IFA Letter, while the Target Company has only commenced its hotel management operations in January 2023, the revenue generated by the Target Company from the hotel management operations for the period from 1 January 2023 to 31 December 2023 already represents more than 11 times of the Group’s revenue for FY2023; and*
- (c) *other consideration as set out in paragraph 6.7 of this IFA Letter.*

8.2.2 Factors against the “reasonableness” of the terms of the Proposed Acquisition

None.

8.3 OUR OPINION AND RECOMMENDATION

Accordingly, after taking into account the above factors and the information made available to us as at the Latest Practicable Date, we are of the opinion that, (i) the Proposed Acquisition, as an interested person transaction, is on normal commercial terms; (ii) the Proposed Acquisition, as an interested person transaction, is not prejudicial to the interests of the Company and its minority Shareholders; and (iii) the terms of the Proposed Acquisition, being the subject of the Whitewash Resolution, are fair and reasonable. Accordingly, we recommend that the Directors advise the Independent Shareholders to VOTE FOR the Whitewash Resolution.”

Shareholders are advised to read and consider the IFA Letter for the Whitewash Resolution in its entirety as reproduced in Appendix C of this Circular and consider carefully the recommendations of the Directors for the Whitewash Resolution set out in paragraph 12 of this Circular.

6. THE PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

6.1 Background

The Existing Constitution was last updated by the Company on 18 November 1994. Since the adoption of the Existing Constitution, the Companies Act has seen various amendments, including Amendment Act 2005, Amendment Act 2014 and the Amendment Act 2017 (the “**Amendment Acts**”). Amendments have also been introduced to the Catalist Rules. The changes to the Companies Act pursuant to the Amendment Acts aim to, among others, improve corporate governance for companies in Singapore, reduce the regulatory burden on companies and provide for greater business flexibility.

The amendments pursuant to the Amendment Act 2005 include the abolition of the concepts of par value and authorised capital, and allowing repurchased shares to be held as treasury shares. With the abolition of the concept of par value, shares of a company no longer have any par or nominal value. The concepts of share premium and the issue of shares at a discount have also been abolished accordingly. All amounts standing to the credit of a company’s share premium account and capital redemption reserves (if any) as at 30 January 2006 (when the Amendment Act 2005 came into operation) would become part of the company’s share capital.

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The Amendment Act 2014 introduced, among others, the multiple proxies regime to enfranchise indirect investors and CPF investors, as well as provisions to facilitate the electronic transmission of notices and documents. In addition, what had been previously the memorandum and articles of association of a company have now merged into a single constitutive document called the “constitution”. The key changes under the Amendment Act 2017 include, among others, the removal of the requirement for a common seal.

6.2 Rationale for the Amended Constitution

The Company is proposing to amend the Existing Constitution to take into account the changes to the Companies Act. The proposed Amended Constitution also contains updated provisions which are consistent with the Catalist Rules prevailing as at the Latest Practicable Date, in compliance with Rule 730 of the Catalist Rules, as well as to address other regulatory changes, namely, the personal data protection regime in Singapore and the enactment of the Mental Health (Care and Treatment) Act. The Company is also taking this opportunity to streamline and rationalise certain provisions in the Existing Constitution.

The Proposed Amendments to the Constitution of the Company is subject to Shareholders’ approval and will be tabled as a special resolution at the EGM, and if so approved, the Amended Constitution shall take effect from the date of the EGM.

6.3 Summary of Amendments

A summary of the principal provisions of the Amended Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the Amended Constitution as new provisions, are set out below. It does not set out all the new or amended provisions in the Amended Constitution and should be read in conjunction with the proposed Amended Constitution which is set out in its entirety in **Appendix D**. For Shareholders’ ease of reference, **Appendix D** sets out a comparison of the Amended Constitution against the Existing Constitution, with additions underlined and deletions marked with a strikethrough.

6.4 Changes due to amendments in the Companies Act

(a) Memorandum of Association of Existing Constitution

The memorandum of association of the Existing Constitution will be deleted entirely and the relevant provisions thereof are consolidated under the Amended Constitution as a single document. The signatures of the original subscribers to the memorandum of association will be inserted at the end of the Amended Constitution.

(b) Article 1 of Existing Constitution

Article 1 of the Existing Constitution, which refers to Table A in the Fourth Schedule of the Companies Act prior to its amendment by the Amendment Act 2014, will be deleted as Table A has been repealed pursuant to the Amendment Act 2014.

(c) Regulation 1 of the Amended Constitution (Article 2 of the Existing Constitution)

Regulation 1 is the interpretation section of the Amended Constitution and includes the following additional or revised provisions:

- (i) a revised definition of “the Act” as referring to the Companies Act 1967 of Singapore, in line with the universal revision of Singapore’s Acts of Parliament per the 2020 Revised Edition of Acts;
- (ii) a new definition of “Chief Executive Officer” as having the meaning ascribed to “chief executive officer” in the Companies Act, in line with the introduction of provisions relating to chief executive officers by the Amendment Act 2014;

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- (iii) a new definition of “Company” to refer to the Company;
- (iv) a new definition of “Constitution” in line with the terminology introduced by the Amendment Act 2014;
- (v) a new definition of “Cut-Off Time” to mean 72 hours before the time of the relevant General Meeting or adjourned General Meeting to determine the entitlement of Depositors to attend and vote at General Meetings, in line with Section 81SJ(4) of the SFA, and to determine the deadline for the submission of instruments of proxy, in line with Section 178(1)(c) of the Companies Act;
- (vi) a new definition of “Directors” to refer to the directors of the Company for the time being;
- (vii) a new definition of “Dividend” to include bonus;
- (viii) a new definition of “Electronic Communication” to have the meaning ascribed in the Companies Act. This follows the introduction of new provisions facilitating electronic communication pursuant to the Amendment Act 2014;
- (ix) new definitions of “Exchange” and “Market Day” to refer to the current name of the Exchange;
- (x) a new definition of “Instrument” to refer to offers, agreements or options that might or would require shares to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible or exchangeable into shares;
- (xi) a new definition of “Member” and “shareholder” to refer to a registered shareholder for the time being of the Company or if the registered shareholder is the Depository, a Depositor named in the Depository Register (for such period as shares are entered in the Depositor’s Securities Account), excluding the Company where it is a member by reason of its holding of its shares as treasury shares;
- (xii) a new definition of “Register of Members” as referring to the register of registered shareholders of the Company;
- (xiii) a new definition of “Secretary” as having the meaning given to it in the Companies Act and shall include any person appointed by the Directors to perform the duties of a secretary of the Company;
- (xiv) a new definition of “Securities Account” as the securities account maintained by a Depositor with the Depository;
- (xv) a new definition of “Securities and Futures Act” to refer to the SFA or any statutory modification, amendment or re-enactment thereof for the time being in force;
- (xvi) a new definition of “Regulations” as the regulations of the Company contained in the Amended Constitution, replacing the definition of “Articles” in the Existing Constitution;
- (xvii) new definitions of “writing” and “written” to include printing and lithograph and any other mode or modes of representing or reproducing words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an Electronic Communication form or otherwise howsoever. This would facilitate, for example, a proxy instrument being in either physical or electronic form;

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- (xviii) a revised definition of “Depositor”, “Depository”, “Depository Agent” and “Depository Register” to make reference to the SFA, following the migration of the provisions in the Companies Act which relate to the Central Depository System to the SFA;
- (xix) a new provision stating that “clear days’ notice” shall, for the purposes of calculating the number of days necessary before a notice is served or deemed to be served, be exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given;
- (xx) a new provision stating that the words “current address”, “financial statements”, “special resolution”, “treasury shares” and “relevant intermediary” shall have the meanings ascribed to them respectively in the Companies Act. This follows the introduction of new provisions facilitating electronic communication and the multiple proxies regime pursuant to the Amendment Act 2014;
- (xxi) a new provision clarifying that references to “Members” or “holders” of shares or any class of shares in the Amended Constitution shall exclude the Company in relation to shares held by it as treasury shares; and
- (xxii) a new provision stating that the terms “Annual General Meeting”, “Extraordinary General Meeting”, “General Meeting”, “Ordinary Resolution”, “Register of Members”, “Special Resolution” shall have the meanings ascribed to them respectively in the Companies Act. For the avoidance of doubt, a Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of the Amended Constitution.

(d) Regulations 2, 3, 4, and 5 of the Amended Constitution (New Regulations)

Regulations 2, 3, 4 and 5 will be inserted in the Amended Constitution following the deletion of the memorandum and articles of association in the Existing Constitution.

Following the deletion of the objects clause in the memorandum of association of the Existing Constitution, Regulation 3 provides, *inter alia*, that subject to the Companies Act and any other written law and the Amended Constitution, the Company has full capacity to carry or undertake any business or activity, do any act or enter into any transaction, in line with Section 23 of the Companies Act.

By deleting the existing object clauses (which sets out an extensive list of the activities which the Company has capacity or power to engage in) and taking advantage of the flexibility afforded by Section 23 of the Companies Act, the Company will have all the powers of a natural person, will full capacity and ability to carry on or undertake any business or activity, and to enter into any transaction. This will facilitate the Company in adapting to the rapidly changing business environment, and to undertake various business activities and enter into business transactions for the benefit of the Company and its Shareholders. The proposed change will also remove any uncertainty as to whether the Company has the power to act in a particular way or to engage in a particular transaction arising from unduly restrictive provisions in the specific objects clauses.

(e) Regulation 8 of the Amended Constitution (New Regulation)

Regulation 8 is a new provision which provides that new shares may be issued for no consideration. This is in line with Section 68 of the Companies Act, which clarifies that a company having a share capital may issue shares for which no consideration is payable to the issuing company.

(f) Regulation 10 (New Regulation)

Regulation 10 is a new provision which is inserted following the introduction of treasury shares by the Amendment Act 2005.

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(g) Regulation 14 and Regulation 15 (New Regulations)

Regulations 14 and 15, which relate to the Company's power to alter its share capital, now contains (among others) provisions which empower the Company to:

- (i) convert its share capital or any class of shares from one currency to another currency, by ordinary resolution. This is in line with the new Section 73 of the Companies Act, which sets out the procedure for such re-denominations; and
- (ii) convert one class of shares into another class of shares, by special resolution. This is in line with the new Section 74A of the Companies Act, which sets out the procedure for such conversions.

(h) Regulation 16(A) (Article 10 of Existing Constitution)

Regulation 16(A) which relates to the power of the Company to reduce its share capital, will be amended to clarify that the Company may by special resolution reduce its share capital or any other undistributable reserve in any manner subject to any requirement under the law. This is in line with Section 78C of the Companies Act.

(i) Regulation 16(B) (New Regulation)

Regulation 16(B) which provides for the purchase by the Company of its issued shares, now allows the Company to hold repurchased shares as treasury shares, following the introduction of treasury shares by the Amendment Act 2005.

(j) Regulation 18 (New Regulation)

Regulation 18 provides that no part of the funds of the Company shall be employed directly or indirectly in the purchase of or subscription for or making of loans upon the security of any shares and that the Company shall not, except as authorised by the Companies Act, give any financial assistance for the purpose of or in connection with any purchase of shares in the Company (or its holding company, if any). This is in line with Section 76 of the Companies Act.

(k) Regulation 19 (New Regulation)

Regulation 19 provides that the Company shall have the power to pay interest out of share capital in certain cases, subject to the conditions and restrictions mentioned in the Companies Act. This is in line with Section 78 of the Companies Act.

(l) Regulation 20 (Article 14 of the Existing Constitution)

Regulation 20, which provides for the payment of commissions or brokerage in connection with a subscription of shares, will be amended following the repeal of Section 69 of the Companies Act, which previously set out the requirements for payment of such commissions.

(m) Regulation 22 (Article 16 of Existing Constitution)

Regulation 22 will be amended to include that every share certificate shall clearly show in words and figures on the face of the certificate (or in such manner as may be approved by the Exchange) the number of shares represented by the certificate, whether the shares are fully or partly paid up, and the amount (if any unpaid on the shares). This follows the amendment to Section 123(2) of the Companies Act pursuant to the Amendment Act 2014. Regulation 22 will also be amended to clarify that the share certificate shall bear the autographic or facsimile signatures of at least two Directors, or of one Director and the Secretary or some other person appointed by the Directors, and the facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors. This is in line with Sections 41B and 41C of the Act under the Amendment Act 2017.

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(n) Regulation 58 and Regulation 60 (Article 46 and 48 of Existing Constitution)

Regulations 58 and 60 relate to stock in the capital of the Company. Amendments will be made to delete references to “of any denomination” in Regulation 58, and to replace “amount of stock” with “number of stock units” in and Regulation 6, following the abolition of the concept of par value pursuant to the Amendment Act 2005.

(o) Regulation 61 (New Regulation)

Regulation 61 is a new provision which provides that all provisions in the Amended Constitution applicable to paid up shares shall apply to stock and the words share and shareholder or similar expression therein shall include stock or stockholder.

(p) Regulation 62 (Article 49 of Existing Constitution)

Regulation 62 specifies that the time period within which the Company must hold its annual general meeting is four (4) months from the end of its financial year. Reference is also made to the time period prescribed by the Act and the Exchange from time to time, to allow for flexibility. This is in line with Section 175(1) and Section 175(5) of the Act, following the Amendment Act 2017.

Regulation 62 has also been amended to give the Company flexibility to hold its annual general meetings and extraordinary general meetings either: (a) at a physical place; or (b) at a physical place and using technology that allows a person to participate in a meeting without being physically present at the place of meeting. Where the general meetings are held physically, Regulation 62 also makes clear that such general meetings shall be held in Singapore, unless prohibited or otherwise required by the relevant laws or waived by the Exchange. This is in line with Rule 730A(1) and Practice Note 7E of the Catalist Rules (which provides guidance on the conduct of general meetings for issuers listed on the Exchange). Shareholders should note that the holding of, and participation in, any general meeting by electronic means will be subject to relevant laws, regulations and the rules of the Exchange.

(q) Regulation 64 (New Regulation)

The new Regulation 64 has been added to provide that Shareholders may participate in general meetings by electronic means if the Company is mandated under the Companies Act, the listing rules of the SGX-ST and/or applicable law to allow such participation by electronic means.

(r) Regulation 65 (Article 51 of Existing Constitution)

Regulation 65 has been amended to include where special notice is required of a resolution pursuant to the provisions of the Act, notice of the intention to move the resolution shall be given to the Company and the Company must give its members notice of any such resolution at the same time and in the same manner as it gives notice of the meeting, and notice of any general meeting shall be called in accordance with Section 185 of the Companies Act. At least fourteen days' notice of any General Meeting shall be given by advertisement in an English daily newspaper in circulation in Singapore and in writing to any Stock Exchange upon which the Company may be listed.

(s) Regulation 66 (New Regulation)

The new Regulation 66 has been added to provide that no other person shall be entitled to receive notices of general meetings, provided always that if the meeting is called for the alteration of the objects of the Company, the notice shall be given to all members and to all trustees for debenture holders and, if there are no trustees for any class of debenture holders, to all debenture holders of that class whose names are, at the time of the posting of such notice, known to the Company, in accordance with Section 33 of the Companies Act.

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(t) Regulation 77 (Article 61 of Existing Constitution)

Regulation 77, which relates to the method of voting at a general meeting where mandatory polling is not required, has been revised to reduce the threshold for eligibility to demand a poll from 10.0% to 5.0% of the total voting rights of the members having the right to vote at the meeting. This is in line with Section 178 of the Act, as amended pursuant to the Amendment Act 2014. Regulation 77 has also been amended to make clear that the thresholds for demanding a poll also apply to members present by proxy or corporate representative.

(u) Regulation 83 (Article 65 of Existing Constitution); Regulation 84 (Article 66 of Existing Constitution); Regulation 90 (New Regulation) and Regulation 91(A) (Article 71(A) of Existing Constitution)

These Regulations, which relate to the voting rights of Shareholders and the appointment of proxies, have new provisions which cater to the multiple proxies regime introduced by Amendment Act 2014. The multiple proxies regime allows “relevant intermediaries”, such as banks, capital markets services licence holders which provide custodial services for securities and the Central Provident Fund Board, to appoint more than two proxies to attend, speak and vote at general meetings. In particular:

- (i) in the case of a Shareholder who is a “relevant intermediary” and who is represented at a general meeting by two or more proxies, each proxy shall be entitled to vote on a show of hands. This is in line with the new Section 181(1D) of the Companies Act;
- (ii) save as otherwise provided in the Companies Act, a Shareholder 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 Shareholder, and where such Shareholder’s proxy instrument appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed must be specified in the proxy instrument, failing which the nomination shall be deemed to be alternative. This is in line with the new Section 181(1C) of the Companies Act; and
- (iii) the Company will be entitled and bound to reject an instrument of proxy lodged by a Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 (previously 48) hours before the time of the relevant general meeting (the Cut-Off Time). Consequential changes have also been made to make it clear that the number of votes which a Depositor or his proxy can cast on a poll is the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant general meeting. This is in line with the new Section 81SJ(4) of the SFA.

Regulation 84 has also been amended to make clear that in the case of joint holders of shares, any one of such persons may vote, but if more than one of such persons is present at a meeting, the person whose name stands first on the Register of Members shall alone be entitled to vote. This is in line with paragraph 8(b) of Appendix 4C of the Catalist Rules.

(v) Regulation 93 (Article 73 of Existing Constitution)

Regulation 93 will be amended to extend the cut-off time for the deposit of the proxy instrument and the letter of power of attorney or other authority, where the instrument is signed on behalf of the appointer by an attorney, to 72 (previously 48) hours before the time appointed for holding the general meeting (the Cut-Off Time). This is in line with Section 178(1)(c) of the Companies Act.

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- (w) Regulation 104 (Article 83 of Existing Constitution)
- Regulation 104 contains provisions which impose obligations on Directors to disclose interests in transactions or proposed transactions with the Company, or any office or property held which might create duties or interests in conflict with those as a Director and/or a Chief Executive Officer (or person(s) holding an equivalent position). This is in line with Section 156 of the Companies Act, as amended pursuant to the Amendment Act 2014.
- (x) Regulation 111 and Regulation 114 (Article 90 and Article 93 of Existing Constitution)
- Regulation 111 is a provision which relates to the vacation of office of a Director in certain events. It now additionally provides that a Director's office shall be vacated if he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds. Consequential provisions have been included in Regulation 114, which contains an additional prohibition on the deemed re-appointment of a retiring Director where such Director is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds. This is in line with paragraph (9)(m) of Appendix 4C of the Catalyst Rules. In addition, following the Amendment Act 2014, there is no longer a maximum age limit for directors. The vacation of a Directors' office after he attains the retiring age applicable to him as Director has been removed from Regulation 114.
- (y) Regulation 115 (New Regulation)
- Regulation 115 has been added to require Directors whose office have been vacated according to Regulation 111 to immediately resign. This additional requirement is to further ensure that such Directors whose office has been vacated will cease to be a Director.
- (z) Regulation 121(C) (Article 98(C) of Existing Constitution)
- Regulation 121(C), which relates to the alternate directors has been amended to clarify that alternate directors shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being under the Amended Constitution but he shall be counting for the purpose of reckoning whether a quorum is present at any meeting of the director attended by him at which he is entitled to vote.
- (aa) Regulation 133 (New Regulation)
- Regulation 133 is a new provision which provides that a chairman may be appointed at a meeting of directors.
- (bb) Regulation 134 (New Regulation)
- Regulation 134 is a new provision which provides that a committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
- (cc) Regulation 137 (Article 110 of Existing Constitution)
- Regulation 137, which relates to the general powers of the Directors to manage the Company's business, clarifies that the business and affairs of the Company is to be managed by or, additionally, under the direction or supervision of the Directors. This is in line with Section 157A of the Act, as amended pursuant to the Amendment Act 2014.
- (dd) Regulation 142 (Article 115 of Existing Constitution)
- Regulation 142 shall be amended to include that the Secretary shall be a natural person who has his or her principal or only place of residence in Singapore and who is not debarred under Section 155B of the Companies Act from acting as secretary of the Company.

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(ee) Regulation 143 (New Regulation)

Regulation 143 is a new provision which provides for the powers and duties of the assistant or deputy Secretary in the absence of the Secretary. This is in line with Section 171 of the Companies Act.

(ff) Regulation 146(C) (New Regulation)

Regulation 146(C) sets out that the Company may have a common seal but need not have one. Where any document is legally required to be under or executed under the common seal of a company, or provides for certain consequences if it is not, such requirements are satisfied if the document is signed without affixing the common seal in the manner set out in Section 41B of the Companies Act, a new provision introduced pursuant to the Amendment Act 2017.

(gg) Regulation 165 (Article 133 of Existing Constitution)

Regulation 165, which relates to the keeping of accounting records, will be amended to provide for the Directors to keep such accounting and other records (at such other places) as are necessary to comply with the Companies Act.

(hh) Regulation 166 (Article 134 of Existing Constitution) and Regulation 168 (Article 135 of Existing Constitution)

Regulation 166, which relates to the laying of financial statements at the annual general meeting, will be amended to provide for the annual general meeting to be held within four months after the end of the financial year for which the financial statements will be laid. This is in line with Sections 175 and 201 of the Companies Act, pursuant to the Amendment Act 2017.

References to the Company's "profit and loss account" and "balance sheet" will be updated in Regulations 166 and 168 to substitute them with references to the "financial statements" for consistency with the updated terminology in the Companies Act.

Regulation 168, which relates to the sending of the Company's financial statements and related documents to the Shareholders, additionally provides that such documents may be sent less than 14 days before the date of the general meeting with the agreement of all persons entitled to receive notices of general meetings, subject to compliance with the applicable listing rule and the Act. This is in line with Section 203(2) of the Companies Act, which provides that the requisite financial statements and other related documents may be sent less than 14 days before the date of the general meeting at which they are to be laid if all the persons entitled to receive notice of general meetings of the company so agree. Notwithstanding the provision, the Company is currently required to comply with Rule 707(2) of the Catalist Rules, which provides that an issuer must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting.

(ii) Regulation 167 (New Regulation)

The Companies Act introduced a new Section 202A to allow directors to voluntarily revise the company's financial statements if there are errors in such financial statements. The revision of such defective financial statements is limited to those aspects in which the financial statements did not comply with the requirements of the Companies Act. The new Regulation 167 is inserted to give the Directors express authority to revise defective financial statements of the Company, if any, to the extent permitted under the Act.

(jj) Regulation 169 (New Regulation)

Regulation 169 is a new provision which provides that such number of each document as is referred to in the preceding Regulation or such other number as may be required by the Exchange shall be forwarded to the Exchange at the same time as such documents are sent to the members.

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- (kk) Regulation 172 (Article 138 of Existing Constitution), Regulation 173, Regulation 174, Regulation 175, Regulation 176, Regulation 177 and Regulation 177A (New Regulations)

Regulation 172, 173, 174, 175, 176 and 177 which relate to the service of notices to Shareholders, contains new provisions to facilitate the electronic transmission of notices and documents following the introduction of simplified procedures for the sending of notices and documents electronically pursuant to the new Section 387C of the Companies Act. Furthermore, pursuant to the amendments to the Catalist Rules, which took effect on 31 March 2017 relating to (among others) procedures on electronic transmission of documents for listed issuers, companies can, subject to certain statutory safeguards, make use of these simplified procedures where a Shareholder has given express, implied or deemed consent for the company to do so in accordance with the constitution of the company.

As set out in Regulation 173 of the Amended Constitution, subject to any applicable laws relating to electronic communications and the Catalist Rules, notices and documents may be sent to Shareholders using electronic communications either to a Shareholder's current address or by making it available on a website prescribed by the Company (including SGXNet) from time to time.

Pursuant to the Amendment Act 2014 and Rules 1205 and 1206 of the Catalist Rules, companies may rely on one of the three regimes for determining consent:

- (i) "Express Consent" regime: Under the "express consent" regime, a company may send a document to shareholder using electronic communications if, among other things, the shareholder gives notice in writing to the Company that he consents to having notices and documents transmitted to him via electronic communications.
- (ii) "Implied Consent" regime: Under the "implied consent" regime, a company may send a document to a shareholder using electronic communications if the constitution of a company:
 - (A) provides for the use of electronic communications;
 - (B) specifies the manner in which electronic communications is to be used; and
 - (C) provides that the shareholder shall agree to receive such notice or document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such notice or document.
- (iii) "Deemed Consent" regime: Under the "deemed consent" regime, a company may send a document to a shareholder using electronic communications if:
 - (A) the constitution of the company provides for the use of electronic communications;
 - (B) the constitution of the company specifies the manner in which electronic communications is to be used;
 - (C) the constitution of the company specifies that the Shareholder will be given an opportunity to elect within a specified period of time (the "**specified time**"), whether to receive such notice or document by way of electronic communications or as a physical copy; and
 - (D) the shareholder was given an opportunity to elect whether to receive such notice or document by way of such electronic communications or as a physical copy, and he failed to make an election within the specified time (and accordingly is deemed to have consented to receiving documents by way of electronic communications).

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Under Regulations 172, 173, 174, 175 and 176 of the Amended Constitution, the Company may give, send or serve any notice or document to Shareholders using electronic communications in reliance on any of the Express Consent, Implied Consent or Deemed Consent regimes, in accordance with applicable laws and the listing rules of the SGX-ST.

Regulation 177 of the Amended Constitution provides for certain safeguards for the use of Deemed Consent and Implied Consent regimes. Where a notice or document is made available on a website, the Company shall give separate notice to the Shareholder of the publication of such notice or document on the website through one or more other means, including by way of sending the separate notification through post and/or by advertisement in an English daily newspaper in circulation in Singapore and/or by way of announcement on the Exchange. This is in line with regulation 89C of the Companies Regulations made pursuant to Section 411 of the Companies Act and Rule 1209 of the Catalist Rules in relation to physical notification to Shareholders.

Furthermore, when the Company uses electronic communications to send a document to a Shareholder, the Company shall inform the Shareholder as soon as practicable on how to request a physical copy of that document from the Company. The Company shall provide the physical copy of the documents upon such request. This is in line with Rule 1208 of the Catalist Rules, notwithstanding the Company proposes to primarily rely on the Implied Consent regime.

Regulation 176 of the Amended Constitution additionally provides for when service is effected in the case of notices or documents sent by electronic communications. In particular, where a notice or document is sent by electronic communications to the current electronic address of a Shareholder, it shall be deemed to be served upon transmission of the electronic communication by the e-mail server or facility operated by the Company or its service provider to the current electronic address of such Shareholder (notwithstanding any delayed receipt, non-delivery or returned mail reply message or any other error message indicating that the Electronic Communication was delayed or not successfully sent), unless otherwise provided under Act and/or other applicable regulations or procedures. Where a notice or document is made available on a website, it is deemed served on the date on which the notice or document is first made available on the website, unless otherwise provided under Act or the listing rules of the Exchange. Regulation 176 will enable greater efficiency and cost savings in the transmission of documents from the Company to the Shareholders. However, Shareholders who may not be supportive of the use of electronic transmissions may choose to vote against the Proposed Amendments to the Constitution of the Company.

Under the new Section 387C of the Companies Act, new regulations may be introduced to, amongst others, exclude any notice or document or any class of notices or documents from the application of Section 387C of the Companies Act and provide for safeguards for the use of electronic communications under the said Section 387C of the Companies Act. Accordingly, as at the Latest Practicable Date, Rule 1207 of the Catalist Rules prescribes that the following notices and documents are to be sent to Shareholders by way of physical copy:

- (i) forms or acceptance letters that shareholders may be required to physically complete;
- (ii) notice of meetings, excluding circulars or letters referred to in that notice;
- (iii) notices and documents relating to takeover offers and rights issues;
- (iv) where the Company uses electronic communications to send a document to a Shareholder, notices of how to request for a physical copy of such document; and

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- (v) where the Company uses website publication as a form of electronic communication of a document, physical notices including information of (1) the publication of the document on the website, (2) if the document is not available on the website on the date of notification, the date on which it will be available, (3) the address of the website, (4) the place on the website where the document may be accessed, and (5) how to access the document.

Accordingly, in line with the above requirements, Regulation 177A provides that, notwithstanding any of the foregoing provisions in Regulations 172 to 177, the Company shall comply with the provisions of the listing rules and any other applicable laws relating to communications with members, including any requirements to send specific documents to members by way of physical copies.

On 22 March 2017, the SGX-ST announced that listed companies can electronically transmit documents to shareholders and the Catalist Rules amended in connection therewith took effect on 31 March 2017. The Company will comply with the requirements of the Companies Act and the Catalist Rules when it begins to transmit notices and documents electronically to its Shareholders. Shareholders who are supportive of the Deemed Consent and Implied Consent regime for electronic communications may vote in favour of the adoption of the Amended Constitution, which incorporates the amended Regulation 172 and the new provisions (contained in Regulations 173, 174, 175, 176, 177 and 177A) to facilitate these regimes, while Shareholders who are not supportive of the new regime may vote against the Proposed Amendments to the Constitution of the Company. Notwithstanding that the Amended Constitution provides for the adoption of Deemed Consent and Implied Consent, the Company will be relying on Implied Consent primarily.

- (II) Regulation 11(A), Regulation 31, Regulation 59 and Regulation 65 (Article 6(A), 24, 47 and 51 of Existing Constitution)

References to “nominal value” and “nominal amount” have been removed in Regulations 11(A), 31, 59 and 65 (which replace Articles 6(A), 24, 47 and 51 of the Existing Constitution, respectively) and the phrase “nominal value of the shares giving that right” is substituted for “total voting rights of all the members having a right to vote at that meeting” in Regulation 65 (Article 51 of the Existing Constitution).

This aligns the terminology used in the foregoing Regulations with that used in the Companies Act, as amended by the Amendment Act 2005, which abolished the concept of par or nominal value and authorised share capital.

- (mm) Regulation 184A (New Regulation)

Regulation 184A has been newly inserted to permit the Company, subject to and to the extent permitted by law, to purchase and maintain for a director or other officer of the Company, insurance against all losses or liability attaching to him in connection with the execution and discharge of his duties. This is in line with the new Section 172A of the Companies Act, as amended pursuant to the Amendment Act 2014.

6.5 Amendments for consistency with the Catalist Rules

- (a) Regulation 9 of the Amended Constitution (Article 5 of Existing Constitution)

Regulation 9, which provides, *inter alia*, that the total nominal value of issued preference shares issued by the Company shall not at any time exceed the total nominal value of the issued ordinary shares, will be amended following the abolition of the concept of par value pursuant to the Amendment Act 2005, by stating instead that the total number of issued preference shares shall not at any time exceed the total number of issued ordinary shares. This is also in line with paragraph 1(a) of Appendix 4C of the Catalist Rules.

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- (b) Regulation 41 (Article 32 of Existing Constitution)
Regulation 41, which provides for the Company's first and paramount lien on every share which is not fully paid, will be amended to be in line with paragraph 3(a) of Appendix 4C of the Catalist Rules.
- (c) Regulation 43 (Article 34 of Existing Constitution)
Regulation 43, which provides for the application of the proceeds of sale of shares which are subject to lien, will be amended to be in line with paragraph 3(b) of Appendix 4C of the Catalist Rules.
- (d) Regulation 50 (Article 39 of Existing Constitution)
Regulation 50, which provides for the discretion of the Directors to refuse the registration of a transfer of shares, will be amended to be in line with Rule 733 of the Catalist Rules.
- (e) Regulation 52 (Article 41 of Existing Constitution)
Regulation 52 has been amended to clarify that the Company must endorse (where necessary) the instrument or transfer with the notation "power of attorney exhibited" or "probate exhibited" on production of the proper documents and do so without charge. This is in line with Rule 732(6) of the Catalist Rules.
- (f) Regulation 79 (New Regulation)
Regulation 79 has been introduced to provide that at least one scrutineer shall be appointed for each general meeting, who shall be independent of the persons undertaking the polling process. Where the appointed scrutineer is interested in the resolution(s) to be passed at the general meeting, it shall refrain from acting as the scrutineer for such resolution(s). The scrutineer(s) shall ensure that satisfactory procedures of the voting process are in place before the general meeting and shall direct and supervise the count of the votes cast through proxy and in person. These amendments are in line with Rule 730A(3) of the Catalist Rules.
- (g) Regulation 86 (Article 68 of Existing Constitution)
Regulation 86 has been amended to clarify that shareholders shall be entitled to be present and to vote at any general meeting in respect of any share or shares upon which all calls due to the Company have been paid. This is in line with paragraph 8(a) of Appendix 4C of the Catalist Rules.
- (h) Regulation 89 (New Regulation)
Regulation 89 is a new provision which specifies that where a Shareholder is required by the listing rules or a court order to abstain from voting on a resolution at a general meeting, such Shareholder shall not be entitled to vote on the resolution and shall abstain from voting, whether in person or by proxy, in respect of such resolution and the Company shall be entitled to disregard any votes cast in contravention of the Regulation, to the extent permitted by the Companies Act and any other applicable laws and regulations. This is consistent with Rule 1203(5) of the Catalist Rules.
- (i) Regulation 108 (Article 87 of Existing Constitution)
Regulation 108 makes clear that the Managing Director is subject to the same provisions as to retirement by rotation, resignation and removal as the other Directors of the Company notwithstanding the provisions of his contract of service in relation to his executive office. This is in line with Rule 720(4) of the Catalist Rules, which makes no exception for managing directors where re-nomination and re-appointment of directors are concerned.

