
LETTER TO SHAREHOLDERS

PACIFIC CENTURY REGIONAL DEVELOPMENTS LIMITED

(Incorporated in the Republic of Singapore)
Company Registration Number: 196300381N

Directors:

Richard Li Tzar Kai (*Chairman, Executive Director*)
Francis Yuen Tin Fan (*Deputy Chairman, Independent Non-Executive Director*)
Peter A. Allen (*Group Managing Director, Executive Director*)
Alexander Anthony Arena (*Non-Executive Director*)
Tom Yee Lat Shing (*Independent Non-Executive Director*)
Frances Wong Waikwun (*Independent Non-Executive Director*)
Laura Deal Lacey (*Independent Non-Executive Director*)

Registered Office:

50 Raffles Place
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Singapore Land Tower
Singapore 048623

To: The Shareholders of Pacific Century Regional Developments Limited (the “**Company**”) 9 March 2017

Dear Sir/Madam

1. INTRODUCTION

1.1 **Background.** We refer to:

- (a) the Notice of the 53rd Annual General Meeting (“**AGM**”) of the Company dated 9 March 2017 (the “**Notice**”), accompanying the Annual Report for the financial year ended 31 December 2016, convening the 53rd AGM of the Company to be held on 31 March 2017 (the “**2017 AGM**”);
- (b) Ordinary Resolution No. 6 relating to the proposed adoption of the Shareholders Mandate for Interested Person Transactions (as defined in paragraph 2.1 below), as proposed in the Notice;
- (c) Ordinary Resolution No. 7 relating to the proposed renewal of the Share Purchase Mandate (as defined in paragraph 3.1 below), as proposed in the Notice; and
- (d) Special Resolution No. 8 relating to the proposed adoption of the New Constitution (as defined in paragraph 4.2 below), as proposed in the Notice.

1.2 **Letter to Shareholders.** The purpose of this Letter is to provide shareholders of the Company (“**Shareholders**”) with information relating to Ordinary Resolution Nos. 6 and 7 and Special Resolution No. 8, proposed in the Notice (collectively, the “**Proposals**”).

1.3 **SGX-ST.** The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

1.4 **Advice to Shareholders.** Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other

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professional advisers immediately. Shareholders who have sold all their issued ordinary shares of the Company ("**Shares**") should immediately forward this Letter to the purchaser or to the stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser.

2. THE PROPOSED ADOPTION OF THE SHAREHOLDERS MANDATE FOR INTERESTED PERSON TRANSACTIONS

2.1 **Rationale.** The Company is proposing the implementation of a mandate pursuant to Rule 920 of the Listing Manual for interested person transactions of a recurrent nature in the ordinary course of business, as modified or altered from time to time (the "**Shareholders Mandate**"), pursuant to Chapter 9 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), to enable the Company, its subsidiaries and associated companies which are considered to be "entities at risk" to enter in the ordinary course of business into certain types of transactions with specified classes of the Company's "interested persons", provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such transactions. The adoption of the Shareholders Mandate will:

- (a) facilitate entry into the mandated transactions with the specified classes of interested persons in the ordinary course of the businesses of the PCRD Group (as defined in Appendix 1 to this Letter);
- (b) eliminate the need for the Company to convene separate general meetings on each occasion, pursuant to the financial limits imposed under Chapter 9 of the Listing Manual, to seek Shareholders' approval as and when such transactions with the interested persons arise, thereby:
 - (i) reducing substantially the administrative time, inconvenience and costs associated with the convening of such meetings; and
 - (ii) enabling the PCRD Group (as defined in Appendix 1 to this Letter) to maintain its overall competitiveness and not be placed at a disadvantage to other parties that do not require shareholders' approval to be obtained for entering into such transactions.

2.2 **The Shareholders Mandate.** The following is a summary of the key provisions of the Shareholders Mandate. The summary is qualified in its entirety by the detailed provisions of the Shareholders Mandate set out in Appendix 1 to this Letter. Unless otherwise defined, terms used in this paragraph 2.2 shall have the same meanings as defined in Appendix 1 to this Letter.

