

FAIRFAX ASIA LIMITED
(Incorporated in Barbados)
(Company Registration No. 23105)

8 June 2021

To: The Non-Assenting Shareholders of Singapore Reinsurance Corporation Limited

Dear Shareholder,

NON-ASSENTING SHAREHOLDERS' RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

- 1.1. **Offer.** Fairfax Asia Limited (the “**Offeror**”) refers to the offer document dated 6 April 2021 (the “**Offer Document**”) in respect of the voluntary conditional cash offer (the “**Offer**”) by SAC Capital Private Limited (“**SAC Capital**”), for and on behalf of the Offeror, to acquire all the issued and paid-up ordinary shares (the “**Shares**”) in the capital of Singapore Reinsurance Corporation Limited (“**Company**”) other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees as at the date of the Offer in accordance with Rule 15 of The Singapore Code on Take-overs and Mergers.

Unless otherwise defined herein, capitalised terms used in this letter (the “**Letter**”) shall have the same meanings as defined in the Offer Document.

If you have already (a) accepted the Offer in respect of all your Shares by completing and returning a valid Acceptance Form; or (b) sold all your Shares prior to the date of this Letter, please disregard this Letter and the accompanying Form 58 (as defined below).

- 1.2. **Non-Acceptance of the Offer.** According to the records maintained by The Central Depository (Pte) Limited and/or M & C Services Private Limited as the case may be, as at 6.00 p.m. (Singapore time) on 4 June 2021, you have not accepted the Offer in respect of your Shares.
- 1.3. **Close of Offer.** The Offer remains open for acceptance until **5.30 p.m. (Singapore time) on 17 June 2021**, or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

2. SHAREHOLDERS' RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

- 2.1. **Non-Assenting Shareholder.** As the Shares acquired by the Offeror pursuant to the Offer, together with any other Shares held by the Offeror, its related corporations and their respective nominees, comprise 90% or more of the total number of issued Shares, under and subject to Section 215(3) of the Companies Act, you have the right to require the Offeror to acquire your Shares by serving notice requiring the Offeror to do so.
- 2.2. **Form 58.** In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (“**Form 58**”) is enclosed with this Letter. Subject to and in accordance with Section 215 of the Companies Act, you may, within three (3) months from the giving of the Form 58 to you (that is, by 8 September 2021), require the Offeror to acquire your Shares, and the Offeror shall be entitled and bound to acquire your Shares at the Offer Price and on the same terms as those offered under the Offer (or otherwise in accordance with Section 215(3) of the Companies Act).

Similar to the terms of the Offer, the Shares are to be transferred by you to the Offeror: (a) fully paid; (b) free from all Encumbrances; and (c) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date, and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any) declared, paid or made by the Company, on the Record Date which falls on or after the Offer Announcement Date. As the Record Date for the FY2020 Dividend has passed, Shareholders should note that the Offer Price will be reduced by the amount of dividend of S\$0.0035 in respect of each Offer Share payable. **Accordingly, S\$0.35 will be paid for each Offer Share transferred by you to the Offeror.**

- 2.3. **Action.** If you wish to exercise your rights under Section 215(3) of the Companies Act requiring the Offeror to acquire your Shares on the same terms as those applicable under the Offer, you may exercise this right from 8 June 2021 to 8 September 2021. For this purpose, please send your notification to SAC Capital, the financial adviser of the Offeror, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

You are advised to seek your own independent legal advice if you wish to exercise your rights under Section 215(3) of the Companies Act or if you are in doubt as to your position.

You should also note that the Offer remains open for acceptance as stated in paragraph 1.3 above and the Offer therefore remains an avenue for Shareholders to realise their Shares at the Offer Price.

3. OFFEROR NOT ENTITLED TO EXERCISE RIGHT OF COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT

Based on information provided to the Offeror, as at 6.00 p.m. (Singapore time) on 4 June 2021, the Offeror has acquired less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding treasury shares).

As such, as at 6.00 p.m. (Singapore time) on 4 June 2021, the Offeror is not entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer pursuant to Section 215(1) of the Companies Act.

4. LOSS OF FREE FLOAT AND LISTING STATUS

- 4.1. **Loss of Free Float.** As announced on 16 May 2021 by SAC Capital, for and on behalf of the Offeror, notwithstanding that the Offeror has received acceptances from Independent Shareholders that represent a majority of at least 75% of the total number of issued Shares held by Independent Shareholders, the Company is unable to meet the conditions for a voluntary delisting in accordance with the Listing Manual.

As announced on 25 May 2021 by SAC Capital, for and on behalf of the Offeror, as less than 10% of the total number of issued Shares (excluding treasury shares) are held by at least 500 Shareholders who are members of the public ("**Free Float Requirement**"), **the Company no longer complies with the Free Float Requirement. Therefore the Company will be subject to prolonged suspension as it no longer complies with the Free Float Requirement, unless the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90% of the total number of issued shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding treasury shares) such that the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer pursuant to Section 215(1) of the Companies Act.**

In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

In the event the Offeror is not entitled to exercise its right of compulsory acquisition and the Company is subject to prolonged suspension upon the close of the Offer, the Company will be obliged to comply with the Listing Manual, including the requirement to restore its free float (through private placement or otherwise).

- 4.2. **Delisting of the Company.** If the Offeror becomes entitled to exercise its right of compulsory acquisition and following completion of the compulsory acquisition, the Company will become a wholly owned subsidiary of the Offeror and will be delisted from the SGX-ST.

5. GENERAL

If you are in any doubt about any of the matters referred to in this Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

6. RESPONSIBILITY STATEMENT

The Directors of the Offeror (including those who may have delegated detailed supervision of this Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter are fair and accurate and that no material facts have been omitted from this Letter, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the Offeree Group), the sole responsibility of the Directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Letter.

Yours faithfully,
For and on behalf of
FAIRFAX ASIA LIMITED



Gobinath Arvind Athappan
Director

Enclosed: Form 58