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6.6 Updates in line with Personal Data Protection Act 2012 of Singapore

In general, under the Personal Data Protection Act, an organisation can only collect, use or disclose the personal data of an individual with the individual's consent, and for a reasonable purpose which the organisation has made known to the individual. Regulation 187 and Regulation 188 have been added to the Amended Constitution to specify, *inter alia*, the purposes for which the Company and/or its agents and service providers would collect, use and disclose personal data of Shareholders and their appointed proxies or representatives.

6.7 General Amendments

(a) Regulation 6 (Article 3 of Existing Constitution)

Regulation 6 will be amended to refer to the authorised share capital as at incorporation.

(b) Regulation 11 (Article 6 of Existing Constitution)

Regulation 11 which relates to the variation of rights has been amended to include that any variation to the repayment of preference capital other than redeemable preference capital shall require the consent in writing of holders who represent at least three-quarters of the voting rights of the shares of that class or by a special resolution passed at a separate general meeting of the holders of the shares of the class.

(c) Regulation 12 (Article 7 of Existing Constitution)

Regulation 12 which relates to the rights and privileges of newly issued shares has been amended to clarify, among others, that new shares shall be issued upon such terms and conditions and with such rights and privileges as resolved at the general meeting approving their issuance and may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.

(d) Regulation 13(B) and 13(C) (New Regulations)

Regulation 13(B) and 13(C) are new provisions which relate to the Directors' authority to issue shares and clarifies that the Company may by ordinary resolution in general meeting give to the Directors a general authority, either conditionally or unconditionally to, among others, issue shares and make or grant instruments, subject to any applicable limits prescribed by the Exchange and in compliance with the Catalist Rules and Constitution. Regulation 13(C) also clarifies that the Directors shall not be required to offer any new shares to Shareholders to whom by reason of foreign securities laws such offers may not be made without registration of the shares or a prospectus or other document.

(e) Regulation 23(B) (Article 17(B) of Existing Constitution)

Regulation 23(B) will be amended to clarify that the delivery of a certificate to the joint holder first named in the Company's Register of Members shall be sufficient delivery to all the joint holders.

(f) Regulation 24 (Article 18 of Existing Constitution)

Regulation 24 which relates to the entitlement of Shareholders to share certificates has been amended to make clear that where a Shareholder is a Depositor, the delivery by the Company to the Depository of provisional allotments or share certificates in respect of new shares shall to the extent of the delivery discharge the Company from any further liability to each such Depositor.

Regulation 24 has also been amended to provide that the Company must, within 10 market days after the day of lodgement of a registrable transfer, despatch a share certificate in respect of such securities and a balance certificate for any remainder. This is in line with Rule 732 of the Catalist Rules.

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(g) Regulation 25 (New Regulation)

Regulation 25 is a new provision which relates to the retention by Directors of unclaimed share certificates and provides, among others, that the retention by Directors of unclaimed share certificates shall not constitute the Company a trustee in respect thereof and that any share certificate unclaimed after six (6) years may be forfeited.

(h) Regulation 26(D) (New Regulation)

Regulation 26(D) is a new provision which provides that when any shares under the powers in the Amended Constitution contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

(i) Regulation 33 (Article 26 of Existing Constitution)

Regulation 33 which relates to payments in advance of calls, has been amended to clarify that any capital paid on shares in advance of calls shall, until appropriated towards satisfaction of any call, be treated as a loan to the Company and not as part of its capital and shall be repayable at any time if the Directors so decide.

(j) Regulation 36 (Article 29 of Existing Constitution)

Regulation 36 which relates to forfeiture of shares on non-compliance or surrender of Shares, has been amended to include that the forfeiture or surrender of a share shall involve the extinction at such time of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share except as expressly saved by the Amended Constitution, or given or imposed by the Companies Act.

(k) Regulation 37 (New Regulation)

Regulation 37 is a new provision which provides that when any share has been forfeited in accordance with the Amended Constitution, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register of Members or in the Depository Register (as the case may be) opposite to the share; but this provisions of this Regulation are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or take such entry as aforesaid.

(l) Regulation 38 (New Regulation)

Regulation 38 is a new provision which provides that the Directors may at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.

(m) Regulation 45 (Article 36 of Existing Constitution)

Regulation 45 which relates to the form of transfer of shares has been amended to clarify, among others, that shares of different classes shall not be comprised in the same instrument of transfer.

(n) Regulation 46 (New Regulation)

Regulation 46 is a new provision which provides, among others, that no share shall in any circumstances be transferred to any infant, bankrupt or person who is mentally disordered and incapable of managing himself or his affairs.

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(o) Regulation 47 (New Regulation)

Regulation 47 is a new provision which provides that neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred.

(p) Regulation 49(A) (Article 38(A) of Existing Constitution)

Regulation 49(A) will be amended to remove the provision on Director refusal to register a transfer of shares as this is already provided for in Regulation 50 (Article 39 of Existing Constitution).

(q) Regulation 49(B) (Article 38(B) of Existing Constitution)

Regulation 49(B) which relates to the fees relating to transfers of shares, will be amended to clarify that the Directors may decline to accept any instrument of transfer unless such fee not exceeding S\$2 (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by the Exchange) per transfer as the Directors may from time to time require, is paid to the Company and the instrument of transfer, duly stamped in accordance with any law for the time being in force relating to stamp duty, is deposited at the registered office of the Company or at such other place (if any) as the Directors may appoint accompanied by, *inter alia*, a certificate of payment of stamp duty (if any is payable).

(r) Regulation 51 (Article 40 of Existing Constitution)

Regulation 51 will be amended to include that any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same.

(s) Regulation 55 (Article 44 of Existing Constitution)

Regulation 55 which relates to persons entitled to the legal title in a share on the death or bankruptcy of a Shareholder has been amended to provide that the Directors shall have the same power of refusing to register transfers of shares by such persons as if the event upon which the transmission took place had not occurred, and the transfer was a transfer executed by the person from whom the title by transmission is derived.

(t) Regulation 56 (New Regulation)

Regulation 56 is a new provision which provides that where the Directors have given notice requiring any such person who has become entitled to the legal title in a share on the death or bankruptcy of a Shareholder to elect whether to be registered himself as a member in the Register of Members or, (as the case may be), entered in the Depository Register in respect of the share or to transfer the share, and if the notice is not complied with within 60 days, the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

(u) Regulation 68 (Article 53 of Existing Constitution)

Regulation 68 will be amended to substitute the reference to “accounts” with “financial statements”.

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(v) Regulation 71 (Article 56 of Existing Constitution)

Regulation 71 which relates to quorum at general meetings has been updated to clarify that a proxy representing more than one member shall only count as one member for the purpose of determining the quorum, and where a member is represented by more than one proxy such proxies shall count as only one member for the purpose of determining the quorum.

(w) Regulation 76 (New Regulation)

Regulation 76, which relates to the method of voting at general meetings, is a new provision that clarifies, if required by the Catalist Rules, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by the SGX-ST). This is in line with Rule 730A(2) of the Catalist Rules.

(x) Regulation 80 (New Regulation)

Regulation 80 is a new provision which provides that a poll on the election of a Chairman of a meeting or on a question of adjournment shall be taken immediately. A poll on any other question shall be taken either immediately or at such subsequent time (not being more than seven (7) days from the date of the meeting). No notice need be given of a poll not taken immediately.

(y) Regulation 81 (New Regulation)

Regulation 81 is a new provision which clarifies that any error in the counting of votes at a general meeting counted shall not vitiate the result of the voting unless it is pointed out at the same general meeting or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude. The decision of the Chairman on such matters shall be final and conclusive.

(z) Regulation 85 (Article 67 of Existing Constitution)

This Regulation is updated following the enactment of the Mental Health (Care and treatment Act), which repealed and replaced the Mental Disorders and Treatment Act (Cap 178) of Singapore.

(aa) Regulation 91(C) (Article 71(C) of Existing Constitution)

References to “form of proxy” will be amended to “instrument of proxy” to be consistent with the references in the other Regulations.

(bb) Regulation 92 (Article 72 of Existing Constitution)

Regulation 92 will be amended to permit Shareholders to submit proxy instruments by electronic communication and for the Directors to prescribe the manner in which the instruments may be authorised and the procedures for authenticating instruments submitted by electronic communication.

(cc) Regulation 95 (Article 75 of Existing Constitution)

Regulation 95, which relates to the validity of a vote given by a proxy, will be amended to include the validity of such vote notwithstanding the previous mental disorder of the principal where no notice in writing of the mental disorder has been received by the Company at least one (1) hour before the time fixed for holding the meeting.

(dd) Regulation 96 (New Regulation)

Regulation 96 is a new provision which provides that the Board may, at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

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(ee) Regulation 97 (Article 76 of Existing Constitution)

Regulation 97 which relates to corporate shareholders acting by representatives has been amended to clarify that the Company shall be entitled to treat an original certificate under the seal of the corporation as conclusive evidence of the appointment or revocation of appointment of a representative.

(ff) Regulation 119 (New Regulation)

Regulation 119 is a new provision which provides that if a Director is removed as a Director of the Company or if his office as Director is vacated, he shall also resign as director of any related or associated company of the Company, and if an employee ceases to be an employee of the Company, he shall resign as director of any related or associated company of the Company.

(gg) Regulation 122(B) (Article 99(B) of Existing Constitution)

Regulation 122(B) shall be amended to include that Directors may in a meeting by means of teleconference, and, among others, the signature of a Director by any form of Electronic Communication approved by the Directors shall be sufficient evidence of his presence at the meeting.

(hh) Regulation 122(C) (New Regulation)

Regulation 122(C) is a new provision which provides that in the case of a meeting which is not held in person, the fact that a Director is taking part in the meeting must be made known to all the other Directors taking part, and no Director may disconnect or cease to take part in the meeting unless he makes known to all other Directors taking part that he is ceasing to take part in the meeting.

(ii) Regulation 122(D) (New Regulation)

Regulation 122(D) is a new provision which provides that any notice or document may be served on any Director either personally, through post, or by using Electronic Communication.

(jj) Regulation 126 and Regulation 127 (New Regulations)

Regulation 126 is a new provision which provides that a Director notwithstanding his interest, may be counted in the quorum present at any meeting relevant to his office or place of profit under the Company or where the Board resolves to exercise any of the rights of the Company and he may vote on any such matter other than in respect of the appointment of or arrangements with himself or the fixing of the terms thereof. Regulation 127 provides for variations to Regulation 126, which provides that Regulation 126 may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction by the Company in general meeting, and any particular contract, arrangement or transaction carried out in contravention of Regulation 126 may be ratified by Ordinary Resolution of the Company, subject to the Act or any applicable laws, provided that a Director whose action is being ratified by this Ordinary Resolution shall refrain from voting on this Ordinary Resolution as a shareholder at that general meeting.

(kk) Regulation 130 (Article 105 of Existing Constitution)

Regulation 130, which relates to written resolutions of Directors, will be amended to clarify that the required majority will not include Directors or their alternates who are disqualified from voting pursuant to the law or the Amended Constitution. In addition, the expressions "in writing" and signed will include approval by telegram, wireless or facsimile transmission, electronic mail or any form of Electronic Communication.

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(ll) Regulation 147 (Article 119 of Existing Constitution)

Regulation 147 shall be amended to include that authentication or certification made pursuant to this Regulation 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 or devices approved by the Directors.

(mm) Regulation 151 (Article 123 of Existing Constitution)

Regulation 151 provides for the apportionment of dividends on a pro rata basis. Article 151 will be amended to provide for, *inter alia*, the payment of dividends in proportion to the number of shares held by a Shareholder and the amounts paid or credited as paid on the shares.

(nn) Regulation 154A (New Regulation)

Regulation 154A is a new provision which provides, *inter alia*, that the Directors may deduct from any dividend or other moneys payable to any Shareholder on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith, or any other account which the Company is required by law to withhold or deduct.

(oo) Regulation 160 (New Regulation)

Regulation 160 is a new provision which will facilitate, if and when desired by the Directors, the implementation of a scrip dividend scheme enabling Shareholders to elect to receive shares in lieu of the cash amount of a qualifying dividend.

(pp) Regulation 161 (New Regulation)

Regulation 161 is a new provision which clarifies that a transfer of shares shall not pass the right to any dividend declared on such shares before the registration of the transfer.

(qq) Regulation 162 (Article 132 of Existing Constitution) and Regulation 164 (New Regulation)

Regulation 162 and 164, which deals with the capitalisation of profits and reserves for the issue of bonus shares, will be amended to provide for the issue of bonus shares for which no consideration is payable, on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or implemented by the Company and approved by the Company in general meeting, and on such terms as the Directors may think fit. Such amendment will facilitate and provide greater flexibility to the Company for the delivery of shares to participants in respect of vested awards granted pursuant to any share-based incentive plan that may be implemented by the Company.

In addition, references to the Company's share premium account and capital redemption reserves have been removed as under the Amendment Act 2005, any amounts standing to the credit of the Company's share premium account and capital redemption serve become part of the Company's share capital.

7. RELATIVE FIGURES UNDER CHAPTER 10 OF THE CATALIST RULES

7.1 Relative Figures

Based on the latest announced financial statements of the Group, i.e., the latest unaudited financial statements of the Group for FY2023 and the unaudited management accounts of the Target Company for the 12-month period from 1 July 2022 to 30 June 2023 (as the Target Company's financial year end is 30 June), the relative figures of the Proposed Acquisition computed on the bases set out in Rules 1006(a) to (e) of the Catalist Rules are set out in the table below.

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Rule	Base	Relative Figure (%)
1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable
1006(b)	The net profits or net loss attributable to the assets acquired, compared with Group's net profits or net loss ⁽¹⁾	-15% ⁽²⁾
1006(c)	The aggregate value of the consideration given or received ⁽³⁾ , compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	48% ⁽⁴⁾
1006(d)	The number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue	41% ⁽⁵⁾
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable

Notes:

- (1) For the purpose of computation of these figures, "**net profits**" or "**net loss**" means profit or loss (as the case may be) including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (2) The relative figure computed on the basis in Rule 1006(b) in respect of the Proposed Acquisition is derived by computing (a) the net profit of approximately S\$210,784 attributable to the Sale Shares based on the Target Company's unaudited management accounts for the twelve (12)-month financial period ended from 1 July 2022 to 30 June 2023, as the Target Company's financial year end is 30 June, and (b) the Group's net loss of S\$1,447,000 for FY2023.
- (3) Pursuant to Rule 1003(3) of the Catalist Rules, where the consideration is in the form of shares, the value of the consideration shall be determined by reference either to the market value of such shares (being the VWAP of the issuer's shares transacted on the market day preceding the date of the sale and purchase agreement) or the NAV represented by such shares, whichever is higher. For the purpose of Rule 1003(3) of the Catalist Rules:
 - (a) the 85,714,285 Consideration Shares has a market value of approximately S\$3,000,000 based on the VWAP per Share of S\$0.035 on 17 November 2023, being the last market day preceding the date of the Share Sale Agreement where trading of the Shares was conducted; and
 - (b) the NAV attributable to the 85,714,285 Consideration Shares is approximately S\$917,143 as at 31 December 2023, which represents a NAV per Share of S\$0.0107.

Accordingly, the value of the Consideration Shares is S\$3,000,000 using the VWAP of S\$0.035 per Share (which is higher than the NAV per Consideration Share) and the aggregate value of the Consideration given, together with the Cash Consideration, for the purposes of calculating the relative figures under Rule 1006(c) is S\$3,500,000.

- (4) The relative figure computed on the basis in Rule 1006(c) of the Catalist Rules in respect of the Proposed Acquisition is derived based on (a) the value of the Consideration for the Proposed Acquisition of S\$3,500,000; and (b) the Company's market capitalisation of S\$7,326,805 derived by multiplying the issued share capital of the Company of 209,337,290 Shares by the VWAP of S\$0.035 per Share on 17 November 2023 (being the last market day preceding the date of the Share Sale Agreement where trading of the Shares was conducted). The Company does not have any treasury shares.
- (5) The relative figure computed on the basis in Rule 1006(d) of the Catalist Rules in respect of the Proposed Acquisition is derived based on 85,714,285 Consideration Shares and 209,337,290 issued Shares as at Latest Practicable Date.

7.2 Proposed Acquisition as a Discloseable Transaction

Chapter 10 of the Catalist Rules governs the continuing listing obligations of a listed company in respect of acquisitions and disposals as well as financial assistance. Under Rule 1010 of the Catalist Rules, if any of the relative figures as computed on the basis set out in Rule 1006 of the Catalist Rules exceeds 5.0%, the transaction will be classified as a discloseable transaction. The Company must, after the terms have been agreed, immediately announce the transaction in accordance with Rule 1010 of the Catalist Rules.

LETTER TO SHAREHOLDERS

Under Rule 1007(1) of the Catalyst Rules, if any of the relative figures computed pursuant to Rule 1006 of the Catalyst Rules involves a negative figure, Chapter 10 of the Catalyst Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A. Paragraph 4.1 of Practice Note 10A further provides that in some cases, tests based on, amongst others, profits under Rule 1006(b) may involve a negative figure in the numerator, denominator or both, which may not give a meaningful indication of the significance of the transaction to the issuer, including situations concerning a loss-making issuer and an acquisition of a profitable asset by a loss-making issuer.

Pursuant to paragraph 4.4(b) of Practice Note 10A, in the case of an acquisition of a profitable asset by a loss-making issuer (being the applicable scenario for the Proposed Acquisition), where the absolute relative figure computed on the basis of each of Rule 1006(c) and Rule 1006(d) does not exceed 75.0% and the net profit attributable to the asset to be acquired exceeds 5.0% of the consolidated net loss of the issuer (taking into account only the absolute value), the issuer must, in relation to the transaction, immediately announce the information required in Rule 1010, Rule 1011, Rule 1012 and Rule 1013 of the Catalyst Rules.

However, notwithstanding the Proposed Acquisition not requiring Shareholders' approval pursuant to Chapter 10 of the Catalyst Rules, the Proposed Acquisition will be subject to the specific approval of Shareholders amongst others, for the issue of the Consideration Shares, as an IPT, as well as for the Whitewash Resolution.

8. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

8.1 Bases and Assumptions

8.1.1 The financial effects of the Proposed Acquisition on the share capital, LPS and NTA per Share of the Group have been prepared based on (a) the latest unaudited financial statements of the Group for FY2023 and (b) the latest unaudited management accounts of the Target Company for the financial year ended 30 June 2023. The *pro forma* financial effects of the Proposed Acquisition are for illustration purposes only and do not necessarily reflect the actual future results and financial position of the Group following Completion.

8.1.2 For illustration purposes only, the financial effects of the Proposed Acquisition have been computed based on the following assumptions:

- (a) the financial effects on the Group's NTA and the NTA per Share have been computed assuming that the Proposed Acquisition was completed on 31 December 2023, being the end of the latest audited financial year; and
- (b) the financial effects on the Group's net loss and LPS have been computed assuming that the Proposed Acquisition was completed on 1 January 2023, being the beginning of the latest audited financial year.

8.2 Share Capital

The financial effects of the Proposed Acquisition on the share capital of the Group for FY2023 assuming Completion (and the issuance of the 85,714,285 Consideration Shares) are set out below.

	Before Completion	Allotment of new Shares	After Completion
Number of Shares	209,337,290	85,714,285 ⁽¹⁾	295,051,575
Issued and paid-up share capital (S\$)	25,668,295	3,000,000	28,668,295

Note:

- (1) Based on the Issue Price of S\$0.035 per Consideration Share, an aggregate of 85,714,285 Consideration Shares will be issued as satisfaction of the Share Consideration following Completion.

LETTER TO SHAREHOLDERS

8.3 NTA per Share

The financial effects of the Proposed Acquisition on the consolidated NTA per Share for FY2023, assuming Completion (and the issuance of the 85,714,285 Consideration Shares) had taken place on 31 December 2023 (being the end of FY2023) are set out below.

	Before Completion	After Completion
Consolidated NTA attributable to Shareholders	S\$2,242,260	S\$1,768,107 ⁽¹⁾⁽²⁾
Number of Shares	209,337,290	295,051,575
Consolidated NTA per Share attributable to Shareholders (Singapore cents)	1.07	0.60

Notes:

- (1) Calculated by (a) adding NTA of the Target Company as at 30 June 2023 of S\$205,847; and (b) deducting Cash Consideration to the Vendor of S\$500,000. The Group will record significant goodwill arising from the Proposed Acquisition in view of the low NTA of the Target Company compared to the Consideration paid for the Target Company, and such goodwill will be subject to annual impairment test in accordance with the accounting policies of the Group; and
- (2) Included the estimated expenses in connection with the Proposed Acquisition of approximately S\$180,000.

8.4 LPS

The financial effects of the Proposed Acquisition on the consolidated LPS for FY2023, assuming Completion (and the issuance of the 85,714,285 Consideration Shares) had taken place on 1 January 2023 (being the beginning of FY2023) are set out below.

	Before Completion	After Completion
Consolidated net loss attributable to shareholders	(1,453,000)	(1,422,216) ⁽¹⁾⁽²⁾
Weighted average number of issued Shares (excluding treasury shares)	209,337,290	295,051,575
Consolidated LPS (Singapore cents)	(0.69)	(0.48)

Notes:

- (1) Calculated by adding the net profit of the Target Company based on the unaudited management accounts for the financial year ended 30 June 2023 of approximately S\$210,784; and
- (2) Included the estimated expenses in connection with the Proposed Acquisition of approximately S\$180,000.

9. DIRECTOR'S SERVICE CONTRACT

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract will be entered into between the Company and any such person.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for the Vendor who is a Controlling Shareholder, none of the Directors or their associates, or the substantial Shareholders or their associates, as far as the Company is aware, has any interest, direct or indirect, in the Proposed Acquisition, the Proposed Consideration Shares Issue and the Whitewash Resolution other than through their respective shareholdings in the Company, if any.

The interests of the Directors and substantial Shareholders in the Shares, as at the Latest Practicable Date and their shareholding interests after the issuance of the Consideration Shares pursuant to Completion to the foregoing shareholdings is set out in **Appendix E**.

LETTER TO SHAREHOLDERS

11. ABSTENTION FROM VOTING

11.1 Proposed Acquisition (as an IPT) and Proposed Consideration Shares Issue

Rule 812(2) of the Catalist Rules states that, *inter alia*, the directors and substantial shareholders and their associates must abstain from voting on the resolution approving the placement of the Consideration Shares.

Rule 919 of the Catalist Rules states that interested persons and their associates shall abstain from voting on the resolution approving interested person transactions involving them and the Group. Such interested persons and their associates also shall not act as proxies in relation to such resolutions unless specific voting instructions have been given by the relevant Shareholder.

Accordingly, Datuk Wira Boo Kuang Loon, being the Vendor and the Controlling Shareholder of the Company, will abstain, and has, also pursuant to Rule 921(7) of the Catalist Rules, undertaken to ensure that his associates will abstain, from voting on the Proposed Acquisition (as an IPT) and Proposed Consideration Shares Issue. In addition, Datuk Wira Boo Kuang Loon and his respective associates will also decline to accept appointment as proxies for any Shareholder to vote in respect of the Proposed Acquisition (as an IPT) and Proposed Consideration Shares, unless the Shareholder concerned shall have given specific instructions in such Shareholder's Proxy Form as to the manner in which such Shareholder's votes are to be cast.

The Company will disregard any votes cast on resolutions by persons required to abstain from voting under the relevant Catalist Rules.

11.2 Whitewash Resolution

Pursuant to the SIC Conditions, the Vendor and his concert parties as well as parties not independent of him will abstain from voting in respect of his Shares on the Whitewash Resolution. In addition, the Vendor will decline to accept appointment as proxy for any Shareholder to vote in respect of the Whitewash Resolution, unless the Shareholder concerned shall have given specific instructions in such Shareholder's Proxy Form as to the manner in which such Shareholder's votes are to be cast.

The Company will disregard any votes cast on resolutions by such persons.

11.3 Proposed Amendments to the Constitution of the Company

No Shareholders are required to abstain from voting on the Proposed Amendments to the Constitution of the Company.

12. DIRECTORS' RECOMMENDATION

12.1 Proposed Acquisition (as an IPT) and Proposed Consideration Shares Issue

Datuk Wira Boo Kuang Loon, being the Vendor, is an interested person in respect of the Proposed Acquisition. For the avoidance of doubt, Datuk Wira Boo Kuang Loon had abstained from the Board's review and determination on all matters in relation to the Proposed Acquisition (as an IPT) while he was a Director of the Company.

For avoidance of doubt, as the Proposed Consideration Shares Issue is a transaction involving Datuk Wira Boo Kuang Loon (being the interested person in respect of the Proposed Acquisition) and arising from the Proposed Acquisition, Datuk Wira Boo Kuang Loon had abstained from the Board's review and determination on all matters relating to the Proposed Consideration Shares Issue while he was a Director of the Company.

The Directors, having considered, *inter alia*, the rationale for and benefits of the Proposed Acquisition and such other relevant information set out in this Circular (which includes the opinion and recommendation of the IFA as set out in the IFA Letter in **Appendix C** of this Circular), the Directors are of the view that the Proposed Acquisition as an IPT is on normal commercial terms and is not prejudicial to the interests of the Company and the Independent Shareholders.

LETTER TO SHAREHOLDERS

Accordingly, the Directors recommend that the Independent Shareholders vote in favour of the Proposed Acquisition as an IPT and the Proposed Consideration Shares Issues to be tabled at the EGM.

12.2 Whitewash Resolution

For the avoidance of doubt, Datuk Wira Boo Kuang Loon had abstained from the Board's review and determination on all matters relating to the Whitewash Resolution while he was a Director of the Company.

The Directors, having considered, *inter alia*, the rationale for and benefits of the Proposed Acquisition as set out in paragraph 2.4 of this Circular and the advice and recommendation of the IFA as set out in the IFA Letter in **Appendix C** of this Circular, the Directors are of the opinion that the Whitewash Resolution, when considered in the context of the Proposed Acquisition, is in the best interests of the Company and recommend that the Independent Shareholders to vote in favour of the Whitewash Resolution to be tabled at the EGM.

12.3 Proposed Amendments to the Constitution of the Company

The Directors are of the view that the Proposed Amendments to the Constitution are in the best interests of the Company. Accordingly, all the Directors recommend that Shareholders vote in favour of the Proposed Amendments to the Constitution of the Company to be tabled at the EGM.

13. NOTE TO SHAREHOLDERS

Shareholders, in deciding whether to vote in favor of the Resolutions, should read carefully the terms and conditions, the opinion and recommendation of the IFA, the rationale for and benefits of the Proposed Acquisition, and financial effects of the proposed transactions. In giving the above recommendations, the Directors have had no regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about (a) the Proposed Acquisition (as an IPT), (b) the Proposed Consideration Shares Issue, (c) the Whitewash Resolution, and (d) the Proposed Amendments to the Constitution of the Company, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source (including the information on the Target Company as set out in paragraph 2.3 of, and Appendix A to, this Circular), the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

15. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-5 of this Circular, will be held on 24 April 2024 at 3.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day) at 51 Cuppage Road, #03-03 (Room Vibrant 1 & 2), Singapore 229469, for the purpose of considering and, if thought fit, passing with or without modifications, the Resolutions set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

16. ACTION TO BE TAKEN BY SHAREHOLDERS

16.1 Circular, Notice of EGM and Proxy Form

Printed copies of this Circular, the Notice of EGM and the accompanying Proxy Form will be despatched to Shareholders by post. Shareholders of the Company are invited to attend the EGM in person. There will be no option for Shareholders to participate by electronic means.

This Circular together with the Notice of EGM and the enclosed Proxy Form may be accessed at the Company's website at the URL <https://sunrise-shares.com/investorrelations> and are also available on the SGX website accessible at the URL <https://www.sgx.com/securities/company-announcements>. An internet browser and PDF reader are required to view these documents on SGXNET or the Company's website.

16.2 Submission of Questions

16.2.1 Submission of Questions in advance of the EGM

Shareholders may submit questions related to the Resolutions in advance of the EGM:

- (a) if submitted by post, to be deposited at the registered office of the Company at 52 Bendemeer Road, Bendemeer Industrial Estate, Singapore 339934; or
- (b) if submitted by way of electronic means, to be submitted via email to the Company, at ir@sunrise-shares.com,

by 3.30 p.m. (Singapore Time) on 1 April 2024.

Shareholders and investors submitting questions are required to state:

- (a) their full name as it appears on his/her/its CDP/CPF/SRS/scrip-based records;
- (b) their identification/registration number;
- (c) the manner in which his/her/its shares in the Company are held (e.g via CDP, CPF, SRS and/or physical scrip);
- (d) contact number; and

failing which the Company shall be entitled to regard the submission as invalid and not respond to the question(s) submitted.

The Company will endeavour to address all substantial and relevant questions (determined by the Company in its sole discretion) received from Shareholders prior to the EGM by publishing its responses to such questions on the Company's website at the URL <https://sunrise-shares.com/investorrelations> and on SGXNET by 3.30 p.m. on 20 April 2024. The Company will also address any subsequent clarifications sought, or follow-up questions, prior to, or at the EGM in respect of the substantial and relevant matters.

16.2.2 Submission of Questions at the EGM

Shareholders may also ask the Chairman of the EGM questions related to the resolutions to be tabled for approval at the EGM. The Company will address all substantial and relevant questions (determined by the Company in its sole discretion) received from Shareholders at the EGM. The Company will publish the minutes of the EGM (including its responses to substantial and relevant questions received from Shareholders which were addressed during the EGM) on the Company's website at the URL <https://sunrise-shares.com/> and on SGXNET within one (1) month after the date of the EGM by 23 May 2024.

LETTER TO SHAREHOLDERS

16.3 Voting

16.3.1 Shareholders (whether individual or corporate) who wish to vote on the resolutions to be tabled for approval at the EGM may:

- (a) (where such Shareholders are individuals) attend and vote at the EGM; or
- (b) (where such Shareholders are individuals or corporates) appoint a proxy/proxies to vote on their behalf at the EGM in accordance with the instructions as set out in the relevant Proxy Forms.

16.3.2 Submission of Proxy Forms

Shareholders who are unable to attend the EGM and who wish to appoint a proxy/proxies to attend and vote at the EGM on their behalf should complete, sign and return the Proxy Form. The Proxy Form, duly executed and completed, must be submitted to the Company in either one of the following manners:

- (a) if submitted by post, to be deposited at the share registrar office of the Company at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; or
- (b) if submitted by way of electronic means, to be submitted via email in Portable Document Format (PDF) to the Company, at shareregistry@incorp.asia,

in either case, by 22 April 2024, 3.30 p.m., not less than forty-eight (48) hours before the time appointed for the holding of the EGM and/or any adjournment thereof and in default the instrument of proxy shall not be treated as valid. A Shareholder who wishes to submit the Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to revoked by such attendance.