2.2.1 ***Classes of Interested Persons***

The Shareholders Mandate will apply to the Interested Person Transactions which are carried out with the following classes of Interested Persons:

- (a) Pacific Century Group Holdings Limited ("**PCGH**"), a controlling shareholder of the Company, and its associates (as defined in the Listing Manual) (the "**PCGH Group**"); and

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- (b) Mr Richard Li Tzar Kai, a Director of the Company, and his associates (as defined in the Listing Manual).

The PCGH Group includes, but is not limited to, Pacific Century International Limited (“**PCIL**”) and Pacific Century Group (Cayman Islands) Limited (“**PCG**”) which are investment holding companies. PCG is a wholly-owned subsidiary of PCIL, which is in turn a wholly-owned subsidiary of PCGH. The PCGH Group is involved in a wide range of businesses in Asia including property development, asset management, telecommunications, media, IT solutions and life insurance. In the ordinary course of their businesses, they may require management and support services in the areas of finance, insurance, treasury, business development, management information systems, corporate secretarial services, human resources management and business development services. The Shareholders Mandate allows entities in the PCRD Group (including the Company) to benefit from being able to borrow from and/or provide such management and support services to the PCGH Group (which includes PCIL and PCG) in an expedient manner. The Shareholders Mandate enables the PCRD Group to maintain its overall competitiveness and not be placed at a disadvantage to other parties that do not require shareholders' approval prior to entering into such transactions.

2.2.2 *Categories of Interested Person Transactions*

The Interested Person Transactions to which the Shareholders Mandate will apply, and the benefits to be derived therefrom, are set out below.

(a) **Property-related Transactions**

This category relates to the provision to, or the obtaining from, Interested Persons of products and services in the normal course of business of the PCRD Group. The transactions within this category comprise:

- (i) the leasing and/or rental of properties;
- (ii) the provision of property maintenance and property management services; and
- (iii) the provision or obtaining of such other products and services which are incidental to or in connection with the provision or obtaining of products and services in sub-paragraphs (i) to (ii) above,

(the “**Property-related Transactions**”).

The Company is an investment holding company and its investments include (but are not limited to) interests in property development and investment. From time to time and in its normal course of business, the PCRD Group may wish to (i) tap on Interested Persons' expertise in property management or property maintenance, or (ii) lease or rent properties to, or from, Interested Persons.

The PCRD Group will benefit from transacting with Interested Persons, in addition to non-Interested Persons, in an expeditious manner. The PCRD

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Group would also benefit from an additional source of revenue, as well as having access to competitive quotes from Interested Persons.

(b) **Borrowings**

This category of transactions pertains to the obtaining of financial assistance and services, including the borrowing of funds, from Interested Persons, as well as transactions that are undertaken by the PCRD Group in connection with the management of its funding requirements ("**Borrowings**").

The PCRD Group can benefit from competitive rates or quotes offered by Interested Persons, as well as by leveraging on the financial strength and credit standing of the Interested Persons in an expeditious manner.

(c) **Group Management and Support Services**

This category ("**Management and Support Services**") relates to transactions by the PCRD Group in connection with the provision to, or the obtaining from, Interested Persons of management and support services in the areas of finance, insurance, treasury, business development, management information systems, corporate secretarial services and human resources management and development services (including staff secondment).

By way of example, the Company's wholly-owned subsidiary, PCRD Services Pte Ltd, is the entity under which management and support services are provided to the PCRD Group. PCRD Services Pte Ltd (which is part of the PCRD Group) would benefit from being able to provide such management and support services to the PCGH Group, which has a network of well-established connections in Asia including in Singapore; for instance, PCRD Services Pte Ltd currently provides management and support services to FWD Group, the insurance arm of the Pacific Century Group which has a presence in Singapore.