In appointing the Chairman of the EGM as proxy, a Shareholder must give specific instructions as to voting, or abstentions from voting, in the Proxy Form, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

16.3.3 CPF/SRS investors

CPF/SRS investors:

- (a) may attend and vote at the EGM if they are appointed as proxies by their respective CPF agent banks or SRS operators, and should contact their respective CPF agent banks or SRS operators if they have any queries regarding their appointment as proxies; or
- (b) may appoint the Chairman of the EGM as proxy, in which case they should approach their respective CPF agent banks or SRS operators to submit their votes at least seven (7) working days before the date of the EGM (i.e., by 12 April 2024, 3.30 p.m.).

16.4 Depositor

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote or appoint proxies (other than the Chairman of the EGM) or the Chairman of the EGM to vote on such Depositor's behalf at the EGM unless such Depositor is shown to have Shares entered against such Depositor's name in the Depository Register, as certified by CDP, 72 hours before the time appointed for holding the EGM.

LETTER TO SHAREHOLDERS

17. CONSENTS

The Valuer, FHMH Corporate Advisory Sdn Bhd, the corporate advisory arm of Baker Tilly Malaysia, has given and has not withdrawn its written consent to the issue of this Circular and the inclusion of its name, the Summary Valuation Report and all references thereto, in the form and context in which they appear in this Circular, and to act in such capacity in relation to this Circular.

The IFA, Xandar Capital Pte. Ltd., has given and has not withdrawn its written consent to the issue of this Circular and the inclusion of its name, the IFA Letter and all references thereto, in the form and context in which they appear in this Circular, and to act in such capacity in relation to this Circular.

18. DOCUMENTS FOR INSPECTION

Subject to the prevailing laws and prior appointment being made, copies of the following documents are available for inspection at the registered office of the Company at 52 Bendemeer Road, Bendemeer Industrial Estate, Singapore 339983, during normal business hours for a period of three (3) months from the date of this Circular:

- (a) the Share Sale Agreement;
- (b) the Constitution of the Company;
- (c) the Valuation Report dated 8 March 2024 on the Target Company prepared by the Valuer;
- (d) the Summary Valuation Report;
- (e) the Valuer's letter of consent;
- (f) the IFA Letter; and
- (g) the IFA's letter of consent.

Any Shareholder who wishes to inspect any of the foregoing documents should contact the Company at the email address ir@sunrise-shares.com at least three (3) working days in advance to make a prior appointment to attend at the registered office of the Company to inspect the document. Shareholders will need to identify themselves by stating his/her/its full name as it appears on his/her/its CDP/CPF/SRS/scrip-based share records, contact number and NRIC/Passport/UEN number and state the manner in which he/she/it holds his/her/its Shares in the Company (e.g. via CDP, CPF, SRS and/or physical scrip).

Yours faithfully

For and on behalf of the Board of Directors of
SUNRISE SHARES HOLDINGS LTD.

DATO' SYED NORULZAMAN BIN SYED KAMARULZAMAN
Independent Non-Executive Chairman

APPENDIX A – FINANCIAL INFORMATION OF THE TARGET COMPANY

Statement of Comprehensive Income

	(Unaudited) Financial year ended 30 June 2023 30.06.2023 RM	(Unaudited) 3-months ended 30 September 2023 30.09.2023 RM	(Unaudited) 6-months ended 31 December 2023 31.12.2023 RM
<u>SALES</u>			
REVENUE	8,634,405	3,590,382	7,785,883
<u>COST OF GOODS SOLD</u>			
COST OF SALES	4,905,171	1,821,999	3,757,310
GROSS PROFIT	3,729,234	1,768,383	4,028,574
GROSS PROFIT (%)	43%	49%	52%
<u>EXPENSES</u>			
STAFF COST	1,846,142	923,373	1,896,423
OPERATION OVERHEAD	788,134	411,948	757,349
MAINTENANCE & SERVICES	303,002	156,828	331,315
ADMIN EXPENSES	39,155	19,272	43,082
	2,976,434	1,511,421	3,028,170
NET PROFIT	752,800	256,962	1,000,404
INCOME TAX	–	–	–
NET PROFIT AFTER TAXATION	752,800	256,962	1,000,404

APPENDIX A – FINANCIAL INFORMATION OF THE TARGET COMPANY

Statement of Financial Position

	(Unaudited) As at 30 June 2023 30.06.2023 RM	(Unaudited) As at 30 September 2023 30.09.2023 RM	(Unaudited) As at 31 December 2023 31.12.2023 RM
<u>FIXED ASSETS</u>			
PROPERTY, PLANT AND EQUIPMENT	115,120	114,279	144,621
<u>CURRENT ASSETS</u>			
CASH AT BANK	325,952	133,855	250,990
CASH ON HAND	33,899	27,335	37,069
TRADE AND OTHER RECEIVABLES	2,564,105	3,220,817	3,947,128
INVENTORIES	187,457	177,313	188,441
TOTAL CURRENT ASSETS	3,111,414	3,559,320	4,423,627
<u>CURRENT LIABILITIES</u>			
TRADE CREDITORS	1,624,411	1,748,825	1,654,886
OTHER CREDITORS	276,702	172,411	214,443
ACCRUAL, DEPOSITS & OTHER PAYABLES	590,252	760,232	863,347
TOTAL CURRENT LIABILITIES	2,491,364	2,681,468	2,732,676
NET CURRENT ASSETS	620,049	877,853	1,690,952
NET ASSET VALUE	735,170	992,132	1,835,572
<i>FINANCED BY</i>			
<u>CAPITAL</u>			
SHARE CAPITAL	1	1	100,000
RETAINED EARNING	735,169	992,131	1,735,572
TOTAL EQUITY	735,170	992,132	1,835,572

APPENDIX B – SUMMARY VALUATION REPORT



FHMH Corporate Advisory Sdn Bhd
Company No. 200701016946 (774955-D)
(CMSL / A0212 / 2007)
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8 March 2024

The Board of Directors
SUNRISE SHARES HOLDINGS LTD
52 Bendemeer Road,
Bendemeer Industrial Estate,
Singapore 339934.

Dear Sirs,

INDEPENDENT BUSINESS VALUATION (“VALUATION”) OF 100% EQUITY INTEREST IN FALCON PACE SDN BHD (“FPSB” OR “TARGET COMPANY”) IN RELATION TO THE PROPOSED ACQUISITION OF FPSB BY SUNRISE SHARES HOLDINGS LTD (THE “PROPOSED ACQUISITION”)

(All currency exchange from Ringgit Malaysia (“RM”) to Singapore Dollar (“SGD”) throughout this letter has been converted at a rate of RM 1 : 0.29 SGD)

This Summary highlights only the pertinent information of the Valuation. Shareholders are advised to read carefully the contents of the Circular and the information contained herein.

1. INTRODUCTION

Sunrise Shares Holdings Ltd (the “**Company**”) had on 21 November 2023 entered into a share sale agreement with Datuk Wira Boo Kuang Loon, being the sole shareholder of the Target Company, for the acquisition of 100% of the shareholding interest in the Target Company. Following the completion of the Proposed Acquisition, the Company will hold 100% of the shareholding interest in the Target Company, and the Target Company will become a direct wholly owned subsidiary of the Company.

FHMH Corporate Advisory Sdn Bhd (“**FHCA**”) was engaged by the Company to conduct a Valuation to determine the fair market value of 100% equity interest in FPSB as at 31 October 2023 (“**Date of Opinion**”).

The business valuation was carried out in accordance with the International Valuation Standards as prescribed by the International Valuation Standards Council. We note that this report has been prepared for the purpose of disclosure as an appendix to the Circular to Shareholders of the Company to be issued in relation to the Proposed Acquisition.

The letter is a summary containing information from our valuation report dated 8 March 2024 (the “**Valuation Report**”). Accordingly, this letter and its contents should be read in conjunction with the full text in the full Valuation Report.

2. BACKGROUND INFORMATION OF THE TARGET COMPANY

Incorporated in 12 April 2019, under the Companies Act of Malaysia 2016, FPSB was established for the purpose of providing hotel and facilities management services inclusive of food and beverage. The Target Company has an existing and paid-up capital of RM100,000 representing 100,000 ordinary shares. The Target Company does not have any subsidiaries or associated companies.

As at the Date of Opinion, the Target Company manages 196 rooms of The Pines Melaka. The Pines Melaka is also known as 99 Residence, consisting of 390 apartment units which was developed in 2015 and fully sold. 196 of these apartment units were then leased back and managed as hotel rooms by the Target Company. The hotel rooms under management by the Target Company range from the smaller Premier

APPENDIX B – SUMMARY VALUATION REPORT



Rooms to the larger Two-Bedroom Executive Suites. The hotel is a short 20-minute drive from the Malacca International Airport and approximately 2 hours from Kuala Lumpur city centre.

3. TERMS OF REFERENCE

The basis of our opinion is the fair market value which is defined as the price a willing buyer would pay a willing seller in a transaction on the open market as defined by the International Valuation Standards. The concept of market value means the cash equivalent price of an asset being valued assuming the transaction took place under conditions existing at the date of valuation of the assets. The amount would not be considered market value if it was influenced by special motivations or characteristics of a buyer or seller.

4. SCOPE AND LIMITATIONS OF REVIEW

FHCA was not involved in the formulation or any deliberation and negotiation on the terms and conditions of the Proposed Acquisition. Our role as the Independent Business Valuer does not extend to expressing an opinion on the commercial merits of the Proposed Acquisition and this remains solely the responsibility of the Board of the Company, although we may draw upon their views in arriving at our opinion.

As such, where comments or points of consideration are included on matters, which may be commercially oriented, these are incidental to our overall evaluation and concern matters, which we may deem material for disclosure. Further, our terms of reference do not include us rendering an expert opinion on legal, accounting and taxation issues relating to the Valuation and/or any corporate exercise contemplated by the parties.

The Board and Management are responsible to make available to us all relevant information pertaining to the Valuation, including informing us of any material changes in the subject matters which may have an impact on our opinion. Our work includes holding discussions and making enquiries with the Management regarding representations made on the Target Company. We rely on the Management's oral and written representations and in no event shall we, our partners, principals, directors, shareholders, agents or employees be liable for any misrepresentations by the Management. Our procedures and inquiries did not include any verification work that constitutes an audit on the information that we have relied upon in preparing this report. Further, certain information relied upon are only representation of the Management. We have nevertheless made reasonable enquiries and exercised our judgment as we deemed necessary and have no reason to doubt the reliability of the information and representations.

With regard to the Future financials furnished to us by the Management, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgement by the Management on the future financial performance of the Target Company and of which the Management is solely responsible for the bases and assumptions and the preparation and presentation of the same. The preparation of this Letter is based upon market, economy, industry and other conditions prevailing as at the Date of Opinion, as well as publicly available information and information provided to us by the Company. Such conditions may change significantly over a relatively short period of time. No representation or warranty, whether expressed or implied, is given by FHCA that the information and documents provided will remain unaltered following the issuance of this summary.

We have obtained a responsibility statement from the Management that all material facts, financial and other information essential to our Evaluation have been disclosed to us and that they have seen this Letter and they, individually and collectively, accept full responsibility for the accuracy of such information contained in this Letter, and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.



5. VALUATION METHODOLOGY

We had considered that the Cost Approach was not suitable for the valuation of the Target Company as the Target Company is engaged in the business of managing hotels. The value of the Target company will be derived from its future operating income and not its current assets. As such, we had determined that the Income Approach was the most appropriate valuation approach to value 100% equity interest of the Target Company. We have also adopted the Market Approach as a cross-check to the Income Approach.

Discounted FCFE Methodology

Discounted FCFE Methodology is a valuation method which considers both the time value of money and the projected net cash flow generated discounted at a specified discount rate to derive at the valuation of the subject matter. It is based on discounted cash flows, involving the application of an appropriately selected discount rate applied on the projected future cash flows to be earned by the equity holders of a company. We note that the Target Company does not have any surplus cash nor idle assets.

$$\text{Equity value} = \frac{\text{Present value of Projected FCFE based on the Future Financials}}{(1+DR)^1} + \frac{\text{Terminal value}}{(DR-g)}$$

$$V_0 = \frac{FCFE_1}{(1+DR)^1} + \frac{FCFE_n}{(1+DR)^n} + \frac{FCFE_{TV}}{(DR-g)}$$

Where:
V₀ = Value today
FCFE₁ = Expected FCFE in year 1
FCFE_{TV} = Terminal year FCFE
DR = Discount rate derived using the CAPM
n = represent time, in years into the future
g = terminal year growth rate

The cost of equity takes into account a combination of risk factors associated with the industry in which the Target Company is involved in, namely, the systematic risk, i.e. the inherent market risk such as the interest rate fluctuation, and the capital structure, i.e. the financing risk. These risks are translated into the cost of equity which is built upon the CAPM. The cost of equity formula is as follows:

$$\text{Cost of equity} = \text{Risk-Free Rate} + [\text{Re-gearred Beta} \times (\text{Market Return} - \text{Risk-Free Rate})] + \text{small cap premium}$$

In arriving at the appropriate discount rate, we have applied the prevailing risk-free rate and market risk premium, as well as adopted the betas of available Comparable Companies with relevant adjustments made taking into consideration the gearing and the risk profile as well as other risk factors that may affect the Target Company.

Our valuation is based on various assumptions with respect to the Target Company, including their respective present and future conditions, business strategies and the environment in which they operate. These assumptions are based on information that we have been provided and discussion with the Company and Management reflecting the current expectations on current and future events.

Among other assumptions that are stated in the Valuation Report, the key assumptions are as follows:

- i) The Target Company's forecast for the financial period from 1 January 2024 to 31 December 2030 ("**Future Financials**") as prepared by the Management and trend of the industry as disclosed in the circular have been considered;

APPENDIX B – SUMMARY VALUATION REPORT



- ii) Revenue and the corresponding cost of sales are generated mainly from the sale of 196 hotel rooms with an average occupancy rate of approximately 60% throughout the Future Financials;
- iii) The Management had estimated that the average daily rate for The Pines Melaka will increase by 3% per annum from RM272 per night to RM325 per night in FY2030;
- iv) The gross operating income margin from The Pines Melaka is projected to range from 35% to 40% throughout the Future Financials;
- v) The Management had estimated that the capital expenditure is expected to remain modest save for a major refurbishment of the The Pines Melaka scheduled to occur over a period of four years;
- vi) The costs and expenses for the operations of the The Pines Melaka has been projected based on the actual historical costs from January 2023 to 31 October 2023 with an increase of 3% per annum in line with the increase in room rates for the period;
- vii) The range of CAPM from 12.62% to 14.62% with a base CAPM of 13.62% was considered;
- viii) No terminal growth rate was adopted;
- ix) There will be no significant changes in the principal activities, key management personal, operating policies, accounting and business policies presently adopted by the Management;
- x) The Future Financials have been prepared based on prevailing economic conditions and information available as at the date of its preparation and does not encompass any assessment of the potential for future changes in the economic conditions in Malaysia, notwithstanding the moderate outlook for tourism;
- xi) There will be no significant changes to the prevailing economic, political and market conditions in Malaysia and elsewhere that will have direct and indirect effects on the activities of the Target Company and performance of the Target Company;
- xii) There will be no material changes to the present legislation and Government's regulations and other operation regulations or restrictions affecting the activities or the market in which the Target Company operates;
- xiii) Other than as set out above, there will be no significant changes in the credit period for the trade receivables nor trade payables turnovers of the Target Company;
- xiv) The statutory income tax rate and other relevant duty and tax rate will remain at their respective existing rates with no significant changes in the bases of taxation and there will be no significant changes in the structure which would adversely affect the cash flows of the Target Company;
- xv) There will be no material adverse effect from service disruptions, equipment or network breakdown or other similar occurrences, wars, epidemic, terrorist attacks and other natural risks, both domestic and foreign, which will adversely affect the operations, income and expenditure of the Target Company;
- xvi) The rate of inflation will not fluctuate significantly from their projected levels;
- xvii) The exchange rate between RM and the various currencies in which the Target Company may derive its income/expenses in will not fluctuate significantly from their projected levels;
- xviii) There will be no significant changes in wages, supplies, administration, overhead expenses and other costs other than those forecast and projected;

APPENDIX B – SUMMARY VALUATION REPORT



- xix) There will be no termination of any significant agreements or contracts from which the legal rights accrue to the Target Company. Such agreements or contracts are assumed to be renewed based on current terms upon expiry;
- xx) There will be adequate supply of manpower and other relevant resources for its business activities; and
- xxi) There will be no major legal proceedings against the Target Company which will adversely affect the activities or performance of the Target Company.

In the evaluation of the fair value of the Target Company, based on the Discounted FCFE Methodology using the Future Financials as provided by the management of the Target Company and the inputs from the Comparable Companies, the following were noted:

CAPM Inputs	
Net Debt/Equity Ratio of Target Company	0.00%
Risk-Free Rate ^[1]	4.10%
Market Return ^[2]	9.47%
Re-gear Beta ^[3]	1.03
Small Cap Premium ^[4]	4%
Cost of Equity derived using CAPM	13.62%
Value of Target Company	RM15.36 million
Illiquidity Discount ^[5]	25%
Fair value of the Target Company	RM12.20 million
Fair value of the Target Company	SGD3.54 million

Notes:

- [1] Based on the risk-free rate for Malaysia as extracted from Bank Negara Malaysia website. This risk-free rate is based on the yield of ten (10) years Malaysian Government Securities (“MGS”) as at the LTD as the MGS is considered a risk-free investment in Malaysia with 10 years being the length of a typical economic cycle.
- [2] Based on the historical average market return for Malaysia as extracted from Bloomberg. The historical average market return is based on the average return of FTSE Bursa Malaysia Top 100 Index for the past ten (10) years extracted on the LTD, of which the 10-year period is selected as it is reflective of the most recent economic cycle (based on Malaysia’s historical GDP data) as well as to commensurate the time horizon selected for the risk-free rate.
- [3] Re-gear beta is arrived at based on the net debt/equity ratio of Target Company.
- [4] A small cap premium of 4% was included to derive the discount rate using CAPM to account for unsystematic risks.
- [5] Based on “Investment Valuation: Tools and Techniques for Determining the Value of Any Assets” by Aswath Damodaran which suggests the application of discount for lack of marketability of 20% - 30% to reflect the illiquidity of shares of non-listed companies which are not freely tradeable as compared to public listed companies. We have applied a discount rate of 25% to the gross equity value of the Target Company to reflect the non-listed status of the Target Company’s shares as compared to the shares of the Comparable Companies which are listed and traded on Bursa Securities.

6. CONCLUSION

It should be recognised that the valuation of any entity is always subject to a great deal of uncertainty and involves a high degree of subjectivity and element of judgement. Because of the susceptibility of valuations to inputs of the model applied, valuations can change quite quickly in response to market changes or changes in the surrounding circumstances, including the market outlook (whether in general or relating to the industry itself).

In establishing our opinion on the fair market value of FPSB, FHCA has considered various valuation methodologies, which are commonly used for valuation, taking into consideration the Target Company’s future earnings generating capabilities, projected future cash flows and its sustainability as well as various business considerations and risk factors affecting its business.

APPENDIX B – SUMMARY VALUATION REPORT



We have applied the Market Approach to value the Target Company for cross-checking purpose. Price to earnings ("P/E") multiple method was applied to value the business. The unaudited financial statement for FYE 1 January 2023 to 31 October 2023 were adopted as the base earning in the valuation.

FHCA had used the Discounted FCFE Methodology to access the fair value of FPSB.

- (i) **Based on the Discounted FCFE Methodology, the fair market value of the entire equity interest in the Target Company range from RM10.70 million (SGD3.10 million) to RM14.19 million (SGD4.11 million) with mid-point of RM12.20 million (SGD3.54 million).**
- (ii) **The implied PE Multiple based on the fair market value of FPSB against the 12-month aggregate PAT is below the median and range of the PE Multiples of the Comparable Companies.**

7. RESTRICTIONS

Save for the purpose stated herein, this report cannot be relied upon by any party other than the Company. Accordingly, we are not responsible or liable for any form of losses however occasioned to any third party as a result of the circulation, publication, reproduction or use of, or reliance on this report, in whole or in part. We are not required to give testimony or to be in attendance in court with reference to the opinion herein provided. Neither FHCA nor any of its members or employees undertakes responsibilities arising in any way whatsoever to any person in respect of this report, including any error or omission therein, however caused, as a result of the unauthorised circulation, publication, reproduction or use of this report, or any part hereof.

Should FHCA become aware of any significant change affecting the information contained in this report or have reasonable grounds to believe that any statement in this report is misleading or deceptive or have reasonable grounds to believe that there is material omission in this report, we will immediately notify the Board of the Company.

Yours faithfully,
For and on behalf of
FHMH CORPORATE ADVISORY SDN BHD

ANDREW HENG
Director

APPENDIX C – LETTER FROM THE IFA TO THE DIRECTORS IN RELATION TO THE PROPOSED ACQUISITION AS AN IPT AND THE WHITEWASH RESOLUTION



21 March 2024

SUNRISE SHARES HOLDINGS LTD.

52 Bendemeer Road
Bendemeer Industrial Estate
Singapore 339934

Attention: The Board of Directors

Dear Directors

LETTER FROM XANDAR CAPITAL PTE. LTD. TO THE BOARD OF DIRECTORS OF SUNRISE SHARES HOLDINGS LTD. (THE "COMPANY") IN RESPECT OF:

- (1) THE PROPOSED ACQUISITION OF 100.0% OF THE SHARES IN THE ISSUED AND PAID-UP CAPITAL OF FALCON PACE SDN. BHD. (THE "PROPOSED ACQUISITION") WHICH CONSTITUTES AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE LISTING MANUAL (SECTION B: RULES OF CATALIST) (THE "CATALIST RULES") OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST"); AND
- (2) THE WHITEWASH RESOLUTION IN CONNECTION WITH THE PROPOSED ALLOTMENT AND ISSUE OF 85,714,285 NEW ORDINARY SHARES IN THE ISSUED SHARE CAPITAL OF THE COMPANY (THE "CONSIDERATION SHARES") AS PARTIAL SATISFACTION OF THE CONSIDERATION FOR THE PROPOSED ACQUISITION

All capitalised terms in this letter (this "IFA Letter") which are not defined herein shall have the same meaning ascribed to them in the circular to Shareholders of the Company ("Shareholders") dated 21 March 2024 (the "Circular").

Unless otherwise stated, the Singapore dollar ("S\$") equivalent for all Ringgit Malaysia ("RM") amounts stated in this IFA Letter have been translated based on the midday average interbank exchange rate of S\$1.00 to RM3.5211 (the "Exchange Rate") as at 8 March 2024 (the "Latest Practicable Date") extracted from the website of the Monetary Authority of Singapore.

1. INTRODUCTION

On 21 November 2023 (the "**Announcement Date**"), the Company announced that it had entered into a share sale agreement dated 21 November 2023 (the "**Share Sale Agreement**") with Datuk Wira Boo Kuang Loon (the "**Vendor**"), being the sole shareholder of Falcon Pace Sdn. Bhd. (the "**Target Company**"), for the Proposed Acquisition. Upon completion of the Proposed Acquisition ("**Completion**"), the Company will hold the 100,000 ordinary shares representing 100.0% of the entire issued share capital of the Target Company (the "**Sale**

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Shares”), and the Target Company will become a direct wholly-owned subsidiary of the Company.

As at the Latest Practicable Date, the Vendor is a Shareholder holding 69,012,815 ordinary shares (“**Shares**”), representing 32.97% of the total number of issued Shares of the Company. As such, the Vendor is a “controlling Shareholder” of the Company under the Catalist Rules. Accordingly, the Vendor is deemed as an “interested person” of the Company within the meaning of Chapter 9 of the Catalist Rules vis-a-vis the Company, which is regarded as an “entity at risk” pursuant to Chapter 9 of the Catalist Rules.

The Proposed Acquisition, which is a transaction between the Vendor and the Company, constitutes an ‘interested person transaction’ under Chapter 9 of the Catalist Rules.

The consideration for the Proposed Acquisition (the “**Consideration**”) is S\$3,500,000, which shall be satisfied by (a) a cash payment of S\$500,000 (the “**Cash Consideration**”); and (b) the balance of S\$3,000,000 by the allotment and issue of the Consideration Shares in favour of the Vendor, at the issue price of S\$0.035 for each Consideration Share (the “**Issue Price**”). As the Consideration exceeds 5% of the latest audited net tangible assets (“**NTA**”) of the Company and its subsidiaries (the “**Group**”), the Proposed Acquisition is an “interested person transaction” subject to the approval of Shareholders, other than the Vendor and his associates (the “**Independent Shareholders**”) in accordance with Chapter 9 of the Catalist Rules.

Pursuant to Rule 921(4)(a) of the Catalist Rules, the Company is required to obtain an opinion in a separate letter from an independent financial adviser stating whether the Proposed Acquisition (and all other transactions which are the subject of aggregation pursuant to Rule 906 of the Catalist Rules): (i) are on normal commercial terms; and (ii) are prejudicial to the interests of the Company and its minority Shareholders.

In addition, the allotment and issue of the Consideration Shares to the Vendor will result in the shareholding interest of the Vendor in the Company increasing from 69,012,815 Shares (representing 32.97% of the existing share capital of the Company) to 154,727,100 Shares (representing 52.44% of the enlarged share capital of the Company). As a result, the Vendor will incur an obligation to make a mandatory general offer for the Shares not owned by the Vendor and his concert parties under Rule 14 of the Singapore Code on Take-overs and Mergers Code (the “**Code**”) unless waived by the Securities Industry Council of Singapore (the “**SIC**”). Accordingly, an application was made to the SIC for a waiver of the obligation of the Vendor to make a mandatory general offer for all the remaining Shares of the Company not held by the Vendor and his concert parties pursuant to Rule 14 of the Code as a result of the allotment and issue of the Consideration Shares.

On 8 February 2024, the SIC has waived the obligation for the Vendor to make a general offer for all the remaining Shares of the Company under Rule 14 of the Code in the event the Vendor incurs an obligation to do so as a result of acquiring the Consideration Shares under the Proposed Acquisition (the “**Whitewash Waiver**”), subject to the conditions set out in Section 5.3 of the Circular, including but not limited to (a) a majority of holders of voting

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rights of the Company approving at a general meeting, before the issue of the Consideration Shares to the Vendor, by way of poll to waive their rights to receive a general offer from the Vendor (the “**Whitewash Resolution**”); (b) the Whitewash Resolution is separate from other resolutions; (c) the Vendor, persons acting in concert with him as well as parties not independent of them, abstain from voting on the Whitewash Resolution; and (d) the Company appoints an independent financial adviser to advise its Independent Shareholders on the Whitewash Resolution.

Xandar Capital Pte. Ltd. (“**Xandar Capital**”) has been appointed by the Company pursuant to Rule 921(4)(a) of the Catalist Rules and the Code to act as the independent financial adviser (“**IFA**”) as well as to advise the directors of the Company (“**Directors**”) all of whom are deemed independent for the purposes of the Proposed Acquisition and the Whitewash Resolution, as to (i) whether the Proposed Acquisition, as an interested person transaction, is on normal commercial terms; (ii) whether the Proposed Acquisition, as an interested person transaction, is prejudicial to the interests of the Company and its minority shareholders; (iii) whether the terms of the Proposed Acquisition, being the subject of the Whitewash Resolution, are fair and reasonable; and (iv) the recommendation to be made by the Directors to the Independent Shareholders in relation to the Whitewash Resolution.

This IFA Letter, which is prepared pursuant to Rule 921(4)(a) of the Catalist Rules and the Code, sets out our evaluation of, and our opinion in respect of the Proposed Acquisition, as an interested person transaction and the subject of the Whitewash Resolution, and our recommendation in respect of the Whitewash Resolution, and forms part of the Circular issued by the Company in connection with the Proposed Acquisition.

2. TERMS OF REFERENCE

Xandar Capital has been appointed as the IFA pursuant to Rule 921(4)(a) of the Catalist Rules and the Code to opine on (i) whether the Proposed Acquisition, as an interested person transaction, is on normal commercial terms; (ii) whether the Proposed Acquisition, as an interested person transaction, is prejudicial to the interests of the Company and its minority shareholders; and (iii) whether the terms of the Proposed Acquisition, being the subject of the Whitewash Resolution, are fair and reasonable, as well as to advise the Directors on the recommendation to be made to the Independent Shareholders in relation to the Whitewash Resolution.

We are not and were not involved in any aspect of the negotiations pertaining to the Proposed Acquisition, nor were we involved in the deliberations leading to the Proposed Acquisition. Accordingly, we do not, by this IFA Letter, warrant the merits of the Proposed Acquisition and/or the Whitewash Resolution.

Our terms of reference do not require us to express, evaluate or comment on the rationale for, strategic or commercial merits and/or risks of the Proposed Acquisition, or the future performance or prospects of the Company and/or the Group. We are, therefore, not expressing any opinion herein as to the future financial or other performance (including share

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price performance) of the Company or the Group, whether with or without the Proposed Acquisition.

As with other business transactions of the Company, the merit and/or associated risk, whether commercial, financial or otherwise, of the Proposed Acquisition, are solely the responsibility of the Directors. We are also not addressing the relative merits of the Proposed Acquisition, as compared to any alternative transaction of the Group or that otherwise may become available to the Group in the future. Such evaluations or comments remain the responsibility of the Directors and the management of the Group.

In the course of our evaluation and for the purpose of providing our opinion in respect of the Proposed Acquisition, as an interested person transaction and the subject of the Whitewash Resolution, and our recommendation in respect of the Whitewash Resolution, we have held discussions with certain Directors and the management of the Group and have examined information provided by the Directors and the management of the Group and other publicly available information collated by us, upon which our view is based. We have not independently verified such information, whether written or verbal, and accordingly cannot and do not make any representation or warranty in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. We have nevertheless made reasonable enquiries and exercised our judgment as we deemed necessary or appropriate on the reasonable use of such information and found no reason to doubt the accuracy or reliability of the information.

We have not made any independent evaluation and appraisal on the Target Company and the Sale Shares. We have, however, been furnished with the valuation report on the (the “**Valuation Report**”) issued by FHMH Corporate Advisory Sdn Bhd, the corporate advisory arm of Baker Tilly Malaysia (the “**Valuer**”) relating to the fair market value of 100% equity interest in the Target Company as at 31 October 2023. A summary of the Valuation Report (the “**Summary Valuation Report**”) is appended as Appendix B to the Circular. Save for the Valuation Report (and the corresponding Summary Valuation Report), we have not been furnished with any other independent evaluation or appraisal of the Target Company and/or Sale Shares. We are not experts and do not hold ourselves to be experts in the valuation of the Target Company and/or Sale Shares but have relied upon the Valuation Report (and the corresponding Summary Valuation Report) in our evaluation.

We have also relied upon the assurance of the Directors that the Directors collectively and individually accept full responsibility for the accuracy of the information given in the Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, the Circular constitutes full and true disclosure of all material facts, *inter alia*, about (a) the Proposed Acquisition (as an interested person transaction), (b) the proposed allotment and issue of the Consideration Shares, and (c) the Whitewash Resolution, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in the Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source (including the information on the Target Company as set out in Section 2.3 of, and Appendix A to, the Circular), the sole responsibility of the Directors has been to ensure that

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such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context. In relation to this IFA Letter, the Directors have confirmed that the facts stated, with respect to the Group, are to the best of their knowledge and belief, fair and accurate in all material aspects.

Our opinion and recommendation are based upon prevailing market, economic, industry, monetary and other conditions (where applicable) and the information made available to us contained in the Circular as of the Latest Practicable Date. We assume no responsibility to update, revise or reaffirm our view in light of any subsequent development after the Latest Practicable Date that may affect our opinion and recommendation contained herein. Shareholders should take note of any announcements relevant to their consideration of the Proposed Acquisition and the Whitewash Resolution, which may be released by the Company after the Latest Practicable Date.

In arriving at our opinion and recommendation, we did not consider the specific investment objectives, financial situation, tax consequences, risk profile or unique needs and constraints of any shareholder or any specific group of shareholders. We recommend that any individual shareholder or group of shareholders who may require specific advice in relation to his or their investment objectives or portfolios should consult his or their legal, financial, tax or other professional advisors immediately.

Our opinion and recommendation are for the use and benefit of the Directors in their deliberation of the Proposed Acquisition and the Whitewash Resolution, and the recommendation made by the Directors shall remain the responsibility of the Directors.