The PCGH Group, a conglomerate with diversified business interests, has various entities, including an asset management business in Singapore, which provide management and support services (including, *inter alia*, tax, investment banking and treasury services) to entities within the PCGH Group where necessary. To the extent that their expertise is relevant to, and may therefore be utilised for the benefit of the PCRD Group, then these services would be obtained by the PCRD Group.

The PCRD Group will benefit from transacting with Interested Persons, in addition to non-Interested Persons, in an expeditious manner. The PCRD Group would also benefit from an additional source of revenue, as well as having access to competitive quotes from Interested Persons.

2.2.3 **Review Procedures for Interested Person Transactions**

In general, there are procedures established by the PCRD Group to ensure that transactions with Interested Persons are undertaken on normal commercial terms

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consistent with the PCRD Group's usual business practices and policies, which are generally no more favourable to the Interested Persons than those extended to unrelated third parties.

(a) **Property-related Transactions and Management and Support Services**

In relation to Property-related Transactions and Management and Support Services, such Interested Person Transactions shall be entered into, where applicable, at the prevailing rates/prices of the service or product provider which (in relation to services or products to be provided to an Interested Person) are no more favourable to the Interested Person than those extended to third parties, or (in relation to services or products to be obtained from an Interested Person) are no less favourable than those extended by the Interested Person to third parties, on the service or product provider's usual commercial terms or otherwise in accordance (where applicable) with industry norms.

To determine whether the prices and terms offered to the Interested Person are no more favourable than those extended to third parties, rates and terms offered to at least two unrelated third parties for transactions of a similar nature, size or complexity are compared taking into account factors such as the availability of resources, expertise or manpower for the performance of the services or the provision of such goods and the existence of any cost and/or time saving factors.

To determine whether the terms offered by the Interested Person are fair and reasonable and no less favourable than those extended by the Interested Person to unrelated third parties, rates and terms offered by or generally quoted by at least two unrelated third parties who are engaged in providing similar services or products are compared.

For Property-related Transactions relating to the leasing and/or rental of properties, such comparison should also take into account the prevailing market rental rates for other properties within its vicinity of similar or comparable standing and facilities, the tenure of the lease, the area of the leased premises and any other factor which may affect the rental rates or terms of the lease.

In the event that comparison quotations cannot be obtained in respect of the Interested Person Transactions which involve the leasing of properties since the nature of real estate is such that there may be properties which are unique without a comparable benchmark, such Interested Person Transactions shall be entered into only after the senior executive(s) of the relevant company within the PCRD Group (having no interest, direct or indirect, in the transaction) has evaluated and has satisfied himself (including by reference to historical rent for comparable leases (based on information provided by consultants or otherwise)) of the reasonableness of the quantum of such rent for the leasing of properties offered to or by the Interested Person, and that such terms are fair and are not prejudicial nor disadvantageous to the PCRD Group.

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Threshold Limits

In addition, the following review procedures will apply to Property-related Transactions and Management and Support Services:

(i) a transaction with a value equal to or less than:

(1) 2% of the latest audited consolidated NTA of the Group; or

(2) S\$20,000,000,

whichever is the lower, shall be reviewed and approved by a Director of the Company appointed by the Audit Committee from time to time for such purpose or, failing him, such other senior executive(s) designated by the Audit Committee from time to time for this purpose (having no interest, direct or indirect, in the transaction), and all such transactions shall be reviewed on a quarterly basis by the Audit Committee; and

(ii) a transaction with a value exceeding:

(1) 2% of the latest audited consolidated NTA of the Group; or

(2) S\$20,000,000,

whichever is the lower, shall be reviewed and approved by the Audit Committee prior to entering such an Interested Person Transaction.

(b) **Borrowings**

In relation to the borrowing of funds from any Interested Person by the PCRD Group, the Company will require that quotations be obtained from such Interested Person and at least two of the principal bankers of the PCRD Group for rates for loans from such bankers of an equivalent amount, and for an equivalent period, as the funds to be borrowed by the PCRD Group. The PCRD Group will only borrow funds from such Interested Person provided that the terms quoted are no less favourable to the PCRD Group than the terms quoted by such principal bankers.

Threshold Limits

Where the interest expense on any borrowing from an Interested Person when aggregated with the interest expense incurred by the PCRD Group on previous borrowings from the same Interested Person (as such term is construed under Chapter 9 of the Listing Manual) in the financial year exceeds:

(1) 2% of the latest audited consolidated NTA of the Group; or

(2) S\$20,000,000,

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whichever is the lower, such (and each subsequent) borrowing from that Interested Person in the same financial year shall require the prior approval of the Audit Committee.

Borrowings from the same Interested Persons in respect of which the interest expense in aggregate does not exceed the limit set out above will be reviewed and approved by a Director of the Company appointed by the Audit Committee from time to time for such purposes or, failing him, such other senior executive(s) of the Company designated by the Audit Committee from time to time for such purpose (having no interest, direct or indirect, in the transaction), and shall be reviewed on a quarterly basis by the Audit Committee.

In the event that a member of the Board of Directors, Audit Committee or any senior executive of the Company designated by the Audit Committee from time to time (where applicable) is interested in any Interested Person Transaction, he will abstain from any decision-making in respect of that transaction and the review, endorsement and approval of that transaction will be undertaken by the other members of the Board of Directors, Audit Committee or such other senior executive(s) designated by the Audit Committee from time to time for such purposes (having no interest, direct or indirect, in the transaction) (as the case may be).

2.2.4 *Register of Interested Person Transactions*

A register will be maintained by the Company to record all Interested Person Transactions and the basis (including the quotations obtained to support such basis) on which they are entered into pursuant to the Shareholders Mandate. The annual external audit plan of the Company shall incorporate a review of all Interested Person Transactions entered into in the relevant financial year pursuant to the Shareholders Mandate.

2.2.5 *Audit Committee Reviews*

The Audit Committee reviews Interested Person Transactions reports quarterly and the adequacy of internal control procedures on Interested Person Transactions to confirm that the guidelines and review procedures for Interested Person Transactions have been complied with.

If as a result of any of the reviews by the Audit Committee, the Audit Committee forms the view that the guidelines and review procedures for Interested Person Transactions have become inappropriate or insufficient due to changes in the nature of, or manner in which, the business activities of the PCRD Group or the Interested Persons are conducted, the Company will revert to Shareholders for a fresh general mandate based on new guidelines and review procedures so that Interested Person Transactions will always be carried out at arm's length, on commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

The full particulars of the Shareholders Mandate, including the rationale for the Shareholders Mandate, the benefits to be derived by the Company and other general information relating to Chapter 9 of the Listing Manual, are set out in Appendix 1 to this Letter.

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- 2.3 **Independent Financial Adviser.** Provenance Capital Pte. Ltd. ("**Provenance Capital**") has been appointed as an independent financial adviser in relation to the proposed adoption of the Shareholders Mandate. Having regard to the matters set out in their letter dated 9 March 2017 to the Directors of the Company (the "**Directors**") who are considered to be independent in relation to the proposed adoption of the Shareholders Mandate, being, as at the Latest Practicable Date (as defined below), Messrs Francis Yuen Tin Fan, Alexander Anthony Arena, Tom Yee Lat Shing, Ms Frances Wong Waikwun and Ms Laura Deal Lacey (the "**Independent Directors**"), Provenance Capital is of the opinion that the guidelines and review procedures set out in Appendix 1 to this Letter for determining transaction prices and/or value of the interested person transactions under the Shareholders Mandate, if adhered to, are sufficient to ensure that the interested person transactions as set out in paragraph 5 of Appendix 1 to this Letter will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. Provenance Capital's letter dated 9 March 2017 to the Independent Directors is reproduced in Appendix 2 to this Letter.
- 2.4 **Provenance Capital's Consent.** Provenance Capital has given and has not withdrawn its written consent to the issue of this Letter with the inclusion of its name, its letter to the Independent Directors dated 9 March 2017 and all references thereto, in the form and context in which they appear in this Letter.
- 2.5 **Abstention from Voting.** PCGH and its associates (as defined in the Listing Manual), being interested persons (as described in paragraph 4 of Appendix 1) in relation to the Shareholders Mandate, will abstain from voting their Shares, if any, in respect of Ordinary Resolution No. 6, being the Ordinary Resolution relating to the proposed adoption of the Shareholders Mandate to be proposed at the 2017 AGM.