The Company has been separately advised by its own advisors in the preparation of the Circular (other than this IFA Letter). We have no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this IFA Letter). Accordingly, we take no responsibility for and express no views, express or implied, on the contents of the Circular (other than this IFA Letter).

Our opinion, in relation to the Proposed Acquisition, as an interested person transaction and the subject of the Whitewash Resolution, and our recommendation in respect of the Whitewash Resolution, should be considered in the context of the entirety of this IFA Letter and the Circular.

We recommend that the Directors advise the Independent Shareholders to read this IFA Letter in its entirety carefully.

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3. THE PROPOSED ACQUISITION

3.1 THE SALE SHARES

The subject of the Proposed Acquisition is the Sale Shares which comprise 100,000 ordinary shares, representing 100.0% of the entire issued and paid-up share capital of the Target Company. The Sale Shares are entirely held by the Vendor.

The paid-up share capital of the Target Company was increased from RM1 (comprising one (1) Sale Share) to RM100,000 (comprising 100,000 Sale Shares) in October 2023.

3.2 THE TARGET COMPANY

The Target Company is a private company limited by shares and incorporated in Malaysia on 12 April 2019. As at the Latest Practicable Date, the Target Company does not have any subsidiaries or associated companies. The principal activity of the Target Company is investment holding, and it started managing a hotel in Melaka, Malaysia, in January 2023.

As at the Latest Practicable Date:

- (a) the Target Company employs more than 70 employees;
- (b) the Target Company manages 196 apartment units of The Pines Melaka (a 4-star hotel located at No. 33 Jalan Tun Sri Lanang, 75100 Melaka, Malaysia) based on a yield rental model, where owners of the 196 apartment units are entitled to receive different tiers of rental rates which are computed based on the overall occupancy rate of all the 196 apartment units managed by the Target Company. For illustration purposes, if the overall occupancy rate of the 196 apartment units is 70.0%, the rental payable to the 196 owners shall be 7.0% per annum of the purchase price of the respective apartment unit.

For clarity, The Pines Melaka, also known as 99 Residence, was developed in 2015 with 390 apartment units and was fully sold to different owners. All of the 390 apartment units were then leased back and managed as hotel rooms by another private company in which the Vendor has certain interest (the “**Private Company**”) under a guaranteed rental return (“**GRR**”) model. Under the GRR model, owners of the apartment units are entitled to receive a fixed rental from the Private Company which is computed based on 7.5% per annum of the purchase price of each apartment unit. The Pines Melaka commenced its hotel operation in September 2015.

However, the Covid-19 pandemic in 2020 had severely affected the hotel industry in Malaysia, including The Pines Melaka. Consequently, owners holding 178 apartment units terminated their tenancy agreements with the Private Company in 2022, while owners holding 196 apartment units had signed new tenancy agreements with the Target Company. As at the Latest Practicable Date, the Target Company is also in

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the midst of entering into new tenancy agreements with owners of the remaining 16 apartment units in The Pines Melaka;

- (c) the 196 apartment units managed by the Target Company range from the smaller Premier Rooms (with floor area of approximately 31 square metre (“m²”) for each unit) to the larger Two-Bedroom Executive Suites (with floor area of approximately 91 m² for each unit) that are suitable for business travelers and holiday goers; and
- (d) the Target Company is also responsible for the management and upkeep of the communal area and facilities such as the swimming pools, restaurant, playground and gym facilities within the premises of The Pines Melaka.

Further information relating to the Target Company and The Pines Melaka can be found in Section 2.3 of, and Appendix A to, the Circular.

3.2.1 Financial Information of the Target Company

The financial information of the Target Company is set out in Section 2.5.2 of the Circular. We summarise as follows:

RM	Financial year ended 30 June ("FYE30Jun") 2023 (Restated)	Three (3) months ended 30 September ("3M30Sep") 2023	Six (6) months ended 31 December ("6M31Dec") 2023
Net profit after tax for the financial year/period	752,800	256,962	1,000,404
Net asset value ("NAV") as at the end of the financial year/period	735,170	992,132	1,835,572

Further details of the financial information of the Target Company are set out in Appendix A to the Circular.

3.2.2 Valuation of the Target Company

The Company has commissioned the Valuer to assess and determine the fair market value of the Sale Shares as at 31 October 2023.

Based on the Valuation Report, *"Based on the Discounted FCFE Methodology, the fair market value of the entire equity interest in the Target Company range from RM10.70 million (SGD3.10 million) to RM14.19 million (SGD4.11 million) with mid-point of RM12.20 million (SGD3.54 million)."* ⁽¹⁾

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Note:

- (1) The Valuer has applied an exchange rate of RM1 to S\$0.29 for purposes of its valuation.

A copy of the Valuation Report is available for inspection at the Company's registered office during normal business hours for a period of three (3) months from the date of the Circular and a copy of the Summary Valuation Report is set out as Appendix B to the Circular.

3.3 THE SHARE SALE AGREEMENT

Other principal terms of the Share Sale Agreement can be found in Section 2.6 of the Circular. We highlight certain principal terms as follows:

3.3.1 The Consideration

The Consideration of S\$3,500,000 shall be satisfied by:

- (a) the cash consideration of S\$500,000 to the Vendor; and
- (b) the remaining S\$3,000,000 with the allotment and issue of the Consideration Shares at the Issue Price to the Vendor,

on date of Completion ("**Completion Date**").

The Issue Price of S\$0.035 per Share is equivalent to the volume weighted average price ("**VWAP**") of the Shares traded on 17 November 2023 (the "**Last Trading Day**"), being the market day preceding the date of the Share Sale Agreement.

The Consideration was arrived at after arm's length negotiations between the Company and the Vendor and on a "willing-buyer willing-seller" basis after taking into consideration the results of the financial due diligence undertaken by the Company, the rationale and benefits of the Proposed Acquisition as well as the independent valuation conducted by the Valuer commissioned by the Company.

The Cash Consideration of S\$500,000 for the Proposed Acquisition shall be funded by the Group's internal resources.

3.3.2 The Consideration Shares

Based on the Issue Price of S\$0.035 for each Consideration Share, 85,714,285 Consideration Shares, fractional Consideration Share disregarded, will be allotted and issued to the Vendor as partial satisfaction of the Consideration.

The Consideration Shares, when allotted and issued, shall rank *pari passu* with the existing Shares, and will be free of any pre-emptive rights or rights of first refusal and free of any mortgage, charge, lien or encumbrance.

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3.3.3 Conditions precedent to the Proposed Acquisition

We extract in *italics* as follows:

- (a) *the outcome of the legal and financial due diligence exercises is to the satisfaction of the Company;*
- (b) *the issuance of the formal valuation report with a valuation satisfactory to the Company in its reasonable discretion, provided always that the value of the Sale Shares set out in the valuation report shall not be lower than the Consideration. In the event the value of the Sale Shares set out in the formal valuation report is lower than the Consideration, the Parties shall renegotiate and make the necessary announcement;*
- (c) *the Vendor receiving a waiver from the SIC from the requirement to make a mandatory general offer under the Code, and any conditions attached to such waiver being satisfactory to the Company in its reasonable discretion (“Whitewash Waiver”) and the satisfaction of all the conditions set out by the SIC in the Whitewash Waiver (including but not limited to the issuance of an opinion from the IFA to be appointed);*
- ...
- (e) *the Company satisfying all conditions and/or requirements imposed by the SGX-ST and the Catalist Rules with respect to the transactions contemplated by the Share Sale Agreement, including but not limited to the requirements in Chapter 9 of the Catalist Rules, and the issuance of the opinion from the IFA that transaction contemplated by the Share Sale Agreement as an IPT is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders;*
- (f) *the receipt and non-withdrawal of the listing and quotation notice from the SGX-ST for the listing of and quotation for the Consideration Shares on the Catalist Board of the SGX-ST;*
- (g) *the approval of the Directors and the Shareholders of the Company at an EGM to be convened in respect of all the transactions contemplated herein (including but not limited to the acquisition of the Sale Shares as an IPT to be settled by way of the Cash Consideration and the issuance of the 85,714,285 Consideration Shares, and the Whitewash Resolution);*

The long stop date for the fulfilment of the conditions precedent to the Proposed Acquisition is 30 April 2024. As at the Latest Practicable Date, conditions precedent (a), (b), (c) and (h) have been fulfilled.

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3.4 RATIONALE FOR, AND BENEFIT OF, THE PROPOSED ACQUISITION

The rationale for, and benefit of, the Proposed Acquisition are set out in Section 2.4 of the Circular. We extract in *italics* as follows:

The Proposed Acquisition is part of the Group's efforts to expand its core business outside of the Group's existing PRC market into the Southeast Asia hospitality market, to generate additional revenue streams for the Group and mitigate concentration risks. Notwithstanding that the Target Company has only commenced its management of The Pines Melaka in January 2023, it is to be noted that The Pines Melaka had commenced its hotel operation in 2015 and following the re-opening of borders, the Malaysian tourism industry had shown signs of recovery with improving occupancy rates and higher average room rates arising from the pent-up demand for hotel rooms, including Melaka, which is considered as one of the most visited cities in Malaysia. For second half of the calendar year ended 31 December 2023, The Pines Melaka achieved an average occupancy rate of approximately 50.0%.

The Pines Melaka is a 4-star hotel strategically located within the city centre of Melaka, with close proximity to the United Nations Educational, Scientific and Cultural Organisation (UNESCO) world heritage sites and easy access to major highways. The Board believes that The Pines Melaka is one of the most established hotels in Melaka and has been well managed by an experienced hotel management team, previously under the Private Company and, since January 2023, under the Target Company.

The Board is of the view that the Proposed Acquisition offers an opportunity for the Group to generate additional business revenue streams and explore the hospitality market in Malaysia.

4. ABOUT THE VENDOR

Information on the Vendor is set out in Section 2.2 of the Circular. We extract in *italics* as follows:

On 10 July 2023, the Vendor acquired its current shareholding of 69,012,815 Shares from Sunrise Wealth Management Pte. Ltd. (the "July 2023 Acquisition"). Prior to the July 2023 Acquisition, the Vendor did not own or control any Shares. As a consequence to the July 2023 Acquisition, the Vendor made a mandatory general offer (the "Offer") for all the Shares other than those already owed, controlled and agreed to be acquired by him, in accordance with Section 139 of the Securities and Futures Act 2001 of Singapore and Rule 14 of the Code. The Offer has not turned unconditional as to acceptances and had lapsed on 28 August 2023 and accordingly, the shareholding of the Vendor remains the same as upon completion of the July 2023 Acquisition. Please refer to the announcements dated 10 July 2023, 19 July 2023, 26 July 2023, 31 July 2023, 11 August 2023 and 28 August 2023 for more information on the July 2023 Acquisition and the Offer.

Save as disclosed in paragraph 2.2.3 of this Circular and the Proposed Acquisition, the Vendor does not have any connection (including business relationship or dealings) with the

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Company, its Directors and (as far as the Directors are aware) its substantial Shareholders. The Vendor is not holding the Sale Shares in trust or as nominees for other persons. For completeness of disclosure, the Vendor and certain Directors, namely Dato' Syed Norulzaman Bin Syed Kamarulzaman, Mr. Anthony Ang Meng Huat and Mr. Subramaniam A/L A.V. Sankar, are directors of Yong Tai Berhad, a company listed on the Main Market of Bursa Malaysia. Dato' Syed Norulzaman Bin Syed Kamarulzaman, Mr. Anthony Ang Meng Huat and Mr. Subramaniam A/L A.V. Sankar are independent and non-executive directors of Yong Tai Berhad. Datuk Tan Eng Eng was previously the Chief Operating Officer of Yong Tai Berhad, who had resigned from the position on 14 July 2023. For avoidance of doubt, each of the Directors is not a nominee of Datuk Wira Boo Kuang Loon and will not act under the influence, control and instructions of Datuk Wira Boo Kuang Loon.

5. THE WHITEWASH RESOLUTION

As at the Latest Practicable Date, the Vendor holds 69,012,815 Shares, representing 32.97% of the existing share capital of the Company.

Upon Completion, the shareholding interest of the Vendor in the capital of the Company will increase to more than 50%. Pursuant to Rule 14 of the Code, if any person who, together with persons acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1.0% of the voting rights, such person must extend a general offer for all the remaining shares in the company which he does not already own or control, to the holders of any class of share capital of the company which carries votes and in which such person, or persons acting in concert with him, hold shares. Accordingly, the Vendor will incur the obligation to undertake a general offer for the Shares unless waived by the SIC. An application was made to the SIC for a waiver of the obligation of the Vendor to make a mandatory general offer for all the remaining Shares of the Company not held by the Vendor pursuant to Rule 14 of the Code as a result of acquiring the Consideration Shares under the Proposed Acquisition.

5.1 SHAREHOLDING OF THE VENDOR BEFORE AND AFTER THE ALLOTMENT AND ISSUE OF THE CONSIDERATION SHARES

We set out the interest of the Vendor in the share capital of the Company before and after the allotment and issue of the Consideration Shares as follows:

	As at the Latest Practicable Date		Upon allotment and issue of the Consideration Shares	
	Shares	% of share capital	Shares	% of share capital
The Vendor	69,012,815	32.97	154,727,100	52.44

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	As at the Latest Practicable Date		Upon allotment and issue of the Consideration Shares	
	Shares	% of share capital	Shares	% of share capital
Existing non-public Shareholders, other than the Vendor	68,351,537	32.65	68,351,537	23.17
Existing public Shareholders	71,972,938	34.38	71,972,938	24.39
Total	<u>209,337,290</u>	<u>100.00</u>	<u>295,051,575</u>	<u>100.00</u>

As set out in Section 5.2.3 of the Circular, the Vendor confirms that there are currently no parties acting in concert with him who are Shareholders of the Company.

5.2 CONDITIONS OF THE WHITEWASH WAIVER

The SIC had on 8 February 2024 granted the Whitewash Waiver subject to the satisfaction of certain conditions including, *inter alia*, the majority of Independent Shareholders approving at the EGM the Whitewash Resolution by voting on a poll and the Company having appointed the IFA to advise the Independent Shareholders on the Whitewash Resolution.

Further details of the conditions of the Whitewash Waiver are set out in Section 5.3 of the Circular.

Shareholders should also note that the passing of Ordinary Resolution 1 (in respect of the Proposed Acquisition as an interested person transaction), Ordinary Resolution 2 (in respect of the proposed allotment and issue of the Consideration Shares to the Vendor), and Ordinary Resolution 3 (in respect of the Whitewash Resolution) are conditional on each other. This means that if any one of these ordinary resolutions is not approved, none of these ordinary resolutions will be passed, and the Proposed Acquisition will not proceed.

5.3 IMPLICATIONS OF THE WHITEWASH RESOLUTION

Independent Shareholders should also note Section 5.4 of the Circular on the implications of the Whitewash Resolution as extracted and set out in *italics* as follows:

“Independent Shareholders should note that:

- (a) *by voting in favour of the Whitewash Resolution, they will be waiving their rights to receive a mandatory general offer for all the Shares which the Vendor would otherwise be obliged to make at the highest price paid by the Vendor and his concert parties for Shares in the Company in the past six (6) months preceding the commencement of the offer; and***

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- (b) *the issuance of the Consideration Shares will result in the Vendor holding Shares carrying over 49.0% of the voting rights of the Company based on the enlarged share capital of the Company and in such scenario, the Vendor and his concert parties will be free to acquire further shares without incurring any obligation under Rule 14 of the Code to make a mandatory general offer for the Company.”*

6. EVALUATION OF THE PROPOSED ACQUISITION, AS AN INTERESTED PERSON TRANSACTION AND THE SUBJECT OF THE WHITEWASH RESOLUTION

The following are factors which we consider to be pertinent and to have a significant bearing on our evaluation of the Proposed Acquisition and the Whitewash Resolution:

- (a) the valuation of the Sale Shares;
- (b) the Issue Price;
- (c) the financials of the Target Company;
- (d) the rationale for and benefits of the Proposed Acquisition;
- (e) the method of satisfaction of the Consideration;
- (f) the financial effects of the Proposed Acquisition; and
- (g) other considerations.

These factors are discussed in greater detail in the ensuing paragraphs.

6.1 THE VALUATION OF THE SALE SHARES

The Company has commissioned the Valuer to assess and determine the fair market value of the Sale Shares as at 31 October 2023.

We summarise the key information in the Valuation Report as follows:

Date of valuation	31 October 2023
Valuation methodology	Income approach using discounted free cash flow to equity (“FCFE”) and market approach using relative valuation analysis (“RVA”) as a cross check to the Discounted FCFE methodology.

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Key assumptions	<p>We extract certain assumptions in <i>italics</i> as follows:</p> <p><i>The assumption of 196 rooms was used throughout the forecast period to represent the number of units which have signed formal contracts with FPSB.</i></p> <p><i>Occupancy rates: range from 50% in FYE 2024 followed by 60% for the remaining projected period up to FYE 2030.</i></p> <p><i>Average daily rates of The Pines Melaka rooms start at RM272 with an annual escalation of 3% per annum to arrive at RM325 per night in 2030.</i></p>
Valuation	<p>We extract the key conclusion in <i>italics</i> as follows:</p> <p><i>Based on the Discounted FCFE Methodology, the fair market value of the entire equity interest in the Target Company range from RM10.70 million (SGD3.10 million) to RM14.19 million (SGD4.11 million) with mid-point of RM12.20 million (SGD3.54 million).</i></p>

The Consideration of S\$3.5 million represents:

- (a) a discount of S\$40,000 or approximately 1.13% to the mid-point valuation of the Sale Shares as opined by the Valuer;
- (b) a premium of S\$400,000 or approximately 12.90% to the lower end of the range of the valuation of the Sale Shares as opined by the Valuer; and
- (c) a discount of S\$610,000 or approximately 14.84% to the higher end of the range of the valuation of the Sale Shares as opined by the Valuer.

A copy of the Valuation Report is available for inspection at the Company’s registered office during normal business hours for a period of three (3) months from the date of the Circular and a copy of the Summary Valuation Report is set out as Appendix B to the Circular.

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Exchange rate applied by the Valuer

In our review of the Valuation Report (and the Summary Valuation Report), we note that the Valuer has applied the exchange rate of RM1.00 to S\$0.29 to derive the Singapore dollars equivalent of the fair market value of the Sale Shares.

If the Exchange Rate (as at the Latest Practicable Date) is applied to calculate the Singapore dollars equivalent of the fair market value of the Sale Shares, the differences would be as follows:

Fair market value	At the Valuer's exchange rate of RM1.00 to S\$0.29 (S\$)	At the Exchange Rate as at the Latest Practicable Date (S\$)	Difference (S\$)
RM14,190,000, being the higher range of fair market value as opined by the Valuer	4,110,000	4,029,991	(80,009)
RM10,700,000, being the lower range of fair market value as opined by the Valuer	3,100,000	3,038,823	(61,177)
RM12,200,000, being the mid-point of the fair market value as opined by the Valuer	3,540,000	3,464,826	(75,174)

As set out above, based on the Exchange Rate as at the Latest Practicable Date, the mid point of the fair market value of the Sale Shares of RM12.2 million would be equivalent to approximately S\$3.46 million and the Consideration would represent a slightly premium (of approximately 1.02%) to this mid-point of the fair market value as opined by the Valuer based on the Exchange Rate as at the Latest Practicable Date. However, the Consideration is still within the range of the fair market values as opined by the Valuer based on the Exchange Rate as at the Latest Practicable Date.

6.2 THE ISSUE PRICE

6.2.1 The basis for determination of the Issue Price

In assessing the Issue Price, we have also considered acquisitions completed by other companies listed on the SGX-ST ("**Precedent Comparable Acquisitions**"), that were announced since 21 November 2022 and satisfied the purchase consideration, in full or in part, by the allotment and issue of new ordinary shares in the capital of such listed companies.

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We wish to highlight that the Precedent Comparable Acquisitions are not exhaustive. Further, Shareholders should note that certain circumstances and terms relating to the Precedent Comparable Acquisitions are unique and might not be identical to the Company's and are dependent on various factors such as the financial performance and position of the companies, the volatility and trading liquidity of the shares of the companies, the purchase consideration of the target, the financial performance and position of the target and the market sentiments prevailing at the time of such Precedent Comparable Acquisitions. As such, any comparisons made with respect to the Precedent Comparable Acquisitions merely serve an illustrative purpose only.

In making the comparison herein, we wish to highlight that the figures used in our assessment have been extracted where available and/or applicable from the relevant announcements, circulars, and other publicly available sources. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information.

We set out the key information of the Precedent Comparable Acquisitions as follows:

Name of company	Date of announcement	Description of the acquisition	Basis of the issue price for the consideration shares
ICP Ltd.	7 March 2023	Acquisition of 11.6% of the issued and paid-up capital of MHI MY 1 Pte. Ltd. for an aggregate consideration of S\$1,991,297 satisfied entirely in new shares at the issue price of S\$0.009 for each new share	Based on VWAP of the shares traded on the SGX-ST on the last trading day prior to the date of the sale and purchase agreement
Accrelist Ltd.	18 April 2023	Acquisition of 51% of the issued and paid-up capital of SJY Medical Pte. Ltd. for an aggregate consideration of S\$550,000 satisfied in cash of S\$275,000 and the remaining S\$275,000 in new shares at the issue price of S\$0.058 for each new share	Based on the closing price of the company's shares traded on the SGX-ST as at the date of the sale and purchase agreement

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Name of company	Date of announcement	Description of the acquisition	Basis of the issue price for the consideration shares
Asiamedic Ltd	10 July 2023	Acquisition of the business of medical aesthetic services carried on LE Private Clinic Pte. Ltd. and its assets for a consideration of S\$315,000 satisfied entirely in new shares at the issue price of S\$0.009 for each new share	Based on VWAP of the shares traded on the SGX-ST on the last trading day prior to the date of the sale and purchase agreement
Lifebrandz Ltd.	23 May 2023	Acquisition of 51.0% of the issued and paid-up share capital of Auspac Investment Management Pte. Ltd. and the entire issue and paid-up share capital of Auspac Financial Advisory Pty. Ltd. for an aggregate consideration of S\$1,377,500 satisfied in cash of S\$387,500 and the remaining S\$950,000 in new shares at the issue price of S\$0.0025 for each new share	A premium of 250% to the VWAP of the shares traded on the SGX-ST on the last trading day prior to the date of the sale and purchase agreement. As a reference, the VWAP of the shares was S\$0.001
9R Ltd	3 December 2023	Acquisition of the entire issued and paid-up share capital of Lavish Pearl Sdn Bhd, Booming Gain Sdn Bhd, Redbox (1st Avenue) Sdn Bhd, Sunlight Ventures Sdn Bhd, Lovely Pyramid Sdn Bhd, Majestic Glory Sdn Bhd and Cheer Bonanza Sdn Bhd for an aggregate consideration of RM24,000,000 (including earn-out consideration of RM4,000,000) in cash and in new shares at the issue price of S\$0.06 for each new share	A premium of 25% above the VWAP of the shares traded on the SGX-ST on the last trading day prior to the date of the sale and purchase agreement

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Name of company	Date of announcement	Description of the acquisition	Basis of the issue price for the consideration shares
The Company	21 November 2023	The Proposed Acquisition (at an aggregate consideration of S\$3,500,000 to be satisfied in cash of S\$500,000 and the remaining S\$3,000,000 in Consideration Shares at the Issue Price of S\$0.035 for each Consideration Share)	Based on VWAP of the Shares traded on the SGX-ST on the Last Trading Day

As set out above, the basis of determining the Issue Price upon VWAP is fairly common amongst the Precedent Comparable Acquisitions.

6.2.2 The Issue Price as compared to the NAV per Share

Based on the latest results announcement of the Group for the financial year ended 31 December (“FY”) 2023 as announced by the Company on 27 February 2024, the Group had NAV of approximately S\$2.24 million or a NAV per Share of approximately 1.07 cents per Share as at 31 December 2023.

The Issue Price represents a premium of approximately 2.43 cents per Share or approximately 226.80% to the NAV per Share.

In our review of the financial position of the Group, we note that the Group’s total assets comprised mainly cash and cash equivalents and trade and other receivables which accounted for approximately 62.16% and 28.19% of the Group’s total assets as at 31 December 2023 respectively.

The Group’s cash and cash equivalents amounted to approximately S\$1.69 million or a cash and cash equivalents per Share of approximately 0.81 cents per Share as at 31 December 2023. The Issue Price represents a premium of approximately 2.69 cents per Share or approximately 334.31% to the cash and cash equivalents per Share.

The Group’s trade and other receivables as at 31 December 2023 comprised mainly prepayment and deposits made of S\$629,000 on new office rental and set-up cost for new management team based in Malaysia.

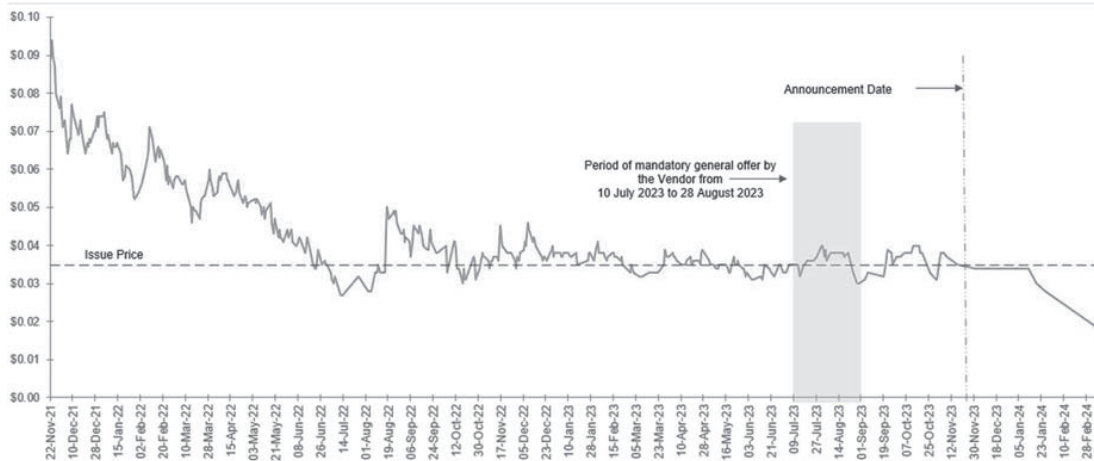
6.2.3 The Issue Price as compared to the closing prices of the Shares

For purposes of evaluating the Issue Price, we have also compared the Issue Price with the daily closing price of the Shares for the period commencing from 21 November 2021 (being

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the period commencing 24 months prior to the Announcement Date) up to the Latest Practicable Date in the following chart (the “Reference Period”):



Source: Bloomberg L.P.

There was no change to the Company’s issued and paid-up share capital comprising 209,337,290 Shares during the Reference Period.

We note from the chart above that the Issue Price:

- (a) is generally within a 15% fluctuation range of the closing prices of the Shares for the 12 months period prior to the Announcement Date;
- (b) represents a discount of approximately 62.77% to the highest closing price of S\$0.094 (on 23 November 2021) for each Share;
- (c) represents a premium of approximately 29.63% to the lowest closing price of S\$0.027 (on 12 July 2022 and 13 July 2022) for each Share for the 24 months period prior to the Announcement Date;
- (d) is the same as the closing price of the Shares on the Last Trading Day; and
- (e) represents a premium of approximately 133.33% to the VWAP of S\$0.015 on 8 March 2024, being the Latest Practicable Date.

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We also note that, in general, the daily closing prices of the Shares fluctuated less than 20% on a day-to-day basis, save for the following days:

Date	Daily closing price changes	Company's announcement prior to the daily closing price fluctuation
17 August 2022	30.30% increase from S\$0.033 on 16 August 2022 to S\$0.043 on 17 August 2022 (2,332,900 Shares traded)	On 15 August 2022, the Company announced the results of the Group for the six (6) months ended 30 June ("HY") 2022 on the SGXNet.
10 October 2022	24.24% increase from S\$0.033 on 5 October 2022 to S\$0.041 on 10 October 2022 (212,900 Shares traded)	On 1 October 2022, the Company announced the appointment of an independent reviewer to perform review of the five issues highlighted by the external auditors for the disclaimer of opinion which was disseminated on 21 May 2022.
16 November 2022	25% increase from S\$0.036 on 15 November 2022 to S\$0.045 on 16 November 2022	On 14 November 2022, the Company announced an update on the independent review stating the expected date of completion of the review.
5 March 2024	32.14% decrease from S\$0.028 on 26 January 2024 to S\$0.019 on 5 March 2024	<p>On 9 February 2024, the Company announced the receipt of SIC approval for the Whitewash Waiver.</p> <p>On 21 February 2024, the Company announced that it is expected to report a loss for FY2023</p> <p>On 27 February 2024, the Company announced the extension of cut off date for the Proposed Acquisition and the Group's financial results for FY2023.</p> <p>On 1 March 2024, the Company announced the changes in the composition of the board with resignation and appointment of new Executive Director and Chief Executive Officer.</p>

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6.2.4 Trading statistics of the Shares

We tabulate below selected statistical information on the share price and trading liquidity of the Shares during the Reference Period:

	VWAP ⁽¹⁾ (S\$)	Premium / (Discount) of Issue Price to VWAP (%)	Highest trading price (S\$)	Lowest trading price (S\$)	Average daily traded volume ⁽²⁾	Average daily traded volume as percentag e of free float ⁽³⁾ (%)
<u>Periods prior to Announcement Date and up to the Last Trading Day</u>						
24 months	0.060	(41.67)	0.099	0.027	1,530,837	2.13
12 months	0.038	(7.89)	0.049	0.030	564,261	0.78
Six (6) months	0.036	(2.78)	0.041	0.030	291,131	0.40
Three (3) months	0.036	(2.78)	0.040	0.030	146,729	0.20
One (1) month	0.035	-	0.039	0.031	113,811	0.16
Last Trading Day	0.035	-	0.036	0.035	29,400	0.04
<u>Periods after the Announcement Date up to the Latest Practicable Date</u>						
Up to the Latest Practicable Date	0.019	84.21	0.034	0.015	227,114	0.32
Latest Practicable Date	0.015	133.33	0.015	0.015	49,000	0.07

Source: Bloomberg L.P.

Notes:

- (1) VWAP is stated at three (3) decimal places in the above table.
- (2) The average daily traded volumes of the Shares are calculated based on the total number of Shares traded and the total days where the Shares were traded (“**Trading Days**”) during those periods. For avoidance of doubts, the above statistics do not include the 69,012,815 Shares acquired by the Vendor which is the subject of the mandatory general offer by the Vendor (the “**MGO**”) in July 2023.

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- (3) Free float is calculated based on 71,972,938 Shares, being the difference between (i) the existing share capital of 209,337,290 Shares; and (ii) 137,364,352 Shares being the sum of Shares held by directors and substantial Shareholders of the Company and their associates as at the Latest Practicable Date.

While the Issue Price represents a discount of more than 40% to the VWAP of the Shares for the 24 months period prior to and including the Last Trading Day, the market price of the Shares had gradually stabilised in the 12 months period prior to and including the Last Trading Day.

The Issue Price represents less than 10% discount to the VWAP of the Shares for the 12 months period, six (6) months period, and three (3) months period prior to and including the Last Trading Day.

The Issue Price is also the same as the VWAP of the Shares for the one (1) month period prior to and including the Last Trading Day and the Last Trading Day.

The closing prices of the Shares have trended downwards since the Announcement Date up to the Latest Practicable Date. However, as the Shares were only traded on seven (7) market days out of the 74 market days where the SGX-ST is opened for trading for the above-mentioned period, there is insufficient statistics to conclude if the trading prices of the Shares were affected by the Proposed Acquisition or the expected loss of the Group for FY2023 announced on 21 February 2024.

With regards to the liquidity of the Shares, we note that:

- (a) save for an average daily traded volume of more than 1.5 million Shares for the 24 months period prior to and including the Last Trading Day, the average daily traded volume of the Shares for the various periods prior to and including the Last Trading Day as well as the period after the Announcement Date up to the Latest Practicable Date were less than one (1) million Shares;
- (b) the average daily traded volume of the Shares, as a percentage of the free float of the Company, has been declining from 2.13% for the 24 months period prior to and including the Last Trading Day to 0.04% on the Last Trading Day; and
- (c) even though the average daily traded volume of the Shares for the period after the Announcement Date up to the Latest Practicable Date was higher at 227,114 Shares as compared to 146,729 Shares, 113,811 Shares and 29,400 Shares for the three (3) months period prior to and including the Last Trading Day, the one (1) month period prior to and including the Last Trading Day and the Last Trading Day, the average daily traded volume of the Shares for the period after the Announcement Date up to the Latest Practicable Date represents only 0.32% of the free float of the Company.