Mr Richard Li Tzar Kai and his associates (as defined in the Listing Manual), being interested persons (as described in paragraph 4 of Appendix 1) in relation to the Shareholders Mandate, will abstain from voting their Shares, if any, in respect of Ordinary Resolution No. 6, being the Ordinary Resolution relating to the proposed adoption of the Shareholders Mandate to be proposed at the 2017 AGM. The interests of Mr Richard Li Tzar Kai in the Shares extracted from the Register of Directors' Shareholdings as at Latest Practicable Date, are disclosed in paragraph 5.1 of this Letter.

Mr Peter A. Allen, a director of the PCGH Group (as described in paragraph 4 of Appendix 1), will abstain from voting his Shares, if any, in respect of Ordinary Resolution No. 6, being the Ordinary Resolution relating to the proposed adoption of the Shareholders Mandate to be proposed at the 2017 AGM. The interests of Mr Peter A. Allen in the Shares extracted from the Register of Directors' Shareholdings as at Latest Practicable Date, are disclosed in paragraph 5.1 of this Letter.

In addition, the Company:

- (a) will use its best endeavours to procure that such persons will abstain from voting their Shares, if any, in respect of Ordinary Resolution No. 6, being the Ordinary Resolution relating to the proposed adoption of the Shareholders Mandate to be proposed at the 2017 AGM; and
- (b) will procure that such persons will also decline to accept appointment as proxy for any

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Shareholder to vote in respect of Ordinary Resolution No. 6, unless the Shareholder concerned shall have given instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of Ordinary Resolution No. 6.

3. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

- 3.1 **Share Purchase Mandate.** At the Annual General Meeting of the Company held on 22 April 2016 (the “**2016 AGM**”), Shareholders approved the renewal of a mandate (the “**Share Purchase Mandate**”) to enable the Company to purchase or otherwise acquire Shares. The rationale for, the authority and limitations on, and the financial effects of, the Share Purchase Mandate were set out in the Letter to Shareholders dated 5 April 2016 (the “**2016 Letter**”) and Ordinary Resolution No. 8 set out in the Notice of the 2016 AGM.

The Share Purchase Mandate took effect on the date of the passing of Ordinary Resolution No. 8 at the 2016 AGM and will expire on the date of the forthcoming 2017 AGM to be held on 31 March 2017. Accordingly, Shareholders’ approval is being sought for the renewal of the Share Purchase Mandate at the 2017 AGM.

As at 24 February 2017, being the latest practicable date prior to the printing of this Letter (the “**Latest Practicable Date**”), the Company has not purchased or acquired any Shares pursuant to the Share Purchase Mandate approved at the 2016 AGM.

As at the Latest Practicable Date, no Shares purchased or acquired by the Company are held as treasury shares.

- 3.2 **Rationale for the Share Purchase Mandate.** The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) In managing the business of the Company and its subsidiaries (the “**Group**”), management strives to increase Shareholders’ value by improving, *inter alia*, the return on equity of the Group. Share purchases are one of the ways through which the return on equity of the Group may be enhanced.
- (b) The Share Purchase Mandate is an expedient, effective and cost-efficient way for the Company to return surplus cash which is in excess of the financial and possible investment needs of the Group to Shareholders. In addition, the Share Purchase Mandate allows the Company to have greater flexibility over, *inter alia*, the Company’s share capital structure with a view to enhancing the earnings per Share and/or net asset value per Share.
- (c) The Share Purchase Mandate provides the Company with the flexibility to undertake share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

The approval of the renewal of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake share purchases or acquisitions at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

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While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 10% limit described in paragraph 3.3.1 below, it should be noted that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10% limit as authorised, and no purchases or acquisitions of Shares would be made in circumstances which would have or may have a material adverse effect on the financial condition of the Company.

- 3.3 **Authority and Limits of the Share Purchase Mandate.** The authority and limitations placed on the Share Purchase Mandate, if renewed at the 2017 AGM, are the same as were previously approved by Shareholders at the 2016 AGM, and are summarised below:

3.3.1 ***Maximum Number of Shares***

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares as at the date of the 2017 AGM. Any Shares purchased or acquired by the Company and held as treasury shares will be disregarded for purposes of computing the 10% limit.

Purely for illustrative purposes, on the basis of 2,649,740,300 Shares in issue as at the Latest Practicable Date, and assuming that:

- (a) no further Shares are issued;
- (b) no further Shares are purchased or acquired by the Company; and
- (c) no further Shares are held by the Company as treasury shares,

on or prior to the 2017 AGM, not more than 264,974,030 Shares (representing 10% of the Shares in issue as at that date) may be purchased or acquired by the Company pursuant to the proposed Share Purchase Mandate.

However, as stated in paragraph 3.2 above and 3.8 below, purchases or acquisitions pursuant to the Share Purchase Mandate need not be carried out to the full extent mandated, and, in any case, would not be carried out to such an extent that would result in the Company being delisted from the SGX-ST. **Thus, notwithstanding that the Share Purchase Mandate may enable purchases or acquisitions of up to 10% of the issued Shares (excluding treasury shares) to be carried out, it should be noted that in order to maintain the listing status of the Shares on the SGX-ST, the Company must ensure (pursuant to Rule 723 of the Listing Manual) that there is at all times a public float of not less than 10% of its issued Shares (excluding treasury shares).** Accordingly, assuming solely for illustrative purposes that 268,948,640 Shares (or approximately 10.15% of the issued Shares (excluding treasury shares)) are held in public hands as at the Latest Practicable Date, in order to preserve the listing status of the Shares on the SGX-ST by maintaining a public float of not less than 10% in the issued Shares (excluding treasury shares), the Company would not purchase or acquire more than 3,974,610 Shares (or 0.15% of the issued Shares (excluding treasury shares) as at that date) pursuant to the Share Purchase Mandate as at the Latest Practicable Date. The public float in the issued Shares as at

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the Latest Practicable Date is disclosed in paragraph 3.8 below.

Notwithstanding the above, the Company anticipates that the public float percentage of the issued Shares will change from time to time consequent upon the dynamic changing profile of public shareholders of the Company. For this reason, the Company is therefore seeking Shareholders' approval to enable the Company to purchase or acquire Shares up to a maximum of 10% of the issued Shares (excluding treasury shares) for flexibility to prospectively cater to any future increase in the number of issued Shares held in public hands of up to 20%. If this occurs, the Company will be able to purchase or acquire in excess of 0.15% of its issued Shares (excluding Shares held in treasury) up to a maximum of 10%.

3.3.2 *Duration of Authority*

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the 2017 AGM, at which the renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next AGM of the Company is held or required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or
- (c) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest.

3.3.3 *Manner of Purchases or Acquisitions of Shares*

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases ("**Market Purchases**"), effected on the SGX-ST, or on any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) off-market purchases ("**Off-Market Purchases**") effected otherwise than on a stock exchange, pursuant to an equal access scheme.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act, Chapter 50 (the "**Companies Act**") as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

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- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements, and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (1) terms and conditions of the offer;
- (2) period and procedures for acceptances;
- (3) the reasons for the proposed purchase or acquisition of Shares;
- (4) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Singapore Code on Take-overs and Mergers (the “**Take-over Code**”) or other applicable take-over rules;
- (5) whether the purchases or acquisitions of Shares, if made, could affect the listing of the Shares on the SGX-ST;
- (6) details of any purchases or acquisitions of Shares made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases of Shares, where relevant, and the total consideration paid for the purchases; and
- (7) whether Shares purchased by the Company will be cancelled or kept as treasury shares.