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We also note that the Shares were generally traded on more than 60% of market days, being days which the SGX-ST is open for trading (“**Market Days**”) for the 24 months, 12 months and six (6) months periods prior to the Announcement Date set out in the table above, but were traded on approximately 48% and 45% of Market Days for the three (3) months and the one (1) month periods prior to and including the Last Trading Day. As mentioned earlier, the Shares were only traded on seven (7) Market Days out of the 74 Market Days for the period after the Announcement Date up to the Latest Practicable Date.

Given that the average daily traded volume of the Shares and the percentage of number of Market Days where the Shares were traded were declining for the various periods prior to and including the Last Trading Day, and while the average daily traded volume of the Shares for the period after the Announcement Date up to the Latest Practicable Date was almost double than the average daily traded volume of the Shares for the one (1) month period prior to and including the Last Trading Day, the Shares were only traded on seven (7) Market Days out of the 74 Market Days for the period after the Announcement Date up to the Latest Practicable Date, the trading price of the Shares may not be a good representation of the fair value of the Shares. Accordingly, the NAV of the Shares may be more appropriate in the evaluation of the fair value of the Shares as compared to the Issue Price. As set out in paragraph 6.2.2 above, the Issue Price is at a premium to the NAV per Share and the cash and cash equivalents per Share.

6.2.5 The Issue Price as compared to the offer price for the Shares in the MGO made by the Vendor in July 2023

We note that the Issue Price represents a premium of 1.32 cents or approximately 60.55% to the offer price for the Shares in the MGO made by the Vendor in July 2023.

6.3 THE FINANCIALS OF THE TARGET COMPANY

The financials of the Target Company are set out in Section 2.5.2 of, and Appendix A to, the Circular.

As set out in Section 2.3.1 of the Circular and summarised in paragraph 3.2 of this IFA Letter, the Target Company only commenced to manage the 196 apartment units in The Pines Melaka in January 2023. Accordingly, the historical financials of the Target Company prior to January 2023 are irrelevant for the purposes of our evaluation.

APPENDIX C – LETTER FROM THE IFA TO THE DIRECTORS IN RELATION TO THE PROPOSED ACQUISITION AS AN IPT AND THE WHITEWASH RESOLUTION



We compare some key financials of the Target Company and the Group as follows:

	The Target Company for the 12 months period from 1 January 2023 to 31 December 2023		The Group for FY2023 S\$'000
	RM'000	S\$'000 ⁽¹⁾	
Revenue	13,544	3,981	356
Net profit/(loss) after tax	875 ⁽²⁾	257	(1,453)

Notes:

- (1) Based on the average of the month-end exchange rates of Singapore dollars to RM for the 12 months period from 1 January 2023 to 31 December 2023 as extracted from the website of the Monetary Authority of Singapore.
- (2) The net profit/(loss) after tax of the Target Company for the 12 months period from 1 January 2023 to 31 December 2023 was lower than its net profit/(loss) after tax for the 6M31Dec2023 as the Target Company registered a loss for the six (6) months period from 1 January 2023 to 30 June 2023.

As set out above, while the Target Company had only commenced its hotel management operations in January 2023, the revenue generated by the Target Company from the hotel management operations for the 12 months period from 1 January 2023 to 31 December 2023 already represents more than 11 times of the Group's revenue for FY2023 which is the same 12 months period as the Target Company.

Further, while the Target Company registered a loss for the six (6) months period from 1 January 2023 to 30 June 2023, we note that (a) its profit after tax for the six (6) months period from 1 July 2023 to 31 December 2023 already turnaround the loss for the six (6) months period from 1 January 2023 to 30 June 2023; and (b) its quarterly profit after tax for the three (3) months period from 1 October 2023 to 31 December 2023 was much higher than its quarterly profit after tax for the three (3) months period from 1 July 2023 to 30 September 2023.

6.4 THE RATIONALE FOR AND BENEFITS OF THE PROPOSED ACQUISITION

As noted in paragraph 3.4 of this IFA Letter, the Proposed Acquisition is part of the Group's efforts to expand its core business into the Southeast Asia hospitality market, which includes Malaysia, in order to generate additional revenue streams to the Group, as well as mitigate concentration risks. After the re-opening of the border, the Malaysian tourism industry showed positive signs of recovery with improving occupancy rates and average daily room rates arising from pent-up demand for hotel rooms, especially in Melaka which is one of the most visited cities in Malaysia.

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As set out in paragraph 6.3 above, the revenue and profit of the Target Company for the 12 months from January 2023 to December 2023 were already higher than that of the Group's.

6.5 THE METHOD OF SATISFACTION OF THE CONSIDERATION

As set out in paragraph 3.3.1 of this IFA Letter, the Consideration is S\$3,500,000, which shall be satisfied by:

- (a) the cash consideration of S\$500,000 to the Vendor; and
- (b) the remaining S\$3,000,000 with the allotment and issue of Consideration Shares in favour of the Vendor, at the Issue Price of S\$0.035 for each Consideration Share.

As set out in paragraph 6.2.1 of this IFA Letter, it is not uncommon for companies listed on the SGX-ST to satisfy the purchase consideration for an acquisition, in cash and/or the allotment and issue of new ordinary shares in the capital of such listed companies.

We note that the Group has sufficient cash and cash equivalents as at 31 December 2023 to satisfy the Cash Consideration of S\$500,000. As a reference, the Cash Consideration represents approximately 29.64% of the Group's latest announced cash and cash equivalents as at 31 December 2023.

We also note the satisfaction of bulk of the consideration for the Proposed Acquisition by way of the issuance of the Consideration Shares will reduce the cash outlay by the Group for the Proposed Acquisition.

6.6 THE FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The financial effects of the Proposed Acquisition can be found in Section 8 of the Circular.

We note that:

- (a) the net tangible assets per Share as at 31 December 2023 will decrease from approximately 1.07 cents to 0.60 cents as the share capital of the Company will increase with the allotment and issue of the Consideration Shares and the Group's net tangible assets as at 31 December 2023 will decrease by approximately 21.14% from approximately S\$2.24 million to approximately S\$1.77 million upon Completion. The Company also disclosed that the Group may record significant goodwill arising from the Proposed Acquisition in view of the low net tangible assets of the Target Company compared to the Consideration to be paid to the Vendor, and such goodwill will be subject to annual impairment test in accordance with the accounting policies of the Group; and
- (b) the loss per Share for FY2023 will also decrease from 0.69 cents to 0.48 cents as the net income of the Target Company will help to offset the net loss of the Group for

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FY2023 and the share capital of the Company will also increase with the Consideration Shares.

6.7 OTHER CONSIDERATIONS

6.7.1 Comparable companies comparison

(a) In respect of the Group

We note that the Group reported losses (net of tax) of S\$1,453,000 and negative earnings before interest, taxes, depreciation and amortisation, for FY2023. In addition, the Group's NAV as at 31 December 2023 comprised mainly cash. Accordingly, it is not meaningful to compare the valuation statistics of the Shares as implied by the Issue Price with comparable companies of the Company.

(b) In respect of the Target Company

Based on our review of the financials of the Target Company, we calculate that the Target Company reported a net profit after tax of approximately RM875,000 for the 12 months ended 31 December 2023. The 12 months net profit after tax of the Target Company, which consist mainly of the net profit of the hotel management operations for the 12 months ended 31 December 2023, provides a basis to calculate the price-to-earning ("P/E") ratio and enterprise value ("EV")-to-earnings before interest, tax, depreciation and amortisation ("EBITDA") ("EV/EBITDA") ratio and compare such ratios with companies listed on the SGX-ST which are principally engaged in hotel operations.

Based on the net profit after tax of the Target Company for the 12 months ended 31 December 2023 of approximately RM875,000 (equivalent to approximately S\$257,000 based on the average month-end exchange rate of S\$1.00 to 3.4025 for the 12 months period ended 31 December 2023), we calculate that the P/E ratio for the Target Company as implied by the Consideration to be 13.6 times.

The Target Company did not have any borrowings or lease liabilities as at 31 December 2023. After deducting the cash and cash equivalents of the Target Group as at 31 December 2023 amounted to approximately RM288,000 (equivalent to approximately S\$83,000 based on the exchange rate of S\$1.00 to RM3.4819 as at 31 December 2023), the enterprise value of the Target Company as at 31 December 2023 amounted to approximately RM3.42 million. The EV/EBITDA ratio of the Target Company is hence 12.9 times.

In our review of the financials of the Target Company, we note that the Target Company generates room revenue rather than hotel management revenue. Accordingly, we have identified with companies listed on the SGX-ST which (a) generated more than 80% of its revenue for the last announced 12 months results from hotel operations (which include room revenue); and (b) reported a profit in the

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last announced 12 months results, as comparable companies of the Target Company (the “**Target Comparable Companies**”).

A brief description of the Target Comparable Companies is set out below:

Name	Brief business description
AF Global Ltd	AF Global Limited operates as an investment holding company. The company, through its subsidiaries, invests, develops, sells, and manages hotels and resorts.
HL Global Enterprises Ltd	HL Global Enterprises Ltd is an investment holding company whose subsidiaries invest in properties for rental purposes. The company provides building and civil engineering construction services, develops and manages properties, and operates hotels and restaurants. HL Global Enterprise Ltd also operates multimedia transactional payphone kiosk and sells computer hardware and software. HL Global Enterprise Ltd operates Copthorne Hotel in Cameron Highlands, Malaysia.
Hotel Grand Central Ltd	Hotel Grand Central Limited owns, operates, and manages hotels. The company also collects rent, develops properties, and provides marketing and support services.
Hotel Properties Limited	Hotel Properties Limited, through its subsidiaries, operates and manages hotels. The company also operates restaurants and retails and distributes food and fashion merchandise. In addition, Hotel Properties Limited trades shares, develops and invests in properties, hotels, and resorts.
Hotel Royal Ltd	Hotel Royal Limited owns and operates the Hotel Royal in Singapore. The company, through its subsidiaries, also manages and invests in properties in Malaysia and New Zealand.
Stamford Land Corporation Limited	Stamford Land Corporation Limited is an investment holding company. The company owns and manages hotels and travel agencies. Stamford Land Corporation Limited also develops and invests in properties.

We compare the P/E ratio and EV/EBITDA ratio of the Target Company as implied by the Consideration with those of the Target Comparable Companies as at the Latest Practicable Date as follows:

Name	Market Capitalisation ⁽¹⁾ (S\$'million)	Net profit ⁽²⁾ (S\$'million)	P/E ratio ⁽²⁾ (times)	EV/EBITDA ratio ^{(2) (3)} (times)
AF Global Ltd	99.23	2.64	37.5	23.3
HL Global Enterprises Ltd	24.08	1.64	14.7	22.4

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Name	Market Capitalisation ⁽¹⁾ (S\$'million)	Net profit ⁽²⁾ (S\$'million)	P/E ratio ⁽²⁾ (times)	EV/EBITDA ratio ^{(2) (3)} (times)
Hotel Grand Central Ltd	573.06	11.88	48.3	9.2
Hotel Properties Limited	1,856.09	561.05	3.3	38.4
Hotel Royal Ltd	204.42	2.55	80.0	18.4
Stamford Land Corporation Ltd	586.77	169.89	3.5	20.3
Maximum			80.0	38.4
Minimum			3.3	9.2
Mean			31.2	22.0
Median			26.1	21.3
The Target Company (Based on the Consideration)	3.50	0.26	13.6	12.9

Source: Bloomberg Finance L.P., annual reports and/or announcements of the respective companies, and other publicly available information.

Notes:

- (1) Market capitalisation of the Target Comparable Companies are calculated based on their respective closing prices as at the Latest Practicable Date.
- (2) The ratios are calculated based on the latest available last 12 months ("LTM") results of the Target Comparable Companies as announced by the respective companies on or prior to the Latest Practicable Date.
- (3) Share of results of jointly-controlled entities, dividend income, gain or loss on disposal of assets (other than property, plant and equipment), fair value gain or loss or impairment on investment properties and similar assets (other than property, plant and equipment), where applicable, have been added or subtracted from the EBITDA of the Target Comparable Companies to calculate EV/EBITDA ratios.

As set out in the above table, the P/E ratio and EV/EBITDA ratio of the Target Company as implied by the Consideration is within the range and below the mean and median P/E ratios and EV/EBITDA ratios of the Target Comparable Companies.

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Nevertheless, we wish to highlight that:

- (a) based on our searches, there is no direct comparable company of the Target Company listed on the SGX-ST. The closest comparable company may be HL Global Enterprises Ltd, which for its last 12 months ended 31 December 2023, generated more than 90% of its revenue from the operation of Copthorne Hotel in Cameron Highlands, Malaysia. However, the net profit after tax attributable to equity holder of HL Global Enterprises Ltd is six (6) times of the Target Company. In our review of the Valuation Report, we note that the Valuer has identified hotel management companies which generated more than 51% of its total revenue from hotel management as the comparable companies for the Target Company. However, we note that none of these hotel management companies are listed on the SGX-ST and all of these hotel management companies had market capitalisation exceeding S\$1 billion. Accordingly, we have not included any of the hotel management companies identified by the Valuer in the list of Target Comparable Companies; and
- (b) the Target Company is a hotel operator and does not own the hotel assets whereas the Target Comparable Companies are hotel owners and operators. Accordingly, the operating costs and expenses of the Target Company differ from the Target Comparable Companies. For example, the Target Company has to pay rental to the owners of the 196 apartment units under its management.

Accordingly, the above comparison is for illustrative purposes only.

6.7.2 Abstention from voting by the Vendor and his associates

Rules 919 and 921(7) of the Catalist Rules state that interested persons shall abstain and undertake that their associates shall abstain from voting on the resolution approving interested person transactions involving them and the Group. Such interested persons and their associates also shall not act as proxies in relation to such resolutions unless specific voting instructions have been given by the relevant Shareholder.

Accordingly, the Vendor will abstain, and will undertake to ensure that his associates will abstain, from voting on the Proposed Acquisition and the resolution relating to the allotment and issue of the Consideration Shares. In addition, the Vendor and his respective associates will also decline to accept appointment as proxies for any Shareholder to vote in respect of the Proposed Acquisition and the resolution relating to the allotment and issue of the Consideration Shares, unless the Shareholder concerned shall have given specific instructions as to the manner in which such Shareholder's votes are to be cast.

Pursuant to the Whitewash Waiver, the Whitewash Resolution will also be put forth for voting by Independent Shareholders by way of a poll.

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6.7.3 Statutory control by the Vendor upon completion

Upon the allotment and issue of the Consideration Shares, the Vendor will hold more than 50% interest in the capital of the Company. The Vendor will have statutory control of the Company which will allow the Vendor to pass all ordinary resolutions on matters in which the he does not have an interest in at general meetings of Shareholders.

6.7.4 Dilution to public Shareholders

Public Shareholders who hold 71,972,938 Shares, representing 34.38% interest in the existing share capital of the Company will be diluted to 24.39% interest in the enlarged share capital of the Company upon the allotment and issue of the Consideration Shares.

7. INTERESTED PERSON TRANSACTIONS WITH THE VENDOR WHICH ARE SUBJECT OF AGGREGATION

We note from Section 3.5 of the Circular that, save for the Proposed Acquisition, the Group does not have any other transaction with the Vendor which is a subject of aggregation.

8. OUR OPINION AND RECOMMENDATION

Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Proposed Acquisition and the Whitewash Resolution. We have carefully considered as many factors as we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

8.1 “FAIRNESS” OF THE TERMS OF THE PROPOSED ACQUISITION

We set out below a summary of the key factors we have taken into our consideration when assessing the “fairness” of the terms of the Proposed Acquisition:

8.1.1 Factors for the “fairness” of the terms of the Proposed Acquisition

The following factors substantiate the “fairness” of the terms of the Proposed Acquisition:

- (a) the Consideration is within the range of fair market value of the Sale Shares as opined by the Valuer and is at a slight premium of approximately 1.02% to the mid-point valuation of S\$3.46 million opined by the Valuer;
- (b) the basis of determining the Issue Price upon VWAP is fairly common amongst the Precedent Comparable Acquisitions set out in paragraph 6.2.1 of this IFA Letter;

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- (c) the Issue Price represents premia of more than 100% to the NAV per Share and cash and cash equivalents per Share as set out in paragraph 6.2.2 of this IFA Letter; and
- (d) the Issue Price is generally within a 15% fluctuation range of the closing prices of the Shares for the 12 months period prior to the Announcement Date and represents less than 10% discount to the VWAP of the Shares for the 12 months period, six (6) months period, and three (3) months period prior to and including the Last Trading Day.

8.1.2 Factors against the “fairness” of the terms of the Proposed Acquisition

The only factor which undermines the “fairness” of the terms of the Proposed Acquisition is the financial effects of the Proposed Acquisition on the Group’s net tangible assets per Share as at 31 December 2023 which will reduce to 0.60 cents from 1.07 cents as the share capital of the Company will increase with the allotment and issue of the Consideration Shares and the Group’s net tangible assets as at 31 December 2023 will decrease by approximately 21.14% from approximately S\$2.24 million to approximately S\$1.77 million upon Completion. In addition, the Group may record significant goodwill arising from the Proposed Acquisition in view of the low net tangible assets of the Target Company compared to the Consideration to be paid to the Vendor, and such goodwill will be subject to annual impairment test in accordance with the accounting policies of the Group.

8.2 “REASONABLENESS” OF THE TERMS OF THE PROPOSED ACQUISITION

We set out below a summary of the key factors we have taken into our consideration when assessing the “reasonableness” of the terms of the Proposed Acquisition:

8.2.1 Factors for the “reasonableness” of the terms of the Proposed Acquisition

The following factors substantiate the “reasonableness” of the Proposed Acquisition:

- (a) the Proposed Acquisition is beneficial to the Group as it is part of the Group's efforts to expand its core business into the Southeast Asia hospitality market, in order to generate additional revenue streams to the Group, as well as mitigate the concentration risks;
- (b) as set out in paragraph 6.3 of this IFA Letter, while the Target Company has only commenced its hotel management operations in January 2023, the revenue generated by the Target Company from the hotel management operations for the period from 1 January 2023 to 31 December 2023 already represents more than 11 times of the Group’s revenue for FY2023; and
- (c) other consideration as set out in paragraph 6.7 of this IFA Letter.

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8.2.2 Factors against the “reasonableness” of the terms of the Proposed Acquisition

None.

8.3 OUR OPINION AND RECOMMENDATION

Accordingly, after taking into account the above factors and the information made available to us as at the Latest Practicable Date, we are of the opinion that, (i) the Proposed Acquisition, as an interested person transaction, is on normal commercial terms; (ii) the Proposed Acquisition, as an interested person transaction, is not prejudicial to the interests of the Company and its minority Shareholders; and (iii) the terms of the Proposed Acquisition, being the subject of the Whitewash Resolution, are fair and reasonable. Accordingly, we recommend that the Directors advise the Independent Shareholders to VOTE FOR the Whitewash Resolution.

This IFA Letter, which is prepared pursuant to Rule 921(4)(a) of the Catalist Rules and the Code, is addressed to the Directors for their benefit, in connection with and for the purpose of their consideration of the Proposed Acquisition and the Whitewash Resolution, and the recommendation made by them to the Independent Shareholders shall remain the responsibility of the Directors.

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor the Shareholders may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purpose, without the prior written consent of Xandar Capital in each specific case, except for the Proposed Acquisition and the Whitewash Resolution, at any time and in any manner.

This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours truly
For and on behalf of
XANDAR CAPITAL PTE. LTD.

LOO CHIN KEONG
EXECUTIVE DIRECTOR

PAULINE SIM POI LIN
HEAD OF CORPORATE FINANCE

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

Appendix D sets out the Proposed Amendments to the Constitution of the Company, with additions underlined and deletions marked with a strikethrough.

~~REPUBLIC OF SINGAPORE~~

~~THE COMPANIES ACT, (CAP.185)~~

~~COMPANY LIMITED BY SHARES~~

~~Memorandum~~

~~And~~

~~New~~

~~Articles of Association~~

~~(Adopted by Special Resolution passed on the
18th day of November 1994)~~

~~Of~~

~~ITE ELECTRIC CO LTD~~

~~Incorporated on the 12th day of April, 1982.~~

~~(Incorporating all amendments up to 27th August, 1999)~~

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

THE COMPANIES ACT
(CHAPTER 50)
SECTION 31(3)
CERTIFICATE OF INCORPORATION ON
CONVERSION TO A PUBLIC COMPANY

Name of Company: **ITE ELECTRIC CO PTE LTD**

Company No: **198201457Z**

This is to certify that the abovenamed company, which was on 12 April 1982 incorporated under the Companies Act as a company limited by shares, did on 18 November 1994 convert to a public company and that the name of the company now is **ITE ELECTRIC CO LTD**.

Given under my hand and seal on 18 November 1994.

TAN HENG KIAT KELVIN
SENIOR ASST REGISTRAR OF COMPANIES AND BUSINESSES
SINGAPORE

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

Form 9.

THE COMPANIES ACT. CAP. 185

Section 16 (4).

No. of Company

1457/82-Z

CERTIFICATE OF INCORPORATION OF PRIVATE COMPANY

This is to certify that ITE ELECTRIC CO PTE LTD _____

is, on and from the 12th day of April 1982, incorporated under the Companies Act, Cap. 185, and that the company is a company limited by shares and that the company is a private company.

Given under my hand and seal, at Singapore, this 12th day of April 1982.

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

REPUBLIC OF SINGAPORE

=====

THE COMPANIES ACT, (CAP.185)

=====

COMPANY LIMITED BY SHARES

=====

Memorandum of Association

OF

*ITE ELECTRIC CO PTE LTD

1. The name of the Company is ITE ELECTRIC CO PTE LTD

2. The Registered Office of the Company will be situated in the Republic of Singapore.

3. The objects for which the Company is established are:-

(1) To carry on the business of manufacturers, importers, exporters, wholesalers, retailers, distributors, agents and dealers in all kinds of electrical and engineering products, accessories, articles and goods and also to carry on all other businesses auxiliary or incidental to the foregoing or connected therewith or calculated directly or indirectly to enhance the value if or facilitate the realisation of or render more profitable any of the Company's property or rights.

(2) To carry on the business of electrical, electronic, civil, structural, mechanical, salvage and general engineers and contractors and any other businesses which can be conveniently carried on in connection therewith or which may seem profitable to the Company and capable of being conveniently carried on by it.

(3) To carry on the business of general importers, exporters, merchants, traders, manufacturers, warehousemen dealers, brokers, commission agents, del credere agents, representatives, general carriers, suppliers, removers, packers and distributors and all other businesses which are capable of being conducted so as directly or indirectly to benefit the Company.

* By a Special Resolution passed on 18th November 1994, the Company resolved to change its name from ITE Electric Co Pte Ltd to ITE Electric Co Ltd. On the same day, the Company was converted to a public company and adopted the name of ITE Electric Co Ltd.

(4) To buy, sell, import, export and trade in all kinds of plant, machinery, tools, utensils, appliances, commodities, merchandise, products, articles materials and things whatsoever which may be capable of being used in any business which the Company is competent to carry on which may seem capable of being profitably dealt with and to manufacture, experiment with, render marketable and deal in all products of residual and by-products incidental to or obtained in any of the business carried on by the Company.

(5) To purchase, take in exchange or on lease, rent, hire, occupy or otherwise acquire any freehold, leasehold or other property and any land, shop, warehouse, showroom, office, building or other rights or interests therein or any other real or personal property which the Company may think necessary or convenient for the purposes of its business.

(6) To develop and turn to account any land acquired by or in which the Company is interested and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fitting and improving, and by planting, paving, draining, farming, cultivating, letting on lease or agreement and by advancing money to and entering into contracts and arrangements of all kinds with builder, tenants and others.

(7) To purchase or otherwise acquire for investment or resale shares, stock debenture stock, bonds, obligations and securities issued or guaranteed by any government, sovereign rules, state commissioner, public body or public authority, or issued or guaranteed by any company or corporation whatsoever in any part of the world and to exercise or enforce all rights or powers conferred by or incident to the ownership or holding thereof.

(8) To establish and carry on the business of transportation by land, sea and air and general carriers of passengers and cargo, and to act as shipping agents, forwarding agents, passenger agents, crew agents, freight agents, stevedores, lightermen, truckers and as

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

- ~~owners and operators of lighters, barges, launches, vessels, lorries and vehicles of all kinds and descriptions.~~
- ~~(9) To purchase, acquire, accept, discount, hold, exchange, transfer, assign, mortgage, pledge, sell, dispose of or otherwise deal in all kinds of accounts receivable, bills of exchange, promissory notes, coupons, drafts, negotiable instruments, commercial papers, conditional sales, agreement, lien notes, hire purchase agreements, chattel mortgages, bills of lading, bills of sale, warehouse receipts, godown warrants, guarantees, trust receipts, choses in action, and all instruments of assignment, conveyance, pledges, charge, mortgage of hypothecation (whether of real or personal property or both).~~
- ~~(10) To apply for, purchase or otherwise acquire any patent, brevet d'invention, licence, concession and the like conferring any exclusive or non-exclusive or limited rights to use or any secret or other information as to any invention or preparation which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired.~~
- ~~(11) To erect, construct, lay down, enlarge, alter and maintain any roads, railways, tramways, sidings, bridges, reservoirs, ship building yards, shops, stores, factories, buildings, works, plant and machinery necessary or convenient for the company's business, and to contribute to or subsidise the erection, construction and maintenance of any of the above.~~
- ~~(12) To borrow, raise or secure the payment of money for the purposes of or in connection with the company's business, and for the purposes of or in connection with the borrowing or raising of money by the company to become a member of any building society.~~
- ~~(13) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the company, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers, privileges and conditions as may be thought fit, debentures, or debenture stock, either permanent or redeemable or repayable, and collaterally or further to secure any securities of the company by a trust deed or other assurance.~~
- ~~(14) To issue and deposit any securities which the company has power to issue by way of mortgage and also by way of security for the performance of any contracts or obligations of the company or of its customers or other persons or corporations having dealings with the company, or in whose business or understandings the company is interested, whether directly or indirectly.~~
- ~~(15) To guarantee the obligations and contracts of customers and others.~~
- ~~(16) To make advances to customers and others with or without security, and upon such terms as the Company may approve.~~
- ~~(17) To grant pensions, allowances, gratuities and bonuses to officers, ex-officers, employees or ex-employees of the company or its predecessors in business or the dependants of such persons; to establish and maintain or concur in establishing and maintaining trusts, funds or schemes (whether contributory or non-contributory) with a view to provide pension or other benefits for any such persons as aforesaid and to support or subscribe to any charitable funds or institutions, the support of which may, in the opinion of the directors, be calculated directly or indirectly to benefit the company or its employees, and to institute and maintain any club or other establishment or profit-sharing scheme calculated to advance the interests of company or its officers or employees.~~
- ~~(18) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments.~~
- ~~(19) To invest and deal with the moneys of the company not immediately required for the purposes of its business in or upon such investments or securities and in such manner as may from time to time be determined.~~
- ~~(20) To pay for any property or rights acquired by the company, either in cash or fully or partly paid up shares, with or without preferred or deferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or by any securities which the company has power to issue, or partly in one mode and partly in another, and generally on such terms as the company may determine.~~
- ~~(21) To accept payment for any property or rights sold or otherwise disposed of or dealt with by the company, either in cash, by instalments or otherwise, or in fully or partly paid up shares of any company or corporation, with or without deferred or preferred or special rights or~~

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

~~restrictions in respect of dividend, repayment of capital, voting or otherwise, or in debentures or debenture stock, mortgages, or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as the company may determine, and to hold, dispose of or other deal with any shares, stock or securities so acquired.~~

- ~~(22) To enter into any partnership or joint venture arrangement or arrangement for sharing profits, union of interests or co-operation with any company, firm or person carrying on or proposing to carry on any business within the objects of this company, and to acquire and hold, sell, deal with or dispose of shares, stock or securities of any such company, and to guarantee the contracts or liabilities of, or the payment of the dividends, interest or capital of any shares, stock or securities of and to subsidise or otherwise assist any such company.~~
- ~~(23) To make donations for patriotic or for charitable purposes.~~
- ~~(24) To transact any lawful business in aid of the Republic of Singapore in the prosecution of any war in which the Republic of Singapore is engaged.~~
- ~~(25) To establish or promote or concur in establishing or promoting any other company whose objects shall include the acquisition and taking over of all or any of the assets and liabilities of the company or the promotion of which shall be in any manner calculated to advance directly or indirectly the objects or interests of this company.~~
- ~~(26) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licenses, easements and other rights, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the company for such consideration as the company may think fit.~~
- ~~(27) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licenses, easements and other rights, and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the company for such consideration as the company may think fit.~~
- ~~(28) To amalgamate with any other company whose objects are or include objects similar to those of this company, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other company as aforesaid, with or without winding up, or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any such other company as aforesaid, or by partnership, or any arrangement of the nature of partnership, or in any other manner.~~
- ~~(29) To distribute among the members in specie any property of the company or any proceeds of sale or disposal of any property of the company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.~~
- ~~(30) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, trustees, sub-contractors or otherwise.~~
- ~~(31) To do all such other things as are incidental or conducive to the above objects or any of them.~~

AND IT IS HEREBY declared that the word “company” save when used in reference to this company in this clause shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, whether domiciled in Singapore or elsewhere. None of the sub-clause of the clause or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause of this clause, the intention being that the objects specified in each sub-clause of the clause shall, except where otherwise expressed in such clause, be independent main objects and shall be in no wise limited or restricted by reference to or interference from the terms of any other sub-clause or the name of the company, but the company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and notwithstanding that the business undertaking, property or act proposed to be transacted acquired, dealt with or performed does not fall within the objects of the first sub-clause of this clause.

4. ~~The liability of the members is limited.~~

5. ~~*The share capital of the Company is \$500,000.00 divided into 500,000 ordinary shares of \$1.00 each. The shares in the original or any increased capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise.~~

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

~~* By an Ordinary Resolution passed on 18th February 1984, the authorised capital of the Company was increased to \$1,000,000/- by the creation of 500,000 ordinary shares of \$1/- each.~~

~~By an Ordinary Resolution passed on 16th September 1991, the authorised capital of the Company was increased to \$2,000,000/- by the creation of 1,000,000 ordinary shares of \$1/- each.~~

~~By an Ordinary Resolution passed on 30th June 1994, the authorised capital of the Company was increased to \$8,000,000/- by the creation of 6,000,000 ordinary shares of \$1/- each.~~

~~By an Ordinary Resolution passed on 18th November 1994, the authorised capital of the Company was increased to \$30,000,000/- by the creation of 22,000,000 ordinary shares of \$1/- each.~~

~~By an Ordinary Resolution passed on 18th November 1994, the existing 30,000,000 ordinary shares of \$1/- each in the capital of the Company was sub-divided into 150,000,000 ordinary shares of \$0.20 each.~~

~~We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.~~

Names, Addresses and Occupations of Subscribers:	Number of Shares taken by each Subscribers:
LIM JOO CHUAN No 409-B Eugenia Court Pandan Valley Singapore 2159 (Merchant)	One
YU YOKE YIN No 94-B Block 21 Norfolk Road Singapore 0820 (Merchant)	One

~~Dated this 24th day of March 1982~~

~~Witness to the above signatures:-~~

CHIA MENG TECK

Approved Company Auditor

501-505 Colombo Court

Singapore 0617

NEW ARTICLES OF ASSOCIATION

Of

ITE ELECTRIC CO LTD

(Adopted by Special Resolution passed on

18th November 1994)

ALLEN & GLEDHILL,
36, Robinson Road, #18-01,
City House,
Singapore 0106.

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

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THE COMPANIES ACT, ~~CHAPTER 50~~ 1967 OF SINGAPORE

PUBLIC COMPANY LIMITED BY SHARES

~~ARTICLES OF ASSOCIATION~~ CONSTITUTION

of

~~ITE ELECTRIC CO~~ SUNRISE SHARES HOLDINGS LTD.