3.3.4 **Purchase Price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. The maximum price to be paid for the Shares as determined by the Directors (the “**Maximum Price**”) must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 120% of the Highest Last Dealt Price of the Shares,

in either case, excluding related expenses of the purchase or acquisition.

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For the above purposes:

“Average Closing Price” means the average of the last dealt prices of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST or, as the case may be, such stock exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs after the relevant five-day period;

“Highest Last Dealt Price” means the highest price transacted for the Shares as recorded on the market day on which the Shares are transacted on the SGX-ST or, as the case may be, such stock exchange on which the Shares are listed or quoted, immediately preceding the date of the making of the offer pursuant to the Off-Market Purchase; and

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- 3.4 **Source of Funds.** Under the Companies Act, the Company may purchase or acquire its Shares out of its profits and/or capital so long as the Company is solvent.

The Company intends to use internal and external sources of funds to finance its purchase or acquisition of Shares. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the Group’s working capital requirements and ability to service its debts would be adversely affected.

- 3.5 **Status of Purchased Shares.** Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to those Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

- 3.6 **Treasury Shares.** Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

3.6.1 ***Maximum Holdings***

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

3.6.2 ***Voting and Other Rights***

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes

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of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

3.6.3 **Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time (but subject always to the Take-over Code):

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for its employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

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

- 3.7 **Financial Effects.** The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent.

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Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2016, are based on the assumptions set out below.

3.7.1 *Number of Shares Acquired or Purchased*

(I) ***Scenario I: Purchase or acquisition of 0.15% of the issued Shares by the Company***

Purely for illustrative purposes, on the basis of 2,649,740,300 Shares in issue and a public float of approximately 10.15% as at the Latest Practicable Date, and assuming that no further Shares are issued, purchased or acquired by the Company and no Shares purchased or acquired by the Company are held as treasury shares, on or prior to the 2017 AGM, the exercise of the Share Purchase Mandate, on the Latest Practicable Date, up to an extent that would not affect adversely the listing status of the Shares on the SGX-ST, may result in the purchase or acquisition by the Company of 3,974,610 Shares representing 0.15% of such issued Shares (instead of a purchase or acquisition of 264,974,030 Shares representing 10% of such issued Shares).

(II) ***Scenario II: Purchase or acquisition of 10% of the issued Shares by the Company***

The illustrative financial effects below are prepared assuming a prospective hypothetical scenario after the Latest Practicable Date whereby future circumstances permit up to 10% of the issued Shares to be acquired or purchased by the Company without resulting in the listing status of the Shares on the SGX-ST being adversely affected.

Purely for illustrative purposes, on the basis of 2,649,740,300 Shares in issue and a public float of approximately 20% as at the Latest Practicable Date, and assuming that no further Shares are issued, purchased or acquired by the Company and no Shares purchased or acquired by the Company are held as treasury shares, on or prior to the 2017 AGM, the exercise of the Share Purchase Mandate, on the Latest Practicable Date, up to an extent that would not affect adversely the listing status of the Shares on the SGX-ST, may result in the purchase or acquisition by the Company of 264,974,030 Shares representing 10% of such issued Shares.

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3.7.2 **Maximum Price Paid for Shares Acquired or Purchased**

(I) **Scenario I: Purchase or acquisition of 0.15% of the issued Shares by the Company**

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 3,974,610 Shares representing 0.15% of such issued Shares (instead of a purchase or acquisition of 264,974,030 Shares representing 10% of such issued Shares) at the maximum price of S\$0.410 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 3,974,610 Shares is S\$1,629,590.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 3,974,610 Shares representing 0.15% of such issued Shares (instead of a purchase or acquisition of 264,974,030 Shares representing 10% of such issued Shares) at the maximum price of S\$0.474 for one Share (being the price equivalent to 20% above the Highest Last Dealt Price of the Shares on the market day on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 3,974,610 Shares is S\$1,883,965.