(Adopted by Special Resolution passed on ~~18th November 1994~~ 24 April 2024)

PRELIMINARY

~~1. The regulations in Table A in the Fourth Schedule to the Companies Act, Chapter 50 (as amended) shall not apply to the Company.~~

1. ~~2.~~ In these ~~present~~ present this Constitution (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meaning set opposite to them respectively.

<u>“The Act”</u>	<u>The Companies Act, Chapter 50 1967 of Singapore.</u>
<u>“Chief Executive Officer”</u>	<u>Shall have meaning ascribed to “chief executive officer” in the Act.</u>
<u>“Company”</u>	<u>The above-named company by whatever name from time to time called.</u>
<u>“Constitution”</u>	<u>This Constitution, as amended from time to time.</u>
<u>“Cut-Off Time”</u>	<u>72 hours before the time of the relevant General Meeting or adjourned General Meeting.</u>
<u>“Directors”</u>	<u>The directors of the Company for the time being</u>
<u>“Dividend”</u>	<u>Includes bonus.</u>
<u>“Electronic Communication”</u>	<u>Has the meaning ascribed to it in the Act.</u>
<u>“Exchange”</u>	<u>The Singapore Exchange Securities Trading Limited and, where applicable, its successors in title.</u>
<u>“Instruments”</u>	<u>Offers, agreements or options that might or would require shares to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible or exchangeable into shares.</u>

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

<u>“Market Day”</u>	<u>A day on which the Exchange is open for trading of securities.</u>
<u>“Member” and “Shareholder”</u>	<u>A registered shareholder for the time being of the Company or if the registered shareholder is the Depository, a Depositor named in the Depository Register (for such period as shares are entered in the Depositor’s Securities Account), excluding the Company where it is a Member by reason of its holding of its shares as treasury shares.</u>
<u>“Register of Members”</u>	<u>The register of registered shareholders of the Company.</u>
<u>“Secretary”</u>	<u>Has the meaning given to it in the Act and shall include any person appointed by the Directors to perform the duties of a secretary of the Company.</u>
<u>“Securities Account”</u>	<u>The securities account maintained by a Depositor with the Depository.</u>
<u>“Securities and Futures Act”</u>	<u>The Securities and Futures Act 2001 of Singapore or any statutory modification, amendment or re-enactment thereof for the time being in force.</u>
<u>“The Statutes”</u>	<u>The Act and every other Act for the time being in force concerning companies and affect the Company.</u>
<u>“These presents Regulations”</u>	<u>These Articles ^{Articles} of Association Regulations as from time to time altered.</u>
<u>“Offices”</u>	<u>The registered office of the Company for the time being.</u>
<u>“Paid”</u>	<u>Paid or credited as paid.</u>
<u>“Seal”</u>	<u>The Common Seal <u>common seal</u> of the Company.</u>
<u>“Month”</u>	<u>Calendar month.</u>
<u>“Year”</u>	<u>Calendar year.</u>
<u>“In writing” and “written”</u>	<u>Written or produced by any substitute for writing or partly one and partly another. <u>Includes printing and lithograph and any other mode or modes of representing or reproducing words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an Electronic Communication form or otherwise howsoever.</u></u>

The expressions “Depositor”, “Depository”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in the Section 81SF of the Securities and Futures Act.

The expression “clear days’ notice” shall, for the purposes of calculating the number of days necessary before a notice is served or deemed to be served, be exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given.

References in the ~~presents~~ this Constitution to “holders” of shares or a class of shares shall:-

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

- (a) ~~Exclude the Depository except where otherwise expressly provided in these presents~~this Constitution or where the term “registered holders” or “registered holder” is used in ~~these presents~~this Constitution; and
- (b) Where the subject and context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares, and
- (c) Except where otherwise expressly provided in this Constitution, exclude the Company in relation to shares held by it as treasury shares.

and “holding” and “held” shall be construed accordingly.

The expressions “current address”, “financial statements”, “relevant intermediary”, “special resolution” and “treasury shares” shall have the meanings ascribed to them respectively in the Act.

The terms “Annual General Meeting”, “Extraordinary General Meeting”, “General Meeting”, “Ordinary Resolution”, “Register of Members”, “Special Resolution” shall have the meanings ascribed to them respectively in the Act. For the avoidance of doubt, a Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of this Constitution.

~~The expression “Secretary” shall include any person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons.~~

~~All such of the provisions of these presents as are applicable to paid-up shares shall apply to stock, and the words “share” and “shareholder” shall be construed accordingly.~~

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include corporations.

Subject as aforesaid any words or expression ~~defined~~used in the Act and the Interpretation Act 1965 of Singapore shall (if not inconsistent with the subject or context) bear the same meanings in ~~these presents~~this Constitution.

References in this Constitution to any enactment are a reference to that enactment as for the time being amended or re-enacted.

The headnotes and marginal notes are inserted for convenience only and shall not affect the construction of this Constitution.

NAME

~~A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these presents.~~

2. The name of the Company is SUNRISE SHARES HOLDINGS LTD.

BUSINESS AND POWERS

3. Subject to the provisions of the Act and any other written law and this Constitution, the Company has:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for these purposes, full rights, powers and privileges.

4. The Office of the Company is situated in the Republic of Singapore

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

LIABILITY OF MEMBERS

5. The liability of Members is limited.

SHARE CAPITAL AT INCORPORATION

6. ~~3-~~ The authorised share capital of the Company ~~is at incorporation was~~ is at incorporation was \$30,000,000 divided into 150,000,000 ordinary shares of \$0.20 each.

ISSUE OF SHARES

7. ~~4-~~ Subject to the ~~Statutes Act and this Constitution and listing rules of the Exchange,~~ Act and this Constitution and listing rules of the Exchange, no shares may be issued by the Directors without the prior approval of an Ordinary Resolution of the Company in General Meeting but subject thereto and to Article 8 Regulation 13(A), and to any special rights attached to any shares for the time being issued, the Directors may allot or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration (or, where permitted under the Act and the listing rules of the Exchange, for no consideration) and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued in such denominations or with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, provided always that:-

~~(a) no Director shall participate in any issue of shares to employees unless the members in General Meeting have approved of the specific allotment to be made to such Director and unless he holds office in an executive capacity;~~

8. The Company may issue shares for which no consideration is payable to the Company.

~~(b) no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the members in a General Meeting;~~

~~(c) no shares shall be issued at a discount except in accordance with the Statutes.~~

~~(d) (subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 8(A) with such adaptations as are necessary shall apply; and~~

~~(e) Any other issue of shares, the aggregate of which would in any one financial year of the Company exceed ten percent. of the issued capital of the Company at the date of such issue, shall be subject to the approval of the Company in General Meeting.~~

9. ~~5-~~(A) Preference shares may be issued subject to such limitations thereof as may be prescribed by the listing rules of the Exchange upon which shares in the Company may be listed and the rights attaching to shares other than ordinary shares shall be expressed in this Constitution. In the event of preference shares being issued the total ~~nominal value~~ number of issued preference shares shall not at any time exceed the total ~~nominal value of the~~ number of issued ordinary shares issued at any time 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 proposal to be submitted to the meeting

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrears.

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

10. The Company shall not exercise any rights (including the right to attend and vote at General Meetings) in respect of treasury shares other than as provide by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.

VARIATION OF RIGHTS

11. ~~6-~~(A) Whenever the share capital of the Company is divided into different classes of shares, ~~subject to the provisions of the Statutes, the repayment of~~ preference capital other than redeemable preference capital ~~may be repaid and the special rights attached to any class may be~~ (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, whether or not the Company is being wound up, only be made, varied or abrogated either with the consent in writing of the holder of three quarters in nominal value of the issued shares of the class or ~~with~~ with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class ~~(but not otherwise) and may be so repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up and to every such Special Resolution, the provision of Section 184 of the Act shall, with such adaptations as are necessary, apply.~~ To every such separate General Meeting, ~~all the provisions of these presents~~ this Constitution relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that this necessary quorum shall be two persons at least holding or representing by proxy or by attorney at least one-third ~~in nominal value of the total voting rights~~ of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him. Provided always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from the holders of three-quarters ~~in nominal value of the total voting rights~~ of the issued shares of the class concerned within two months of such General Meeting shall be as valid and effectual as a Special Resolution carried at such General Meeting. The foregoing provisions of ~~the Article~~ this Regulation shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

(B) The repayment of preference capital other than redeemable preference capital, or any other alteration of preference shareholders' rights, may only be made pursuant to a Special Resolution of the preference shareholders concerned. Provided always that where the necessary majority for such a Special Resolution is not obtained at the General Meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two (2) months of the General Meeting, shall be as valid and effectual as a Special Resolution carried at the General Meeting.

(B) The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof or by this Constitution, be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.

ALTERATION OF SHARE CAPITAL

12. ~~7-~~The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe. Subject to any special rights for the time being attached to any existing class of shares, the new shares shall be issued

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof shall direct and if no direction be given as the Directors shall determine; subject to the provisions of this Constitution and in particular (but without prejudice to the generality of the foregoing) such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company or otherwise.

13. ~~8-~~(A) Subject to any direction to the contrary that may be given by the Company in General Meeting, or except as permitted under the Exchange's listing rules, all new shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ~~ratio~~ ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this ~~Article 8(A)~~Regulation.

(B) Notwithstanding ~~Article 8~~Regulation 13(A) above but subject to the ~~Statutes~~Act and the listing rules of the Exchange, the Company may apply to the ~~Stock Exchange of Singapore Limited to waive the convening of an Extraordinary General Meeting to obtain shareholders' approval for further issues of shares (other than bonus or rights issues) where:~~ by Ordinary Resolution in General Meeting give the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution to:

~~(a) in accordance with the provisions of Section 161 of the Act there is still in effect a resolution approving the issue of shares by the Company; and~~

~~(A) issue shares in the capital of the Company (whether by way of rights, bonus or otherwise); and/or~~

~~(b) the aggregate issues of which in any financial year (other than by way of bonus or rights issues) do not exceed ten per cent, of the issued capital of the Company.~~

~~(B) make or grant Instruments; and/or~~

~~(C) (notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force.~~

provided that:

(1) the aggregate number of shares or Instruments to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument) does not exceed any applicable limits and complies with the manner of calculation prescribed by the Exchange;

(2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the listing rules of the Exchange for the time being in force (unless such compliance is waived by the Exchange) and the Constitution; and

(3) (unless revoked or varied by the Company in general meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the next Annual General Meeting following the passing of the Ordinary Resolution, or the date by which

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

such Annual General Meeting is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest):

(C) Notwithstanding Regulation 13(A) above but subject to the Act, the Directors shall not be required to offer any new shares to members to whom by reason of foreign securities laws such offers may not be made without registration of the shares or a prospectus or other document, but may sell the entitlements to the new shares on behalf of such Members in such manner as they think most beneficial to the company.

(D) Except so far as otherwise provided by the conditions of issue or by these presents, all this Constitution, new shares shall be subject to the provisions of the Statutes and of these presents this Constitution with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

14. 9-The Company may by Ordinary Resolution alter its share capital in the manner permitted under the Act including without limitation:-

- (a) Consolidate and divide all or any of its share capital shares into shares of larger amount than its existing shares;
- (b) Cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person or which have been forfeited and diminish the amount of its capital by the amount of the shares so cancelled in accordance with the Act;
- (c) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes Act), provided that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares; and
- (d) Subject to the provisions of this Constitution and the Statutes Act, convert its share capital or any class of shares into any other class of shares from one currency to another.

15. The Company may by special resolution, subject and in accordance with the Act and the listing rules of any stock exchange upon which the shares of the Company may be listed, convert any class of shares into any other class of shares.

16. 10-(A) The Company may by Special Resolution reduce its share capital or any capital redemption reserve fund, share premium account or other undistributable reserve other non-distributable reserves in any manner and with and subject to any incident authorised and consent required by requirement under the law.

(B) Subject to and in accordance with the provisions of the Act and any other relevant rule, law or regulation enacted or promulgated by any relevant competent authority from time to time, the Company may purchase or otherwise acquire any of its issued shares on such terms and subject to such conditions as the Company may from time to time think fit and in the manner prescribed by the relevant laws. If required by the relevant laws, any share which is so purchased or acquired by the Company, unless held as treasury shares in accordance with the provisions of the Act, shall be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share (including treasury shares) which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act.

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

SHARES

- ~~17.~~ 41. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by ~~these presents~~ this Constitution or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or (as the case may be) person whose name is entered in the Depository Register in respect of that share.
- ~~12.~~ Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the provisions of the Statutes the Company may issue preference shares which are, or at the option of the Company are liable, to be redeemed.
18. Save to the extent permitted by the Act or the listing rules of the Exchange, no part of the funds of the Company shall, directly or indirectly, be employed in the purchase of or subscription for or making of loans upon the security of any shares (or its holding company, if any). The Company shall not, except as authorised by the Act, give any financial assistance for the purpose of or in connection with any purchase of shares in the Company (or its holding company, if any).
- ~~13.~~ Subject to the provisions of these presents and of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such time and on such terms as they think proper.
19. If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may, subject to the conditions and restrictions mentioned in the Act, pay interest on so much of the share capital as is for the time being paid up and may charge the interest so paid to capital as part of the cost of the construction or provision.
- ~~20.~~ 14. Unless otherwise specified or restricted by law, the Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted provided that the rate or amount of the commissions paid or agreed to be paid shall be disclosed in the manner required by the Statutes or brokerage on any issue or purchase of its shares, or sale, disposal or transfer of treasury shares at such rate or amount and in such manner as the Directors deem fit. Such commissions may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. ~~The Company may also on any issue of shares pay such brokerage as may be lawful.~~
- ~~21.~~ 45. Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within 10 market days of the closing date (or such other period as may be approved by any Stock ~~the~~ Exchange upon which the shares in the company may be listed) of any such application. "Market day" shall have the meaning ascribed to it in Article 18. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation

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thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

SHARE CERTIFICATES

22. ~~16.~~ Every share certificate shall be issued under the Seal ~~and shall specify~~ or executed as a deed in accordance with the Act, in such form as the Directors shall from time to time prescribe and may bear the autographic or facsimile signatures of at least 2 Directors, or of 1 Director and the Secretary or some other person appointed by the Directors in place of the Secretary for the purpose, and shall clearly show in words and figures on the face of the certificate (or in such manner as may be approved by the Exchange) the number and class of shares to which it relates represented by the certificate, whether the shares are fully or partly paid up, and the amount (if any) paid up thereon. The signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Directors of the Company. No certificate shall be issued representing shares of more than one class.
23. ~~17.~~ (A) The Company shall not be bound to register more than three persons as the registered holder joint holders of a share except in the case of executors ~~or~~ administrators or trustees of the estate of a deceased member.
- (B) In the case of a share registered jointly in the names of several persons the Company shall not be bound to issue more than one certificate ~~therefor~~ thereof and delivery of a certificate to ~~any one of the registered joint holders~~ the person whose name stands first in the Register of Members shall be sufficient delivery to all the joint holders.
24. ~~18.~~ Subject to the payment of all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require, every person whose name is entered as a member in the Register of Members shall be entitled to receive within 10 market days of the closing date of any application for shares (or such other period as may be approved by any Stock Exchange upon which the shares of the Company may be listed) or within 15 market days after the date of lodgement of a registrable transfer (or such other period as may be approved by any Stock Exchange upon which the shares of the Company may be listed the Exchange) one certificate for all his shares of any class or several certificates in reasonable denominations each for a part of the shares so allotted ~~or transferred~~. The Company must, within 10 market days after the day of lodgement of a registrable transfer, despatch a share certificate in respect of such securities to the transferee entitled to such securities and a balance certificate for any remainder to the existing transferor. Where such a member transfers part only of the shares comprised in a certificate or where such a member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such member shall pay all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require and a maximum fee of \$2 for each new certificate or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by ~~any Stock~~ the Exchange upon which the shares in the Company may be listed. For the purposes of this Article ~~18~~ Regulation, “market day” shall mean a day on which the stock Exchange of Singapore Limited is open for trading in securities. Where the Member is a Depositor, the delivery by the Company to the Depository of provisional allotments or share certificates in respect of the aggregate entitlements of Depositors to new shares offered by way of rights issue or other preferential offering or bonus issue shall to the extent of the delivery discharge the Company from any further liability to each such Depositor in respect of his individual entitlement.

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25. ~~The retention by the Directors of any unclaimed share certificates (or stock certificates as the case may be) shall not constitute the Company a trustee in respect thereof. Any share certificate (or stock certificate as the case may be) unclaimed after a period of six years from the date of issue of such share certificate (or stock certificate as the case may be) may be forfeited and if so shall be dealt with in accordance with Regulations 36, 39, 40, 43 and 44, mutatis mutandis.~~

26. ~~19.~~(A) Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issues in lieu without charge.

(B) If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of \$2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any ~~Stock~~the Exchange upon which the shares in the Company may be listed.

(C) In the case of shares registered jointly in the names of several persons any such request may be made by any one of the registered joint holders.

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

27. ~~20.~~ Subject to the provisions of the Statutes Act, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of any ~~Stock~~the Exchange upon which the Company is listed or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery ~~up~~ of the old certificate and in any case on payment of such sum not exceeding \$2 as the Directors may from time to time require together with the amount of the proper duty with which such share certificate is chargeable under any law for the time being in force relating to stamps. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the ~~loss~~loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

CALLS ON SHARES

28. ~~21.~~ The Directors may from time to time make calls upon the members in respect of any money unpaid on their shares ~~(whether on account of the nominal value of the shares or, when permitted, by way of premium)~~ but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

29. ~~22.~~ Each member shall (subject to receiving at least 14 days' notice specifying the time or time and place of payment) pay to the Company at the time or time and place so specified the amount called on his shares. The joint holders of a share shall, subject to the Act, be jointly and severally liable to pay all calls and instalments and interest due in respect thereof. A call may be revoked or postponed as the Directors may determine.

30. ~~23.~~ If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum due from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding ten

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per cent per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

31. ~~24.~~ Any sum ~~(whether on account of the nominal value of the share or by way of premium)~~ which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of ~~these presents~~this Constitution be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment, all the relevant provisions of ~~these presents~~this Constitution as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
32. ~~25.~~ The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the time of payment.
33. ~~26.~~ The Directors may if they think fit receive from any ~~member~~Member willing to advance the same all or any part of the moneys ~~(whether on account of the nominal value of the shares or by way of premium)~~ uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish ~~pro tanto the~~(so far as the same shall extend) the liability upon the shares in respect of which it is made and upon the money so received ~~(until and to the extent that the same would but for such advance become payable)~~or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned. the Company may pay interest at such rate ~~(not exceeding~~ without sanction of the Company in General Meeting eight per cent per annum) as the member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not while carrying interest confer a right to participate in profits and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as part of its capital and shall be repayable at any time if the Directors so decide.

FORFEITURE AND LIEN

34. ~~27.~~ If a member fails to pay in full any call or instalment of a call on or before the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalments as is unpaid together with any interest which may be accrued thereon and any expenses incurred by the Company by reason of such non-payment.
35. ~~28.~~ The notice shall name a further day (not being less than fourteen days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call has been made will be liable to be forfeited.
36. ~~29.~~ If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice had been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to the forfeited hereunder. The forfeiture or surrender of a share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the Member whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by this Constitution expressly saved, or as are by the Act given or imposed in the case of past Members. The Directors may accept a surrender of any share liable to be forfeited hereunder.
37. When any share has been forfeited in accordance with this Constitution, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by

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transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register of Members or in the Depository Register (as the case may be) opposite to the share; but the provisions of this Regulation are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

38. Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.

39. 30. A share so forfeited or surrendered shall become the property of the Company and may be either cancelled, sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. ~~The~~ To give effect to any such sale, the Directors may, if necessary, authorise some person to transfer or effect the transfer of a forfeited or surrendered share to any such other person as aforesaid.

40. 31. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at eight per cent per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment, but such liability shall cease if and when the Company receives payment in full of all such money in respect of the shares and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at that time of forfeiture or surrender or waive payment ~~in whole of such interest either wholly~~ or in part.

41. 32. The Company shall have a first and paramount lien and charge on every share (not being a fully paid share) ~~for all moneys in the name of each Member (whether presently payable or not) called solely or jointly with others) and on the dividends declared or payable at a fixed time~~ in respect of such share ~~and for all moneys as the company thereof for all unpaid calls and instalments due on any such share and interest and expenses thereon but such lien shall only be upon the specific shares in respect of which such calls or instalments are due and unpaid, and to such amounts as the Company~~ may be called upon by law to pay in respect of the shares of the member or deceased member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this ~~Article~~ Regulation.

42. 33. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

43. 34. The net proceeds of such sale pursuant to Regulation 42 of a share forfeited by the Company or of a share over which the Company has a lien, after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the ~~debts or liabilities and any unpaid call and accrued interest and expenses and the~~ residue ~~shall be (if any) paid to the person entitled to the shares at the time of the sale whose shares have been forfeited,~~ or to his executors, administrators or assigns, as he may direct. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer or effect the transfer of the shares sold to the purchaser.

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~~44. 35.~~ A statutory declaration in writing ~~that the declarant is~~ by a Director or the Secretary of the Company ~~and~~ that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee, as the case may be) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the ~~share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a Depositor, the Company shall procure that his name~~ shall be entered in the Register of Members as the holder of the share or (as the case may be) in the Depository Register in respect of the shares ~~so sold, re-allotted or disposed of. Such person~~ and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the shares be ~~effected~~ affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

~~45. 36.~~ All transfers Subject to this Constitution, any Member may transfer all or any of his shares but every instrument of transfer of the legal title in shares may be effected by the registered holders thereof by transfer must be in writing in the form for the time being approved by ~~any~~ Stock Exchange upon which the Company may be listed the Directors and the Exchange, and must be left at the Office (or such other place as the Directors may appoint) for registration, accompanied by the certificate(s) of the shares to be transferred, and such other evidence (if any) as the Directors may require to provide the title of the intending transferor, or his right to transfer the shares. Shares of different classes shall not be comprised in the same instrument of transfer. The Company shall accept for registration transfers in the form approved by the Exchange. The instrument of transfer of ~~any~~ a share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferee is the Depository shall be effective although not signed or witnessed by or on behalf of the Depository. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

~~46.~~ No share shall in any circumstances be transferred to any infant, bankrupt or person who is mentally disordered and incapable of managing himself or his affairs, but nothing herein contained shall be construed as imposing on the company any liability in respect of the registration of such transfer if the company has no actual knowledge of the same.

~~47.~~ Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assigns, alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

~~48. 37.~~ The Register of Members and the Depository Register may be closed, and the registration of transfers may be suspended, at such times and for such period as the Directors may from

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time to time determine, provided always that such Register shall not be closed for more than thirty days in ~~aggregate in any year, year.~~ Provided always that the Company shall give prior notice of such closure as may be required to ~~any Stock~~ the Exchange upon which the Company may be listed, stating the period and purpose or purposes for which the closure is made.

~~49. 38.~~ (A) ~~There~~ Subject to this Constitution, there shall be no restriction on the transfer of fully paid up shares (except where ~~require~~ required by law, or by the rules or listing rules of any Stock Exchange upon which the shares of the company may be listed or the rules and/or bye-laws governing any Stock Exchange upon which the shares of the Company may be listed the Exchange) but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up and a call has been made and is unpaid, may refuse to register a transfer to a transferee of whom they do not approve, ~~Provided always that in the event of the Directors refusing to register a transfer of shares, they shall within 10 market days beginning with the day on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Statutes.~~

(B) The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:-

- (a) ~~all or any part of the stamp duty (if any) payable on each share certificate and such fee not exceeding \$2 (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by the Exchange) per transfer as the Directors may from time to time require, is paid to the Company in respect thereof;~~
- (b) ~~the instrument of transfer, duly stamped in accordance with any law for the time being in force relating to stamp duty, is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by a certificate of payment of stamp duty (if any is payable), the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and~~
- (c) ~~the instrument of transfer is in respect of only one class of shares; and~~
- (d) ~~the amount of the proper duty with which each share certificate to be issued in consequence of the registration of such transfer is chargeable under any law for the time being in force relating to stamps is tendered.~~

~~50. 39.~~ If the Directors refuse to register a transfer of any shares, they shall within ten market days after the date on which the ~~application for a transfer was lodged with the Company send to of~~ shares was made, give to both the transferor and the transferee ~~notice of the refusal as required by the Statutes~~ written notice and the precise reasons of their refusal to register in accordance with and pursuant to the requirements of the Act and the listing rules of the Exchange.

~~51. 40.~~ All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same.

~~52. 41.~~ There shall be paid to the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares such fee not exceeding \$2 as the Directors may from time to time require or prescribe. The Company must endorse (where necessary) the instrument or transfer with the notation "power of attorney

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exhibited” or “probate exhibited” on production of the proper documents and do so without charge.

53. 42. ~~The~~ Subject to any legal requirements to the contrary, the Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof and all share certificated which have been cancelled at ~~any~~ any time after the expiration of six years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. ~~;~~ Provided always that:-

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this ~~Article~~ Regulation; and
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

TRANSMISSION OF SHARES

54. 43. (A) In the case of the death of a member whose name is entered in the Register of Members, the survivors or survivor where the deceased where was a joint holder, and the executors ~~or~~ administrators or trustees of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the ~~company~~ Company as having any title to his interest in the shares.

(B) In the case of the death of a member who is a Depositor, the survivors or survivor where the deceased is a joint holder, and the ~~executors or administrators~~ legal personal representatives of the deceased where he was a sole or only surviving holder and where such ~~executors or administrators~~ legal representatives are entered in the Depository Register in respect of any shares of the deceased member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.

(C) Nothing in this ~~Article~~ Regulation shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.

55. 44. Any person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of ~~a person whose name is entered in the Register of Members may (subject as hereinafter provided) upon supplying to the Company~~ any Member or by virtue of a vesting order by a court of competent jurisdiction and recognised by the Company as having any title to that share may, upon producing such evidence as the Directors may reasonably require to show his legal title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such his desire or transfer such shares to some other person. If the person so becoming entitled shall elect to be registered himself, he shall send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered, he shall testify his election by executing to that person a transfer of

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the share. All the limitations, restrictions and provisions of ~~these presents~~this Constitution relating to the right to transfer and the registration of transfers of ~~shares~~ shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the ~~person whose name is entered in the Register of Members~~Member had not occurred and the notice or transfer were a transfer executed by such ~~person~~Member. The Directors shall have, in respect of a transfer so executed, the same power of refusing registration as if the event upon which the transmission took place had not occurred, and the transfer were a transfer executed by the person from whom the title by transmission is derived.

56. The Directors may at any time give notice requiring any such person to elect whether to be registered himself as a Member in the Register of Members or, (as the case may be), entered in the Depository Register in respect of the share or to transfer the share and if the notice is not complied with within 60 days, the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.
57. ~~45.~~ Save as otherwise provided by or in accordance with ~~these presents~~this Constitution, a person becoming entitled to a share pursuant to Article 43 (A) or (b) or Article 44 (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the member in respect of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in the Register of Members or his name shall have been entered in the Depository Register in respect of the share.

STOCK

58. ~~46.~~ The Company may from time to time by Ordinary Resolution convert any or all of its paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares of any denomination.
59. ~~47.~~ The holders of stock may transfer the same or any part thereof in the same manner and subject to ~~the same Articles~~this Constitution as and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units ~~(not being greater than the nominal amount of the shares from which the stock arose)~~ as the Directors may from time to time determine.
60. ~~48.~~ The holders of stock shall, according to the ~~amount~~number of stock units held by them, have the same rights, privileges and advantages as regards dividends, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards ~~participation in the profits or assets of the Company~~dividend and return of capital and the assets on winding up) shall be conferred by ~~an amount~~any such number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.
61. All provisions of this Constitution applicable to paid up shares shall apply to stock and the words share and shareholder or similar expression herein shall include stock or stockholder.

GENERAL MEETINGS

62. ~~49.~~ Subject to the provisions of the Act, an Annual General Meeting shall be held once in every year, at such time (within a period of not more than ~~fifteen months after the holding of the last preceding Annual General Meeting~~four months from the end of the Company's financial year, or such other period as may be prescribed by the Act and the listing rules of the Exchange and other legislation applicable to the Company from time to time) at such time and place in

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Singapore as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

Subject to the Act and the listing rules of the Exchange, all general meetings (including Extraordinary General Meetings) shall be held: -

- (a) at a physical place; or
- (b) at a physical place and using technology that allows a person to participate in a meeting without being physically present at the place of meeting.

If required by the listing rules of the Exchange, where a general meeting is held at a physical place, such general meeting shall be held in Singapore at such location as may be determined by the Directors, unless prohibited by relevant laws and regulations of Singapore, or unless such requirement is waived by the Exchange.

63. 50. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes Act, proceed with proper expedition to convene an Extraordinary General Meeting.

64. Subject always to the provisions of the Act and the listing rules of the Exchange, Members may participate at General Meetings by electronic means if the Company is mandated under the provisions of the Act, the listing rules of the Exchange and/or applicable law to allow such participation by electronic means. Such electronic means shall include without limitation telephone conference, video conference, audio visual or by means of a similar communication equipment whereby all persons participating in the meeting are able to hear and be heard by, all other participants, without being in the physical presence of each other, and such participation shall constitute presence in person at such meeting and Members (or their proxy or, in the case of a corporation, their respective corporate representatives) so participating shall be counted in the quorum for the meeting. Unless otherwise determined by the Board, the "place" of such meeting (when it is convened, held and/or conducted by electronic means) shall be deemed to be the Company's place of business in Singapore.

NOTICE OF GENERAL MEETINGS

65. 51. ~~Any~~ Subject to the Act, any General Meeting at which it is proposed to pass a Special Resolution ~~or (save as provided by the Statutes) a resolution of which special notice has been given to the Company,~~ shall be called by twenty-one days' notice in writing at the least and an Annual General Meeting and any other Extraordinary General Meeting by fourteen days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of these presents entitled to receive such notices from the Company; Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

- (a) in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; ~~and~~
- (b) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent ~~in nominal value of the shares giving that right;~~ of the total voting rights of all the Members having a right to vote at that meeting; and
- (c) where special notice is required of a resolution pursuant to the provisions of the Act, notice of the intention to move the resolution shall be given to the Company and the Company must give its Members notice of any such resolution at the same time and in the same manner as it gives notice of the meeting, and notice of any General

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Meeting shall be called in accordance with the provisions of the Act and in particular, Section 185 of the Act.

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. At least fourteen days' notice of any General Meeting shall be given by advertisement in ~~the~~ an English daily press newspaper in circulation in Singapore and in writing to any Stock Exchange upon which the Company may be listed.

66. No other person shall be entitled to receive notices of general meetings, provided always that if the meeting is called for the alteration of the objects of the Company, the notice shall be given to all members and to all trustees for debenture holders and, if there are no trustees for any class of debenture holders, to all debenture holders of that class whose names are, at the time of the posting of such notice, known to the Company, in accordance with Section 33 of the Act.

67. 52. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a ~~member~~ Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a ~~member~~ Member of the Company.

(B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

(C) In the case of any General Meeting at which business other than routine business is to be transacted (special business), the notice shall specify the general nature of such special business; and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.

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

- (a) declaring dividends;
- (b) receiving and adopting the ~~accounts~~ financial statements, the signed Directors' statement accompanying the financial statements (in such form, manner and content as prescribed by the Act), the reports of the Directors and Auditors and other documents required to be attached or annexed to the ~~accounts~~ financial statements;
- (c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
- (d) re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting) and appointing of new Auditors;
- (e) fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and
- (f) fixing the remuneration of the Directors proposed to be paid under ~~Article 79~~ Regulation 101.

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

PROCEEDINGS AT GENERAL MEETINGS

70. 55. The Chairman of the Board of Directors, failing whom the Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any

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meeting neither be present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the member present shall choose one of their number) to be chairman of the meeting.

71. ~~56.~~ No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two or more members present in person or by proxy ~~or by attorney or by a corporate representative in the case of a corporation which has appointed a corporate representative, provided that (i) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum; and (ii) where a Member is represented by more than one proxy such proxies shall count as only one Member for the purpose of determining the quorum.~~

72. ~~57.~~ If within thirty minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the ~~meeting~~ General Meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday then to the next business day following that public holiday) at the same time and place or such other day, ~~and at such other time or~~ and place as the ~~directors~~ Directors may by not less than ten days' notice appoint. At the adjourned meeting any one or more members present in person or by proxy or by attorney or by a corporate representative in the case of a corporation which has appointed a corporate representative shall be a quorum.

73. ~~58.~~ The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, from time and place for the adjourned meeting shall be fixed by the Directors. When a ~~meeting~~ General Meeting is adjourned for thirty days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

74. ~~59.~~ Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

75. ~~60.~~ If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by an error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

76. If required by the listing rules of the Exchange, all resolutions at General Meetings shall be voted by poll (unless such requirement is waived by the Exchange).

77. ~~61.~~ At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-

- (a) the ~~chairman~~ Chairman of the meeting; or
- (b) not less than two ~~members~~ Members present in person or by proxy and entitled to vote; or

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- (c) a ~~member~~Member or Members present in person or by proxy and representing not less than ~~one tenth~~five per cent of the total voting rights of all the members having the right to vote at the meeting; or
- (d) a ~~member~~Member or Members present in person or by proxy or by attorney or by a corporate representative 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 per cent of the total sum paid on all the shares conferring that right;

Provided always that no poll shall be demanded on the choice of a chairman or on a question of adjournment. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

78. ~~62.~~ A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll is required a declaration by the ~~chairman~~Chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets or electronic means) as the ~~chairman~~Chairman of the meeting may direct in Singapore, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The ~~chairman~~Chairman of the meeting may ~~(and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.~~

79. Subject to the Act and the requirements of the Exchange, at least one scrutineer shall be appointed for each general meeting. The appointed scrutineer(s) shall be independent of the persons undertaking the polling process. Where the appointed scrutineer is interested in the resolution(s) to be passed at the general meeting, it shall refrain from acting as the scrutineer for such resolution(s). The appointed scrutineer shall exercise the following duties:

- (a) ensuring that satisfactory procedures of the voting process are in place before the general meeting; and
- (b) directing and supervising the count of the votes cast through proxy and in person.

80. A poll on the election of a Chairman of a meeting or on a question of adjournment shall be taken immediately. A poll on any other question shall be taken either immediately or at such subsequent time (not being more than 7 days from the date of the meeting). No notice need be given of a poll not taken immediately.

81. If any votes are counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it is pointed out at the same general meeting or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude. The decision of the Chairman on such matters shall be final and conclusive.

82. ~~63.~~ In Subject to the Act and the requirements of the Exchange, in the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.

~~64.~~ A poll demanded on any question shall be taken wither immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

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VOTES OF MEMBERS

- ~~65.~~ Subject and without prejudice to any special ~~privileged~~ privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Regulation 10, each ~~member~~ Member entitled to vote may vote in person or by proxy.
- (a) On a show of hands, every ~~member~~ Member who is present in person and each proxy shall have one vote and on a ~~poll~~, provided that:
- (i) in the case of a Member who is not a relevant intermediary and is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the Chairman of the meeting (or by a person authorised by him) in his sole discretion, shall be entitled to a vote on a show of hands; and
- (ii) in the case of a Member who is a relevant intermediary and is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands; and
- (b) On a poll, every ~~member~~ Member who is present in person or by proxy shall have one vote for every share which he holds or represents.
84. For the purpose of determining the number of votes which a ~~member~~ 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 shares of that Depositor, be the number of shares entered against his name in the Depository Register as at ~~48 hours before the time of the relevant General Meeting~~ the Cut-Off Time as certified by the Depository to the Company. In the case of the joint holders of a share, any one of such persons may vote, but if more than one of such persons is present at a meeting, the person whose name stands first on the Register of Members shall alone be entitled to vote.
- ~~66.~~ In the case of the joint holders of a share the vote of a senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or (as the case may be) the Depository Register in respect of the share.
85. A Member who has become mentally disordered and incapable of managing himself or his affairs, or in respect of whom an order has been made by any Court having jurisdiction in mental capacity, may vote, whether on a show of hands or on a poll, by the person duly appointed to manage his estate (who may appoint a proxy), provided that such evidence as the Directors may require of the authority of such person shall have been produced.
- ~~67.~~ Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in the behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.
86. ~~68.~~ No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid. Members shall be entitled to be present and to vote at any General Meeting in respect of any share or shares upon which all calls due to the Company have been paid.

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~~87. 69.~~ No objection shall be raised as to the admissibility of any vote except at the meeting adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

~~88. 70.~~ On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

89. Where a Member is required by the listing rules of the Exchange or a court order to abstain from voting on a resolution at a General Meeting, such Member shall not be entitled to vote on the relevant resolution and shall be required to abstain from voting, whether in person or by proxy, in respect of such resolution, and the Company shall be entitled to disregard any votes cast by such Member in contravention of this Regulation, to the extent permitted by the Act and any other applicable laws and regulations.

90. Save as otherwise provided in the 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 instrument of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument 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 instrument 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 instrument of proxy, failing which the nomination shall be deemed to be alternative.

91. 71. (A) ~~A member may appoint not more than two proxies to attend and vote at the same General Meeting provided that if the member~~In any case where a Member is a Depositor, the Company shall be entitled and bound: -

(a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at ~~48 hours before the time of the relevant General Meeting~~the Cut-Off Time as certified by the Depository to the Company; and

(b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at ~~48 hours before the time of the relevant General Meeting~~the Cut-Off Time as certified 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 that Depositor.

(B) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy. The Company is entitled to disregard any votes cast by a proxy that is not in accordance with such instructions (if any) given by and the notes (if any) set out in the instrument of proxy, the power of attorney or any other authority.

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(C) In any case where ~~a form~~an instrument 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~~instrument of proxy.

(D) A proxy need not be a member of the ~~company~~Company.

92. ~~72.~~(A) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and: -

(a) in the case of an individual shall be signed by the appointor or his attorney (i) if the instrument is delivered personally or sent by post, or (ii) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by Electronic Communication; and

(b) in the case of a corporation, shall be (i) either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation, if the instrument is delivered personally or sent by post, or (ii) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by Electronic Communication.

The Directors may, for the purposes of the submission of an instrument of proxy by Electronic Communication, designate procedures for authenticating any such instrument, and any such instrument not so authenticated by the use of such procedures shall be deemed not to have been received by the Company.

(B) The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next ~~following Article~~Regulation, failing which the instrument may be treated as invalid.

93. ~~73.~~An instrument appointing a proxy and the letter of power of attorney or other authority, where the instrument is signed on behalf of the appointer by an attorney, must be left at 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 not place is so specified, at the office) ~~not less than forty-eight hours~~together with the instrument of proxy, before the ~~time appointed~~Cut-Off Time for the holding of the meeting ~~or adjourned meeting~~at which the person named in the instrument proposes to vote, or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, ~~and in default~~failing which the instrument of proxy shall not be treated as valid. The deposit of an instrument appointing a proxy does not preclude the Member concerned from attending and voting in person at the meeting or adjourned meeting. In such an event, the appointment of the proxy or proxies is deemed to be revoked by the Member concerned at the point when the Member attends the meeting. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

94. ~~74.~~An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.

95. ~~75.~~A vote cast by proxy shall not be invalidated by the previous death or ~~insanity~~mental disorder of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made, provided that no ~~intimation~~notice in writing of such death, ~~insanity~~mental disorder or revocation shall have been received by the Company at the Office at

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least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

96. Subject to this Constitution and the provisions of the Act, the Board may, at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

CORPORATION ACTING BY REPRESENTATIVES

97. ~~76.~~ Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of ~~these presents~~ this Constitution be deemed to be present in person at any such meeting if a person so authorised is present thereat. The Company shall be entitled to treat an original certificate under the seal of the corporation as conclusive evidence of the appointment or revocation of appointment of a representative under this Regulation.

DIRECTORS

98. ~~77.~~ Subject as hereinafter provided, the Directors, all of whom shall be natural persons, shall not be less than two nor more than twelve in number. The Company may, subject to the provisions of the Act, by Ordinary Resolution from time to time vary the minimum and/or maximum number of Directors.

99. ~~78.~~ A Director shall not be required to hold any shares of the Company by way of qualification. A director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings.

100. ~~79.~~ The ordinary remuneration of the Directors shall from time to time be determined by an Ordinary Resolution of the Company, shall not be increased except pursuant to an Ordinary Resolution passed at a General Meeting where notice of the proposed increase shall have been given in the notice convening the General Meeting and shall (unless such resolution otherwise provides) be divisible among the Directors in such proportions and manner as they may agree, or failing agreement, equally, except that any Directors who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office.

101. ~~80.~~ (A) Any Director who holds any executive office, or who serves any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration ~~by way of salary, commission or otherwise~~ as the Directors may determine, subject always to Regulation 101(B).

(B) The ~~remuneration fees~~ (including any remuneration under ~~Article 80~~ Regulation 101(A) above) in the case of a Director other than an Executive Director shall be payable by a fixed sum and shall not at any time be by commission on or percentage of the profits or turnover, ~~and no~~ No Director whether an Executive Director or otherwise shall be remunerated by a commission on or percentage of turnover.

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102. ~~81.~~ The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company.

103. ~~82.~~ The Directors shall have the power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director for the time being holding any executive office and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums.

104. ~~83.~~ A Director may be party to or in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof, but every Director and Chief Executive Officer shall observe the provisions of Section 156 of the Act relating to the disclosure of the interests of the Directors and Chief Executive Officers in transactions or proposed transactions with the Company or of any office or property held by a Director or Chief Executive Officer which might create duties or interests in conflict with his duties or interests as a Director or Chief Executive Officer and any transactions to be entered into by or on behalf of the Company in which any Director shall be in any way interested shall be subject to any requirements that may be imposed by the Exchange or the Act.

105. ~~84.~~(A) The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Chairman ~~or~~ Deputy Chairman) on such terms and for such period as they may (subject to the provisions of the ~~Statutes~~ provisions of the Act) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.

(B) The appointment of any Director to the office of Chairman or Deputy Chairman or Managing or Joint Managing or Deputy or Assistant Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

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

106. ~~85.~~ The Directors may entrust to and confer upon any Directors holding any executive office any of the power exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

MANAGING DIRECTORS

107. ~~86.~~ The Directors may from time to time appoint one or more of their body to be Managing Director or Managing Directors of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office

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and appoint another or others in him or their places. Where an appointment is for a fixed term, such term shall not exceed five years.

108. ~~87.~~ A Managing Director shall ~~not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors but he shall, subject to the provisions of any contract between and the Company, be subject to the same provisions as to~~ rotation, resignation and removal as the other Directors of the Company notwithstanding the provisions of his contract of service in relation to his executive office and if he ceases to hold the office of Director from any cause he shall ipso facto and immediately cease to be a Managing Director.

109. ~~88.~~ The remuneration of a Managing Director shall from time to time be fixed by the Directors and may subject to ~~these presents~~ this Constitution be by way of salary or commission or participation in profits or by any or all these modes but he shall not under any circumstances be remunerated by a commission on or a percentage of turnover.

110. ~~89.~~ A Managing Director shall at all ~~times~~ times be subject to the control of the Directors but subject thereto the Directors may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under ~~these presents~~ this Constitution by the Directors as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

APPOINTMENT AND RETIREMENT OF DIRECTORS VACATION OF OFFICE OF DIRECTOR/ REMOVAL AND RESIGNATION

111. ~~90.~~ The office of a Director shall be vacated in any of the following events, namely: -
- (a) if he shall become prohibited by law from acting as a Director or if he ceases to be a Director by virtue of any of the provisions of the Act; or
 - (b) if (not being a Director holding any executive office for a fixed term) he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer; or
 - (c) if he shall have a receiving order made against him or have a bankruptcy order made against him or shall compound with his creditors generally; or
 - (d) if he becomes of unsound mind and incapable of managing himself for his affairs or if in Singapore or elsewhere, an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
 - (e) if he becomes disqualified from acting as Director in any jurisdiction for reasons other than on technical grounds (in which event he must immediately resign from the Board); or
 - (f) if he absents himself from meetings of the Directors for a continuous period of six months without leave from the Directors and the Directors resolve that his office be vacated; or
 - (g) ~~(e)~~ if he is removed by the Company in General Meeting pursuant to ~~these presents~~ this Constitution.

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112. ~~91.~~ At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. Provided that no Director holding office as Managing or Joint Managing Director shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire.

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

114. ~~93.~~ The Company at the meeting at which a Director retires under any provision of ~~these presents~~ this Constitution may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default, the retiring Director shall be deemed to have been re-elected except in any of the following cases: -

- (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
- (b) where such Director is disqualified under the Act from holding office as a Director or has given notice in writing to the Company that he is unwilling to be re-elected;
- (c) where the default is due to the moving of a resolution in contravention of ~~the next following Article; or~~ Regulation 116;
- (d) where such Director ~~has attained any retiring age applicable to him as Director~~ is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds; or
- (e) the nominating committee appointed has given notice in writing to the directors that such director is not suitable for re-appointment, having regard to the Director's contribution and performance.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

115. A Director whose office is vacated pursuant to Regulation 111 shall immediately resign from the Board.

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

117. ~~95.~~ No person other than a Director retiring at the ~~meeting~~ General Meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than eleven clear days nor more than forty-two days (inclusive if the date on which the notice is given) before the date appointed for the ~~meeting~~ General Meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the ~~meeting~~ General Meeting for which such notice is given of his intention to propose such person for election ~~and also~~ or notice in writing ~~signed by the person to be proposed of his willingness to be~~

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~~elected~~ giving his consent to the nomination and signifying his candidature for the office, Provided that in the case of a person recommended by the Directors for election, ~~not less than nine clear days' notice shall be necessary and notice of each and every such person shall be served on the members at least seven~~ clear days prior to the ~~meeting~~ General Meeting at which the election is to take place.

118. ~~96.~~–The Company may in accordance with and subject to the provisions of the ~~Statutes~~ Act by Ordinary Resolution of which special notices has been given remove any Director from office before the expiration of his period in office (notwithstanding any provision of ~~these presents~~ this Constitution or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.

119. Unless the Company agrees otherwise, a Director who is appointed by the Company as director of any related or associated company of the Company shall resign (without compensation whatsoever) as such director if he is removed as Director of the Company or if his office as Director is vacated (notwithstanding any agreement between the Director and the Company or any such related or associated company). Unless the Company agrees otherwise, an employee of the Company who is appointed director of any related or associated company of the Company shall resign (without compensation whatsoever) as such director if he ceases for any reason whatsoever to be an employee of the Company.

120. ~~97.~~–The Company may by Ordinary Resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice thereto, the Directors shall have power at any time so to do, but so that the total number of Directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with ~~these presents~~ this Constitution. Any person so appointed by the Directors shall hold office only until the next Annual General Meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

ALTERNATE DIRECTORS

121. ~~98.~~–(A) Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (other than another Director) to be his ~~alternate~~ Alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by majority of the Directors, shall have effect only upon and subject to being so approved. No Director may act as an Alternate Director of the Company. A person shall not act as Alternate Director to more than one Director at the same time.

(B) The appointment of an ~~alternate~~ Alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if the Director concerned (below called “his principal”) ceased to be a Director otherwise than by retiring and being re-elected at the same meeting.

(C) An ~~alternate~~ Alternate Director shall (except when absent from Singapore) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his principal is not personally present and generally at such meeting to perform all functions of his principal as a Director and for the purposes of the

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proceedings at such meeting the provisions of ~~these presents~~this Constitution shall apply as if he (instead of his principal) were a Director. If his principal is for the time being absent from Singapore or temporarily unable to act through ill health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his principal. To such extent as the Directors may from time to time determine in relation to any committees of the Directors, the foregoing provisions of this ~~paragraph~~Regulation shall also apply mutatis mutandis to any meeting of such committee of which his principal is a member. An ~~alternate~~Alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of ~~these presents~~this Constitution. An Alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being under this Constitution but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the directors attended by him at which he is entitled to vote.

(D) An ~~alternate~~Alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as ~~alternate~~Alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his principal as such principal may be notice in writing to the Company from time to time direct.

MEETING AND PROCEEDINGS OF DIRECTORS

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

(B) Directors may participate in a meeting of the Directors by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, without a Director being in the physical presence of another Director or Directors, and participation in a meeting pursuant to this provision shall constitute presence in person of such meeting. A Director participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. The signature of a Director by facsimile, electronic mail, telex, cable or telegram or any form of Electronic Communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors, on any document confirming his attendance shall be sufficient evidence of his presence at the meeting. Minutes of the proceedings at a meeting by telephone conference, video conference, audio visual, or other similar communications equipment signed by the chairman of the meeting shall be conclusive evidence of such proceedings and of the observance of all necessary formalities and, subject to there being a requisite quorum in attendance, all resolutions agreed by the Directors in such meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held. Such a meeting is deemed to be held at the place agreed upon by the Directors attending the meeting, provided that at least one of the Directors present at the meeting was at that place for the duration of the meeting.

(C) In the case of a meeting which is not held in person, the fact that a Director is taking part in the meeting must be made known to all the other Directors taking part, and no Director may disconnect or cease to take part in the meeting unless he makes known to all other Directors taking part that he is ceasing to take part in the meeting.

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(D) Any notice or document may be served on or delivered to any Director either personally or by sending it through the post in a prepaid cover addressed to such Director at his registered address appearing in the Register of Directors maintained by the Company, or to the address, if any, supplied by him to the Company for such purpose, or by sending a telefax containing the text of the notice or document to him to such address as aforesaid, or by delivering it to such address as aforesaid, or by using Electronic Communication. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the time when the cover containing the same is posted, and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. Where a notice or other document is served or sent by telefax, service or delivery shall be deemed to be effected on the day it is so sent, and in proving such service or delivery it shall be sufficient to prove that the telefax was properly addressed and transmitted. Where a notice or other document is served or sent using electronic communications, service or delivery shall be deemed to be effected in accordance with the provisions of Regulation 176.

123. ~~400.~~ The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.

124. ~~401.~~ Questions arising at any meeting of the Directors shall be determined by a majority of votes. In case of an equality of votes (except where only two Directors are present and form the quorum or when only two Directors are competent to vote on the question in issue) the chairman of the meeting shall have a second or casting vote. Where only two Directors are present at and form the quorum or when only two Directors are competent to vote on the question(s) in issue, the Chairperson of the meeting shall not have a second or casting vote.

125. ~~402.~~ A Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any interest, directly or indirectly. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

126. A Director, notwithstanding his interest, may be counted in the quorum present at any meeting where he or any other Director is appointed to hold any office or place of profit under the Company, or where the Directors resolve to exercise any of the rights of the Company (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company, or where the Directors resolve to enter into or make any arrangements with him or on his behalf pursuant to this Constitution or where the terms of any such appointment or arrangements as hereinbefore mentioned are considered, and he may vote on any such matter other than in respect of the appointment of or arrangements with himself or the fixing of the terms thereof.

127. The provisions of the above Regulation may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction by the Company in general meeting, and any particular contract, arrangement or transaction carried out in contravention of the above Regulation may be ratified by Ordinary Resolution of the Company, subject to the Act and any applicable laws, provided that a Director whose action is being ratified by this Ordinary Resolution shall refrain from voting on this Ordinary Resolution as a shareholder at that general meeting.

128. ~~403.~~ The continuing Directors may act notwithstanding any ~~vacancies~~ vacancy in the Board, but if and so long as the number of Directors is reduced below the minimum number fixed by or ~~in accordance with these presents~~ pursuant to this Constitution, the continuing Directors or Director may, except in an emergency, act for the purpose of filling up such vacancies or of summoning General Meetings, but not for any other purpose. If there be no

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Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

129. ~~404.~~ (A) The Directors may elect from their number a Chairman and a Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office. The Deputy Chairman shall perform the duties of the Chairman during the Chairman's absence. If no Chairman or Deputy Chairman ~~shall have been~~is appointed or if at any meeting of the Directors no Chairman or Deputy Chairman ~~shall be~~is present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

(B) If at any time there is more than one Deputy Chairman, the right in the absence of the Chairman to preside at a meeting of the Directors or of the Company shall be determined as between the Deputy Chairman present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.

130. ~~405.~~ A resolution in writing signed by ~~all a~~ majority of the Directors ~~for the time being in Singapore and constituting a quorum or their alternates (who are not prohibited by the law or this Constitution from voting on such resolutions)~~ shall be as effective as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form, each signed by one or more Directors. The expressions "in writing" and "signed" include approval by telefax, telex, cable ~~or telegram by any such Director.~~ telegram, wireless or facsimile transmission, electronic mail or any form of Electronic Communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.

131. ~~406.~~ The Directors may delegate any of their powers or discretion to committees consisting of one or more members of their body and (if thought fit) one or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated confirm to any regulations which may from time to time be imposed by the Directors. ~~By~~Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee.

132. ~~407.~~ The meetings and proceedings of any such committee consisting of two or more members shall be governed mutatis mutandis by the provisions of ~~these presents~~ this Constitution regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the last preceding ~~Article~~ Regulation.

133. A committee may elect a Chairman of its meetings. If no such chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Members present may choose one of their number to be Chairman of the meeting.

134. A committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.

135. ~~408.~~ All acts done by any meeting of Directors, or of any such committee, or by any person acting as a Director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee and has been entitled to vote.

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BORROWING POWERS

136. ~~409.~~ Subject as hereinafter provided and to the provisions of the ~~Statutes Act~~, the Directors may exercise all the powers of the Company to borrow or otherwise raise money, to mortgage or charge its undertaking, property and uncalled or called but unpaid capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

GENERAL POWERS OF DIRECTORS

137. ~~410.~~ The business and affairs of the Company shall be managed by or under the direction or supervision of the Directors, who (in addition to the powers and authorities by this Constitution or otherwise expressly conferred upon them) may exercise all such powers of the Company as ~~are not by the Statutes or by these presents~~ provided by the Act or by this Constitution required to be exercised by the Company in General Meeting, ~~but subject nevertheless to any regulations of these presents, to the provisions of the Statutes and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made;~~ Provided that the Directors 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 ~~the Article~~ this Regulation shall not be limited or restricted by any special authority or power given to the Directors by any other ~~Article~~ Regulation.

138. ~~411.~~ The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in Singapore or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected hereby.

139. ~~412.~~ The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under ~~these presents~~ this Constitution) and for such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

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

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

SECRETARY

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142. ~~415.~~ The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit, two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more Assistant Secretaries. The Secretary shall be a natural person who has his or her principal or only place of residence in Singapore and who is not debarred under Section 155B of the Act from acting as secretary of the company. The appointment and duties of the Secretary or Joint Secretaries shall ~~not conflict~~ comply with the provisions of the Act and in particular Section 171 of the Act.

143. Anything required or authorised by this Constitution or the provisions of the Act to be done by or to the Secretary may, if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any assistant or deputy Secretary or, if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors, provided always that any provision of this Constitution or the provisions of the Act requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

THE SEAL

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

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

146. ~~418.~~ (A) The Company may exercise the powers conferred by the ~~Statutes~~ provisions of the Act with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

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

(C) Pursuant to Section 41A of the Act, the Company may have a common seal but need not have one. Where any written law or rule of law requires any document to be under or executed under the common seal of a company, or provides for certain consequences if it is not, a document satisfies that written law or rule of law without affixing the common seal if the document is signed in the manner set out in Section 41B of the Act.

AUTHENTICATION OF DOCUMENTS

147. ~~419.~~ Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee, 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 where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minute of a meeting, of the Company or of the Directors or any committee which is

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certified as aforesaid 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 any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting. Any authentication or certification made pursuant to this Regulation 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 or devices approved by the Directors.

RESERVES

148. ~~420.~~ The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the ~~Statutes Act~~.

DIVIDENDS

149. ~~421.~~ The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

150. ~~422.~~ If and so far as in the opinion of the Directors, the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

151. ~~423.~~ Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, and except as otherwise permitted under the Act: all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid ~~pro-rata according to~~ proportionately to the amounts ~~so paid on the shares or credited as paid~~ during any portion or portions of the period in respect of which ~~the dividend is paid~~. For the purposes of ~~the article~~ this Regulation, no amount paid or credited as paid on a share in advance of calls shall be treated as paid on the share.

152. ~~424.~~ No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the ~~Statutes Act~~.

153. ~~425.~~ No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

154. (A) The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith, or any other account which the Company is required by law to withhold or deduct.

~~426.~~ (AB) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities, or engagements in respect of which the lien exists.

(BC) The Directors may retain the dividends payable upon shares in respect of which any person is under ~~the provisions~~ this Constitution as to the transmission of shares hereinbefore

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contained entitled to become a member, or which any person us under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

(D) The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or moneys unclaimed after a period of six years from the date they are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture. For the avoidance of doubt, no Member shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends, howsoever and whatsoever.

155. ~~427.~~The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or the bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

156. ~~428.~~The Company may upon the recommendation of the Directors by the Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the ~~directors~~Directors.

157. ~~429.~~Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of a member or person entitled thereto (or, if two or more persons are registered in the Register of Members or ~~as~~ as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or person entitled to the share in consequence of the death or bankruptcy of the holder ay direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company, Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Notwithstanding the foregoing provisions of the ~~Article~~Regulation and the provisions of ~~Article 134~~Regulation 137, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of that payment.

158. ~~430.~~If two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

159. ~~431.~~Any resolution declaring a dividend on shares of any class, whether resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same

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shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.

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

- (a) the basis of any such allotment shall be determined by the Directors;
- (b) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked shall be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Regulation;
- (c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the "elected ordinary shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of Regulation 162, the Directors shall (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

(B)

- (a) The ordinary shares allotted pursuant to the provisions of Regulation 160(A) of this Regulation shall rank pari passu in all respects with the ordinary shares then in issue save only as regards participation in the dividend, which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

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(b) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of Regulation 160(A) of this Regulation 160, with full power to make such provisions as they think fit in the case of shares becoming distributable in fractions (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down or whereby the benefit of the fractional entitlements accrues to the Company rather than the members).

(C) The Directors may, on any occasion when they resolve as provided in paragraph (A) of this Regulation 160, determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of this Regulation 160 shall be read and construed subject to such determination.

(D) The Directors may, on any occasion when they resolve as provided in paragraph (A) of this Regulation, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to members whose registered addresses entered in the Register or (as the case may be) the Depository Register is outside Singapore or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlement of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared, and no allotment of shares or rights of election for shares under paragraph (A) of this Regulation 160 shall be made available or made to a person, or any persons, if such allotment or rights of election would in the opinion of the Directors cause such person, or such persons, to hold or control voting shares in excess of any shareholding or other limits which may from time to time be prescribed in any statute, without the approval of the applicable regulatory or other authority as may be necessary.

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

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

BONUS ISSUE AND CAPITALISATION OF PROFITS AND RESERVES

162. ~~132.~~ The Directors may, with the sanction of an Ordinary Resolution of the Company,

(A) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) the Depository Register at the close of business on (a) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided), or (b) (in the case of an Ordinary Resolution passed pursuant to Regulation 13(A)) such other date as may be determined by the Directors, in proportion to their then holdings of shares; and

(B) capitalise any sum standing to the credit of any of the Company's reserve accounts (including Share Premium Account, Capital Redemption Reserve Fund or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on the date of the Resolution (or such

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other date as may be specified therein or determined as therein provided) in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

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

ACCOUNTS

164. In addition and without prejudice to the power to capitalise profits and other moneys provided for by Regulation 162 and 163, the Directors shall have power to issue shares for which no consideration is payable and/or capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full unissued shares on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company or non-executive Directors as part of their remuneration under Regulation 101 and/or 102 as approved by Members in General Meeting, and approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

FINANCIAL STATEMENTS

165. ~~133. According to~~The accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office, or at such other place as the Directors think fit. No member of the Company or other person shall have any right of inspecting any account or book or documentaccounting records of the Company except as conferred by ~~statute~~the Act or ordered by a court of competent jurisdiction or authorised by the Directors or by an Ordinary Resolution of the Company.

166. ~~134. In accordance with the provisions of the Act, the Directors shall cause to be prepared and to be laid before the Company in General Meeting~~such profit and loss accounts, balance sheets, the financial statements (including the laying of the financial statements, group accounts and consolidated accounts (if any) and reports as may be necessary. The interval between the close of a financial year of the Company and the issue of accounts relating thereto shall not exceed six months. and the signed Directors' statement (in such form, manner and content as prescribed by the Act) accompanying such financial statements). The Directors shall lay before the Company at its Annual General Meeting such financial statements, reports, statements and other documents as may be required by law for the period within four months (or such other period as may be prescribed by the Act and listing rules of the Exchange) from the end of its financial year.

167. So far as may be permitted by the provisions of the Act, the Directors may cause the financial statements (including the laying of the profit and loss accounts, balance sheets, group accounts and consolidated accounts (if any) and reports, which have been laid before the Company at an Annual General Meeting, to be revised if it appears to the Directors that such financial statements or consolidated financial statements or balance sheet do not comply with the requirements of the Act, provided that any amendments to the financial statements or

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consolidated financial statements or balance sheet, as the case may be, are limited to the aspects in which the financial statements or consolidated financial statements or balance sheet, as the case may be, did not comply with the provisions of the Act, and any other consequential revisions.

168. ~~435. A~~Subject to the applicable listing rules of the Exchange, a copy of every the financial statements, and if required, the balance sheet and profit and loss account, which is duly audited, which is to be laid before a General Meeting of the Company (including every document required by law or the Act to be comprised therein or attached or annexed thereto) together with a copy of every report of the Auditors relating thereto and of the Directors' statement shall not less than fourteen days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the ~~Statutes~~ Act or of the Constitution; ~~provided that this Article~~ provided that the documents referred to in this Regulation may be sent less than fourteen days before the date of the meeting if all the persons entitled to receive notices of meetings from the Company so agree. Subject always to the Act and the listing rules, this Regulation shall not require a copy of these documents to be sent to more than one or any joint holders ~~or~~ to any person of whose address the Company is not aware or to the several persons entitled thereto in consequence of the death or bankruptcy of the holder or otherwise, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

169. Such number of each document as is referred to in the preceding Regulation or such other number as may be required by the Exchange shall be forwarded to the Exchange at the same time as such documents are sent to the Members.

AUDITORS

170. ~~436.~~ Subject to the provisions of the ~~Statutes~~Act, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

171. ~~437.~~ An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any member is entitled to receive and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor.

NOTICES

172. ~~438.~~ Any notice or document (including a share certificate, circular and annual reports) may be served on or delivered to any ~~member~~Member by the Company either personally or by sending it through the post in a prepaid ~~cover~~letter or wrapper addressed to such ~~member~~Member at his registered address appearing in the Register of Members or (as the case may be) the Depository Register, ~~or (if~~ If he has no registered address within Singapore), such Member shall be deemed duly served with such notice or document when such notice or document is sent to the address, if any, within Singapore supplied by him to the Company ~~or~~ or (as the case may be) ~~supplied by him to the Depository as his address for the service of notices, or by delivering~~sending it to such address as aforesaid. Where a notice or other document is ~~serviceserved~~ served or sent by post, service or delivery shall be deemed to be effected at the expiration of twenty-four (24) hours after the time when the cover containing the same is posted ~~and~~ and in proving such service or delivery ~~it~~ it shall be sufficient to prove that such cover was properly addressed ~~and~~ and stamped and posted.

173. Without prejudice to the provisions of Regulation 172, but subject otherwise to any applicable laws relating to electronic communications and the listing rules of the Exchange, any notice or document (including, without limitations, any financial statements, balance-sheet or

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report) which is required or permitted to be given, sent or served under the Act or under this Constitution by the Company, or by the Directors, to a Member may be given, sent or served using Electronic Communications to (i) the current address of that person; (ii) by making it available on a website prescribed by the Company from time to time; or (iii) in such manner as the Member expressly consents to by giving notice in writing to the Company, in accordance with the Regulations of this Constitution, the Act and/or any other applicable regulations or procedures, including but not limited to the listing rules of the Exchange.

174. For the purposes of Regulation 173, a Member shall be implied to have agreed to receive such notice or document by way of such Electronic Communications and shall not have a right to elect to receive a physical copy of such notice or document, unless otherwise provided under the Act or the listing rules of the Exchange.

175. Notwithstanding Regulation 174, the Directors may at any time give a Member an opportunity to elect within a specified period of time whether to receive such notice or document by way of Electronic Communications or as a physical copy, and such Member shall be deemed to have consented to receive such notice or document by way of Electronic Communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document, unless otherwise provided under the Act or the listing rules of the Exchange, provided always that a Member shall be entitled to revoke his consent or deemed consent to receive such notice or document by way of Electronic Communications by giving such revocation by notice in writing to the Company, and until such fresh election in writing is received by the Company, the election that is communicated to the Company last in time shall prevail over all previous elections as such Member's valid and subsisting election in relation to all notices and documents to be sent.

176. Where a notice or document is given, sent or served to a Member by Electronic Communications:

(A) to the current address of a person pursuant to Regulation 173(i), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail") reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under the Act or the listing rules of the Exchange; or

(B) by making it available on a website pursuant to Regulation 173(ii), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, or unless otherwise provided under the Act or the listing rules of the Exchange.

177. Where a notice or document is given, sent or served by a Member by making it available on a website pursuant to Regulation 173(ii), the Company shall, subject to the listing rules of the Exchange, give separate notice to the Member of the publication of the notice or document on that website (or if the notice or document is not available on the website on the date of the notification, the date on which such notice or document will be available), the address of the website and the manner in which the notice or document may be accessed by any one or more of the following means:

(a) by sending such separate notice to the Member personally or through post pursuant to Regulation 172;

(b) by sending such separate notice to the Member using Electronic Communications to his current address pursuant to Regulation 173(i);

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(c) by way of advertisement in an English daily newspaper in circulation in Singapore; and/or

(d) by way of announcement on the Exchange.

177A. Notwithstanding Regulations 172 to 177 above, the Company shall comply with the listing rules and any applicable statutes for the time being in force relating to communications with members, including any requirement to send specific documents to members by way of physical copies.

178. ~~139.~~ Any notice given to that one of the joint holders of a share whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purposes a joint holder having no registered address in Singapore and not having supplied an address within Singapore for the service of notices shall be disregarded.

179. ~~140.~~ A person entitled to a share in consequences of the death or bankruptcy of a member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the shares, and upon supplying also to the Company or (as the case may be) the Depository an address within Singapore for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would have been ~~entitled~~ entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save aforesaid any notice or document delivered or sent by post to or left at the address of any member in pursuance of these presents shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company shall have notice of his death or bankruptcy or liquidation, be deemed to have been duly serviced or delivered in respect of any share registered in the name of such member in the Register of Members or, where such member is a Depositor, entered against his name in the Depository Register as sole or first-named joint holder.

180. ~~141.~~ A member who (having no registered address within Singapore) has not supplied to the Company or (as the case may be) the Depository an address within Singapore for the service of notices shall ~~not be entitled to receive notices from the Company~~ in accordance with Regulation 172.

WINDING UP

181. ~~142.~~ The Directors shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

182. ~~143.~~ If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the Liquidator may, with the authority of a Special Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members of different classes of members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

183. ~~144.~~ On a voluntary winding up of the Company, no commission or fee shall be paid to a Liquidator without the prior approval of the members in General Meeting. The amount of such commission or fee shall be notified to all members not less than seven days prior to the Meeting at which it is to be considered.

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INDEMNITY

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

184A. Subject to the Act and to the maximum extent permitted by law, the Company may pay or agree to pay a premium for a contract insuring a person who is a Director or other officer of the Company, against all losses or liabilities incurred by the person in or about the execution and discharge of the duties of his office or otherwise in relation thereto. This Regulation 184A does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

SECRECY

185. ~~446.~~ No member shall be entitled to require discovery of or any information respecting any detail of the Company's trade or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may related to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate to the public save as may be authorised by law or required by the listing rules of the Exchange.

ALTERATION OF ARTICLES REGULATIONS

186. ~~447.~~ When ~~these presents have~~ this Constitution has been approved by any Stock ~~the Exchange upon which the shares in the Company may be listed~~, no provisions of the ~~presents~~ this Constitution shall be deleted, amended or added without the prior written approval of such Stock ~~the Exchange which had previously approved these presents.~~

PERSONAL DATA

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

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

APPENDIX D – PROPOSED AMENDMENTS TO THE CONSTITUTION

- (B) internal analysis and/or market research by the Company (or its agents or service providers);
 - (C) investor relations communications by the Company (or its agents or service providers);
 - (D) administration by the Company (or its agents or service providers) of that Member's holding of shares in the capital of the Company;
 - (E) implementation and administration of any service provided by the Company (or its agents or service providers) to its Members to receive notices of meetings, annual reports and other shareholder communications and/or for proxy appointment, whether by electronic means or otherwise;
 - (F) processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for any General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to any General Meeting (including any adjournment thereof);
 - (G) implementation and administration of, and compliance with, any provision of this Constitution;
 - (H) compliance with any applicable laws, listing rules, take-over rules, regulations and/or guidelines; and
 - (I) purposes which are reasonably related to any of the above purposes.
188. Any Member who appoints a proxy and/or representative for any General Meeting and/or any adjournment thereof is deemed to have warranted that where such Member discloses the personal data of such proxy and/or representative to the Company (or its agents or service providers), that Member has obtained the prior consent of such proxy and/or representative for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy and/or representative for the purposes specified in Regulation 193(F), and is deemed to have agreed to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such Member's breach of warranty.

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We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Constitution, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

<u>Names, Addresses and Occupations of Subscribers.</u>	<u>Number of Shares taken by each Subscriber.</u>
<u>LIM JOO CHUAN</u> <u>No 409-B</u> <u>Eugenia Court</u> <u>Pandan Valley</u> <u>Singapore 2159</u> <u>(Merchant)</u>	<u>One</u>
<u>YU YOKE YIN</u> <u>No 94-B</u> <u>Block 21</u> <u>Norfolk Road</u> <u>Singapore 0820</u> <u>(Merchant)</u>	<u>One</u>

Dated this 24th day of March 1982

Witness to the above signatures:-

CHIA MENG TECK
Approved Company Auditor
501-505 Colombo Court
Singapore 0617

APPENDIX E – CHANGES IN SHAREHOLDING INTERESTS ARISING FROM THE PROPOSED ACQUISITION

For illustrative purposes only, the shareholding interest of the Directors and substantial Shareholders of the Company as at the Latest Practicable Date and following completion of the issuance of the Consideration Shares pursuant to the Proposed Acquisition is set out below.

	Latest Practicable Date				After Completion			
	Direct		Deemed		Direct		Deemed	
	No. of Shares ⁽¹⁾	% ⁽¹⁾	No. of Shares ⁽¹⁾	% ⁽¹⁾	No. of Shares ⁽¹⁾	% ⁽²⁾	No. of Shares ⁽¹⁾	% ⁽²⁾
Substantial Shareholders								
Datuk Wira Boo Kuang Loon ⁽³⁾	69,012,815	32.97	–	–	154,727,100	52.44	–	–
Prosperity Luck Overseas Inc.	45,351,537	21.66	–	–	45,351,537	15.37	–	–
China Channel Technologies Limited	23,000,000	10.99	–	–	23,000,000	7.80	–	–
Hong Kong CY Development Co., Limited ⁽⁴⁾	–	–	45,351,537	21.66	–	–	45,351,537	15.37
Lian Liguang ⁽⁴⁾	–	–	45,351,537	21.66	–	–	45,351,537	15.37
Lai Su Hung ⁽⁵⁾	–	–	23,000,000	10.99	–	–	23,000,000	7.80
Directors								
Dato' Syed Norulzaman Bin Syed Kamarulzaman	–	–	–	–	–	–	–	–
Datuk Tan Eng Eng	–	–	–	–	–	–	–	–
Mr. Anthony Ang Meng Huat	–	–	–	–	–	–	–	–
Subramaniam A/L A.V. Sankar	–	–	–	–	–	–	–	–
Datuk Lim Tong Lee	–	–	–	–	–	–	–	–

Notes:

- (1) Based on the issued share capital of the Company comprising 209,337,290 Shares as at the Latest Practicable Date. The Company does not have any treasury shares.
- (2) Based on the enlarged share capital of the Company of 295,051,575 issued Shares after the issuance and allotment of 85,714,285 Consideration Shares pursuant to Completion, and assuming no other Shares are issued for the period from the Latest Practicable Date until Completion.
- (3) Datuk Wira Boo Kuang Loon is the Controlling Shareholder of the Company, as well as the Vendor for the Proposed Acquisition.
- (4) On 29 November 2023, Hong Kong CY Development Co., Limited acquired 100.0% shareholding in Prosperity Luck Overseas Inc. ("Prosperity Luck") from Mr. Wong Siu Fai, including all assets and liabilities of Prosperity Luck for total share consideration of USD100.00. After the transaction, Hong Kong CY Development Co., Limited is deemed interested in the 45,351,537 Shares held by Prosperity Luck. Lian Liguang is deemed interested in 45,351,537 Shares held indirectly by Hong Kong CY Development Co., Limited via Prosperity Luck through his 100.0% direct interest in the entire issued and paid-up share capital of Hong Kong CY Development Co., Limited.
- (5) Lai Su Hung is deemed interested in 23,000,000 Shares held by China Channel Technologies Limited through his 100.0% direct interest in the entire issued and paid-up share capital of China Channel Technologies Limited.

NOTICE OF EXTRAORDINARY GENERAL MEETING

SUNRISE SHARES HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 198201457Z)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the “**EGM**”) of Sunrise Shares Holdings Ltd. (the “**Company**”) will be held at 51 Cuppage Road, #03-03 (Room Vibrant 1 & 2), Singapore 229469 on 24 April 2024, at 3.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day), for the purpose of considering and, if thought fit, passing with or without modifications, the following ordinary and special resolution(s) as set out below. All capitalised terms in the ordinary and special resolution(s) below shall, unless otherwise defined herein, have their respective meanings ascribed to them in the Company’s circular dated 21 March 2024 (the “**Circular**”) issued to the Shareholders of the Company.

Note on inter-conditionality of resolutions: Shareholders should note that Resolution 1 (in respect of the Proposed Acquisition as an interested person transaction), Resolution 2 (in respect of the Proposed Consideration Shares Issue), and Resolution 3 (in respect of the Whitewash Resolution) are conditional on each other. This means that if any of Resolution 1, Resolution 2 or Resolution 3 is not approved, none of the foregoing Resolutions 1, 2 or 3 will be passed. Resolution 4 (in respect of the Proposed Amendments to the Constitution of the Company) is not conditional on the passing of Resolutions 1, 2 and 3.

ORDINARY RESOLUTION 1 – THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION

RESOLVED THAT, subject to and contingent upon the passing of Resolutions 2 and 3:

- (a) For the purposes of Chapter 9 of the Catalist Rules, approval be and is hereby given for the proposed acquisition by the Company, as purchaser, of 100.0% of the shareholding interests in the Target Company from the Vendor for a consideration of S\$3,500,000, subject to and otherwise in accordance with the terms and conditions of the Share Sale Agreement (the “**Proposed Acquisition**”).
- (b) The Directors, and each and any of them be and are hereby authorised to take any and all steps and to do and/or procure to be done any and all acts and things (including without limitation finalising, approving and executing all such documents as may be required) as they and/or he may in their absolute discretion consider necessary, desirable or expedient in order to implement, complete or give effect to all matters and transactions as contemplated in this resolution.

Notes to Resolution 1:

- (1) *Interested Person Transaction:* As the Vendor is a Controlling Shareholder of the Company, the Proposed Acquisition constitutes an interested person transaction for the purposes of Chapter 9 of the Catalist Rules.
- (2) *Abstention from voting:* In accordance with Rule 919 and Rule 921(7) of the Catalist Rules, the Vendor shall, and shall procure that his associates shall (a) abstain from voting on this Resolution 1 in respect of their respective shareholdings in the Company, and (b) not accept appointments as proxies unless specific instructions as to voting have been given in the Shareholder’s Proxy Form(s) by the Shareholder(s) appointing them on how he / she / they wish(es) his / her / their vote(s) to be cast.

ORDINARY RESOLUTION 2 – THE PROPOSED CONSIDERATION SHARES ISSUE

RESOLVED THAT, subject to and contingent upon the passing of Resolutions 1 and 3:

- (a) Pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 805(1) and Rule 812 of the Catalist Rules, approval be and is hereby given for the proposed allotment and issuance of 85,714,285 Consideration Shares at an issue price of S\$0.035 for each Consideration Share to the Vendor, subject to and otherwise in accordance with the terms and conditions of the Share Sale Agreement.

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) The Directors and each and any of them be and are hereby authorised to take any and all steps and to do and/or procure to be done any and all acts and things (including without limitation finalising, approving and executing all such documents as may be required) as they and/or he may in their absolute discretion consider necessary, desirable or expedient in order to implement, complete or give effect to all matters and transactions as contemplated in this resolution.

Notes to Resolution 2:

- (1) *Vendor: Subject to completion of the Proposed Acquisition, 85,714,285 Consideration Shares will be allotted and issued to the Vendor (a Controlling Shareholder of the Company) at the issue price of S\$0.035 per Consideration Share.*
- (2) *Abstention from voting: In accordance with Rule 812(2), Rule 919 and Rule 921(7) of the Catalist Rules, the Vendor shall, and shall procure that his associates shall (a) abstain from voting on this Resolution 2 in respect of their respective shareholdings in the Company, and (b) not accept appointments as proxies, unless specific instructions as to voting have been given in the Shareholder's Proxy Form(s) by the Shareholder(s) appointing them on how he / she / they wish(es) his / her / their vote(s) to be cast.*

ORDINARY RESOLUTION 3 – THE WHITEWASH RESOLUTION

RESOLVED THAT, subject to and contingent upon the passing of Resolutions 1 and 2 and satisfaction of all SIC Conditions (as detailed in paragraph 5.3 of the Circular), the Independent Shareholders do hereby, on a poll taken, unconditionally and irrevocably waive their rights to receive a mandatory general offer from the Vendor, in accordance with Rule 14 of the Code, for all the Shares not already owned or controlled by the Vendor and his concert parties as a result of the allotment and issuance of the Consideration Shares.

Notes to Resolution 3:

- (1) *Independent Shareholders: Independent Shareholders are Shareholders who are deemed to be independent for the purpose of this Whitewash Resolution, being the Shareholders other than the persons comprising the Vendor as well as parties not independent of him.*
- (2) *Abstention from voting: Pursuant to the SIC Conditions, the Vendor as well as parties not independent of him are required to abstain from voting on this Resolution 3. For details on the parties acting in concert with the Vendor, please refer to paragraph 5.2.3 of the Circular.*

SPECIAL RESOLUTION 4 – THE PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

RESOLVED THAT,

- (a) The Proposed Amendments to the Constitution of the Company in the manner and to the extent set out in the Circular be and is hereby approved; and
- (b) The Directors and/or any of them be and are/is hereby authorised to complete and do all such acts and things (including executing such documents as may be required, approving and making any subsequent amendment, alteration, or modification to the Amended Constitution to comply with the requirements of the Companies Act, and sign and file and/or submit any notices, forms, and documents with or to the relevant authorities) as they and/or he may consider expedient or necessary to give effect to this Special Resolution.

BY ORDER OF THE BOARD

CHAN AI LING
Company Secretary
21 March 2024

NOTICE OF EXTRAORDINARY GENERAL MEETING

IMPORTANT NOTICE

No Virtual Attendance

1. Shareholders are invited to **attend physically only** at the EGM at 51 Cuppage Road, #03-03 (Room Vibrant 1 & 2), Singapore 229469 on 24 April 2024, at 3.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day). **There will be no option for Shareholders to participate virtually.**

Voting at the EGM and voting by proxy

2. Shareholders may cast their votes for each resolution at the EGM or appoint proxy or proxies (other than the Chairman of the EGM) to vote on their behalf at the EGM.
3. As an alternative to voting at the EGM in the foregoing manner, Shareholders who wish to vote on any or all of the resolutions at the EGM may appoint the Chairman of the EGM to act as their proxy to vote on their behalf at the EGM.
4. If a Shareholder wishes to appoint a proxy or proxies (other than the Chairman of the EGM) to vote on their behalf at the EGM or to appoint the Chairman as proxy to vote on their behalf at the EGM, duly executed Proxy Forms, must be submitted in hard copy form or electronically via email:
 - (a) if submitted by post, to be deposited at the share registrar office of the Company at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; or
 - (b) if submitted by way of electronic means, to be submitted via email in Portable Document Format (PDF) to the Company, at shareregistry@incorp.asia,

in either case, by 22 April 2024, 3.30 p.m., not less than 48 hours before the time appointed for the holding of the EGM and/or any adjournment thereof and in default the instrument of proxy shall not be treated as valid. A Shareholder who wishes to submit the Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to revoked by such attendance.

5. In appointing the Chairman of the EGM as proxy, Shareholders should specifically indicate in the Proxy Form how they wish to vote for or vote against (or abstain from voting on) the resolution set out in the Notice of EGM, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid. Proxy or proxies (other than the Chairman of the EGM) appointed to vote on their behalf at the EGM and the Chairman of the EGM as proxy, need not be a member or members of the Company. Printed copies of the Company's circular dated 21 March 2024, which contains this Notice of EGM and the attached Proxy Form, will be despatched to Shareholders by post. The accompanying Proxy Form to the Notice of EGM may also be downloaded from the Company's announcement on the SGX website accessible at the URL <https://www.sgx.com/securities/company-announcements> and the Company's website accessible at the URL <https://sunrise-shares.com/investorrelations>. An internet browser and PDF reader are required to view these documents on SGXNET or the Company's website.
6. **Shareholders are strongly encouraged to submit the completed and signed Proxy Forms by way of electronic means via email. Any incomplete Proxy Form will be rejected by the Company.**
7. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing and where such instrument 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. Where a Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with its Constitution and Section 179 of the Companies Act 1967 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
9. A Shareholder who is not a Relevant Intermediary (as defined below) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such Shareholder's Proxy Form appoints more than one (1) proxy, the proportion of his/her/its shareholding concerned to be represented by each proxy shall be specified in the Proxy Form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding and any second named proxy as an alternate to the first named or at the Company's option to treat this Proxy Form as invalid.
10. A Shareholder who is a Relevant Intermediary (as defined below) is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder's Proxy Form appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.

Shareholders' Questions and Answers

11. Shareholders and duly appointed proxy or proxies will be able to ask questions relating to the resolutions to be tabled for approval at the EGM. The Company will endeavor to respond to and address substantial and relevant questions as far as reasonably practicable during the EGM. Where there are substantially similar questions, the Company will consolidate such questions and consequently not all questions may be individually addressed.

NOTICE OF EXTRAORDINARY GENERAL MEETING

12. Alternatively, Shareholders can submit their questions in advance relating to the resolutions to be tabled for approval at the EGM:
- (a) if submitted by post, to be deposited at the registered office of the Company at 52 Bendemeer Road, Bendemeer Industrial Estate, Singapore 339934; or
 - (b) if submitted by way of electronic means, to be submitted via email to the Company, at ir@sunrise-shares.com.

Please refer to the section below entitled “*Key dates / deadlines*” for the deadline for submission of questions prior to the EGM. Shareholders who submit questions in advance of the EGM should identify themselves by stating his/her/its full name as it appears on his/her/its Central Depository (Pte) Limited (“**CDP**”)/ Central Provident Fund (“**CPF**”)/ Supplementary Retirement Scheme (“**SRS**”)/scrip-based share records, contact number and NRIC/Passport/UEN number and state the manner in which he/she/it holds his/her/its Shares in the Company (e.g. via CDP, CPF, SRS and/or physical scrip) for verification purposes, failing which the Company shall be entitled to regard the submission as invalid and not respond to the question(s) submitted.

13. Shareholders are encouraged to submit their questions via one of the foregoing means as soon as possible so that they may have the benefit of the answers to their questions (where substantial and relevant to the agenda of the EGM) prior to submitting their Proxy Forms. Please note that substantial and relevant questions (as may be determined by the Company at its sole discretion) from Shareholders submitted in advance and received by the Company would be addressed by the Company and published on the SGX website and the Company’s website before 3.30 p.m. 20 April 2024, being no later than 48 hours before the closing date and time for the lodgment of the Proxy Forms. The Company will also address any subsequent clarifications sought, or follow-up questions, prior to, or at, the EGM in respect of substantial and relevant matters. The Company will, within one month after the date of the EGM, publish the minutes of the EGM on the Company’s website and the SGX website and the minutes will include the responses to the questions referred to above.

CPF and SRS investors

14. Persons who hold shares through Relevant Intermediaries (as defined below), including CPF and SRS investors, and who wish to participate in the EGM by: (a) submitting questions in advance of the EGM in the manner provided above; and/or (b) voting at the EGM if they are appointed as proxies by their respective CPF agent banks and SRS operators or appointing the Chairman of the EGM as proxy to attend speak and vote on their behalf at the EGM, should contact the Relevant Intermediary (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 to facilitate the necessary arrangements for them to participate in the EGM.
15. CPF and SRS investors may attend and vote at the EGM if they are appointed as proxies by their respective CPF agent banks or SRS operators and should contact their respective CPF agent banks or SRS operators if they have any queries regarding their appointment as proxies. CPF and SRS investors who wish to appoint the Chairman of the EGM as their proxy, should approach their respective CPF agent banks and SRS operators to submit their votes by 12 April 2024, 3.30 p.m., being at least **seven (7) working days** before the EGM.
16. A “**Relevant Intermediary**” is:
- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

EGM Documents

17. The Circular, this Notice of EGM and the Proxy Form will be despatched to Shareholders by post and published on the SGX website accessible at the URL <https://www.sgx.com/securities/company-announcements> and on the Company’s website accessible at the URL <https://sunrise-shares.com/investorrelations>. An internet browser and PDF reader are required to view these documents on SGXNET or the Company’s website. Shareholders are advised to check the SGX website and/or the Company’s website regularly for updates.

NOTICE OF EXTRAORDINARY GENERAL MEETING

KEY DATES/ DEADLINES

Key Dates/ Deadlines	Event/ Action to be taken
3.30 p.m. on 1 April 2024	Deadline for Shareholders to submit questions. Shareholders who wish to submit questions related to the resolution to be tabled for approval at the EGM in advance of the EGM should submit their questions to the Company by the stated date and time (being seven (7) calendar days from publication of the Notice of EGM) via any one of the means specified in paragraph 12 under the section entitled “ <i>Important Notice</i> ” of this Notice of EGM.
3.30 p.m. on 12 April 2024	Deadline for CPF and SRS investors. CPF investors and SRS investors who wish to vote must approach their respective CPF agent banks or SRS operators to submit their votes at least seven (7) working days before the EGM.
3.30 p.m. on 20 April 2024	Addressing questions received in advance of EGM. The Company will address all substantial and relevant questions received from Shareholders relating to the Resolutions set out in the Notice of EGM by the stated date (being not less than forty-eight (48) hours prior to the closing date and time for the lodgement of the Proxy Forms) which will be published on the SGX website accessible at the URL https://www.sgx.com/securities/company-announcements and on the Company's website accessible at the URL https://sunrise-shares.com/ .
3.30 p.m. on 22 April 2024	Deadline for submission of Proxy Forms. Shareholders who wish to appoint the Chairman of the EGM (or a person other than the Chairman) to act as their proxy to vote on their behalf at the EGM must submit their completed and signed proxy forms by the stated date and time (being not less than forty-eight (48) hours before the time appointed for holding the EGM) via either of the means specified in paragraph 4 under the section entitled “ <i>Important Notice</i> ” of this Notice of EGM. Shareholders are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email.
3.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day) on 24 April 2024	EGM.

PERSONAL DATA PRIVACY

“**Personal data**” in this Notice has the meaning ascribed to it pursuant to the Personal Data Protection Act 2012 of Singapore, which includes your name, address and NRIC/Passport number. By submitting (a) details for the registration to observe or participate in the proceeding of the EGM, (b) an instrument appointing the Chairman of the EGM (or any person other than the Chairman) as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, or (c) any questions prior to the EGM in accordance with this Notice of EGM, 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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman (or any person other than the Chairman) as proxy for the EGM, processing the registration for purpose of granting access to members (or their appointed proxies) to observe and participate in the proceedings of the EGM, addressing relevant and substantial questions from members received before the EGM and if necessary, following-up with the relevant members in relation to such questions, and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM, and in order for the Company (or its agents or service providers) 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 or service providers), 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 or service providers) of the personal data of such proxy(ies) and / or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings at the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member of the Company (such as his name, his presence at the EGM and any questions he may raise or motions he propose/second may be recorded by the Company for such purpose.

*This Notice of EGM has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the “**Sponsor**”), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.*

This Notice of EGM has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms. Lau Sze Mei, Associate Director, at 7 Temasek Boulevard #18-03B, Suntec Tower 1 Singapore 038987, telephone (65) 6950 2188.



SUNRISE SHARES HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 198201457Z)

PROXY FORM FOR EXTRAORDINARY GENERAL MEETING

IMPORTANT

1. Relevant intermediary may appoint more than two proxies to attend the Extraordinary General Meeting ("EGM") and vote (please refer to the notes for the definition of "Relevant Intermediary").
2. CPF and SRS investors may attend and vote at the EGM if they are appointed as proxies by their respective CPF agent banks or SRS operators and should contact their respective CPF agent banks or SRS operators if they have any queries regarding their appointment as proxies. For CPF and SRS investors, who wish to appoint the Chairman of the EGM as their proxy, they should approach their respective CPF agent banks and SRS operators to submit their votes by 12 April 2024, 3.30 p.m., being at least seven (7) working days before the EGM.
3. By submitting this Proxy Form, the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 21 March 2024.
4. This Proxy Form is not valid for use by CPF investor and SRS investor and shall be ineffective for all intents and purposes if used or purported to be used by them.
5. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the EGM (or any person other than the Chairman) as a shareholder's proxy to vote on his/her/its behalf at the EGM.

I/ We* _____ (Name)

_____ (NRIC/Passport No./Company Registration No.)

of _____ (Address)

being a member/members of **Sunrise Shares Holdings Ltd.** (the "Company") hereby appoint:

Name	Email Address	NRIC/ Passport No.	Proportion of Shareholding (%)

and/or*

Name	Email Address	NRIC/ Passport No.	Proportion of Shareholding (%)

or failing whom, the **Chairman of the EGM** as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the EGM of to be held at 51 Cuppage Road, #03-03 (Room Vibrant 1 & 2), Singapore 229469 on 24 April 2024 at 3.30 p.m. (or immediately after the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2.00 p.m. on the same day), and at any adjournment thereof.

I/We* direct my/our proxy/proxies* to vote for, against or to abstain from voting in respect of the Resolutions to be tabled at the EGM as indicated hereunder. If no specific direction as to voting or abstention is given or in the event of any other matter arising at the EGM and at any adjournment thereof, my/our proxy/proxies* may vote or abstain from voting at his or her discretion. Where the Chairman of the EGM is appointed as proxy and in the absence of specific directions as to voting, the appointment of the Chairman as my/our proxy* for that resolution will be treated as invalid.

If you wish to exercise all your votes, please indicate your vote "For", "Against" or "Abstain" with an "X" within the boxes provided below. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

	No. of Votes For	No. of Votes Against	No. of Votes Abstain
Ordinary Resolution 1 The Proposed Acquisition as an Interested Person Transaction			
Ordinary Resolution 2 The Proposed Consideration Shares Issue			
Ordinary Resolution 3 The Whitewash Resolution			
Special Resolution 4 The Proposed Amendments to the Constitution of the Company			

* Delete whichever not applicable.

Dated this _____ day of _____ 2024

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

Signature(s) of Member(s) or
Common Seal of Corporate Member

All capitalised terms used in this Proxy Form which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Circular to Shareholders of the Company dated 21 March 2024 in respect of the Proposed Acquisition (as an interested person transaction), the Proposed Consideration Shares Issue, and the Whitewash Resolution.



IMPORTANT NOTES

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the Chairman of the EGM (or any person other than the Chairman) as proxy shall be deemed to relate to all the Shares held by you.
2. A Shareholder who is not a Relevant Intermediary (as defined below) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such Shareholder's Proxy Form appoints more than one (1) proxy, the proportion of his/her/its shareholding concerned to be represented by each proxy shall be specified in the Proxy Form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding and any second named proxy as an alternate to the first named or at the Company's option to treat this Proxy Form as invalid. A Shareholder who is a Relevant Intermediary (as defined below) is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder's Proxy Form appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.
3. If a Shareholder wishes to appoint a proxy or proxies (other than the Chairman of the EGM) to vote on their behalf at the EGM or to appoint the Chairman as proxy to vote on their behalf at the EGM, the duly executed Proxy Forms, must be submitted in hard copy form or electronically via email:
 - (a) if submitted by post, to be deposited at the share registrar office of the Company at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; or
 - (b) if submitted by way of electronic means, to be submitted via email in Portable Document Format (PDF) to the Company, at shareregistry@incorp.asia,in either case, by 22 April 2024, 3.30 p.m., being not less than forty-eight (48) hours before the time appointed for the holding of the EGM and/or any adjournment thereof and in default the instrument of proxy shall not be treated as valid. A Shareholder who wishes to submit the Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.
4. In appointing the Chairman of the EGM as proxy, Shareholders should specifically indicate in the Proxy Form how they wish to vote for or vote against (or abstain from voting on) the resolution set out in the Notice of EGM, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid. Proxy or proxies (other than the Chairman of the EGM) appointed to vote on their behalf at the EGM and the Chairman of the EGM as proxy, need not be a member or members of the Company. Printed copies of the Company's circular dated 21 March 2024, which contains the Notice of EGM and the attached Proxy Form, will be despatched to Shareholders by post. The accompanying Proxy Form to the Notice of EGM may also be downloaded from the Company's announcement on the SGX website accessible at the URL <https://www.sgx.com/securities/company-announcements> and the Company's website accessible at the URL <https://sunrise-shares.com/investorrelations>. An internet browser and PDF reader are required to view these documents on SGXNET or the Company's website.

Shareholders are strongly encouraged to submit the completed and signed Proxy Forms by way of electronic means via email. Any incomplete Proxy Form will be rejected by the Company.

5. Persons who hold Shares through Relevant Intermediaries (as defined below), including CPF and SRS investors, and who wish to participate in the EGM ("**Relevant Intermediary Participants**") by appointing the Chairman of the EGM as proxy to attend speak and vote on their behalf at the EGM, should contact the Relevant Intermediary (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 to facilitate the necessary arrangements for them to participate in the EGM. CPF and SRS investors who wish to appoint the Chairman of the EGM as their proxy should approach their respective CPF agent banks and SRS operators to submit their votes by 12 April 2024, 3.30 p.m., being at least **seven (7) working days** before the EGM.
6. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing and where such instrument 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. Where a Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with its Constitution and Section 179 of the Companies Act 1967 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

A "**Relevant Intermediary**" is:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

PERSONAL DATA PRIVACY

"**Personal data**" in this Notice has the meaning ascribed to it pursuant to the Personal Data Protection Act 2012 of Singapore, which includes your name, address and NRIC/Passport number. By submitting (a) details for the registration to observe or participate in the proceeding of the EGM, (b) an instrument appointing the Chairman of the EGM (or any person other than the Chairman) as proxy to attend, speak and vote at the EGM and/or any adjournment thereof or (c) any questions prior to the EGM in accordance with this Notice of EGM, 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 or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman as proxy (or any person other than the Chairman) for the EGM, processing the registration for purpose of granting access to members (or their appointed proxies) to observe and participate in the proceedings of the EGM, addressing relevant and substantial questions from members received before the EGM and if necessary, following-up with the relevant members in relation to such questions, and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM, and in order for the Company (or its agents or service providers) 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 or service providers), 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 or service providers) of the personal data of such proxy(ies) and / or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings at the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member of the Company (such as his name, his presence at the EGM and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

GENERAL

The Company shall be entitled to reject the instrument appointing the Chairman of the EGM (or any person other than the Chairman) as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM (or any person other than the Chairman) as proxy (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing the Chairman of the EGM (or any person other than the Chairman) as proxy). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the EGM (or any person other than the Chairman) as proxy lodged if the shareholder being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by CDP to the Company.