(II) **Scenario II: Purchase or acquisition of 10% of the issued Shares by the Company**

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 264,974,030 Shares representing 10% of such issued Shares at the maximum price of S\$0.410 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 264,974,030 Shares is S\$108,639,352.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 264,974,030 Shares representing 10% of such issued Shares at the maximum price of S\$0.474 for one Share (being the price equivalent to 20% above the Highest Last Dealt Price of the Shares on the market day on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 264,974,030 Shares is S\$125,597,690.

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3.7.3 *Illustrative Financial Effects*

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 3.7.1 and 3.7.2 above, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 31 December 2016 are set out below and assuming the following:

- (a) the purchase or acquisition of 3,974,610 Shares representing 0.15% of such issued Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases made entirely out of capital and cancelled or held in treasury;
- (b) the purchase or acquisition of 264,974,030 Shares representing 10% of such issued Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases made entirely out of capital and cancelled or held in treasury;
- (c) the purchase or acquisition of 3,974,610 Shares representing 0.15% of such issued Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases made entirely out of capital and cancelled or held in treasury; and
- (d) the purchase or acquisition of 264,974,030 Shares representing 10% of such issued Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases made entirely out of capital and cancelled or held in treasury,

the financial effects on the audited financial statements of the Group and the Company for the financial year ended 31 December 2016 would have been as follows:

Market Purchases

The financial effects set out below are for illustrative purposes only. The illustrations are based on historical numbers for the financial year ended 31 December 2016 and are not necessarily representative of future financial performance.

The financial effects of the two alternative scenarios whereby share purchases up to a maximum of 0.15% and 10% of the issued Shares are implemented by the Company, as set out above, are for illustrative purposes only. Although the Share Purchase Mandate would enable the Company to potentially purchase or acquire up to 10% of the issued Shares, based on a public float of approximately 10.15% as at the Latest Practicable Date, the Company is at present, only permitted to purchase or acquire up to 0.15% of the issued Shares being the extent that would not affect adversely the listing status of the Shares on the SGX-ST as at the Latest Practicable Date. Even so, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 0.15% or, as the case may be, (if and when future circumstances permit) the entire 10% of the issued Shares. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in

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treasury.

Even if the Share Purchase Mandate is approved, the Directors will not exercise the Share Purchase Mandate if the Group's working capital requirements and ability to service its debts would be adversely affected.

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Market Purchases

(a) *Scenario (A) : Market Purchases of up to 0.15% out of capital and held as treasury shares*

Scenario (B) : Market Purchases of up to 0.15% out of capital and cancelled

As at 31 December 2016	Group			Company		
	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)		Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)	
		Scenario A	Scenario B		Scenario A	Scenario B
Shareholders' funds	1,067,218	1,065,588	1,065,588	1,355,813	1,354,183	1,354,183
Net tangible assets (NTA) ⁽¹⁾	1,067,218	1,065,588	1,065,588	1,355,813	1,354,183	1,354,183
Current assets	43,100	41,470	41,470	31,795	30,165	30,165
Current liabilities	103,563	103,563	103,563	108,730	108,730	108,730
Total borrowings	100,873	100,873	100,873	100,814	100,814	100,814
Profit attributable to Shareholders	86,982	86,982	86,982	78,451	78,451	78,451
Cash and cash equivalents	42,367	40,737	40,737	31,316	29,686	29,686
Number of Shares ('000) ⁽²⁾	2,649,740	2,645,766	2,645,766	2,649,740	2,645,766	2,645,766
Treasury shares ('000)	-	3,974	-	-	3,974	-
<u>Financial Ratios</u>						
Basic earnings per Share (cents)	3.28	3.29	3.29	2.96	2.97	2.97
NTA per Share (cents)	40.28	40.28	40.28	51.17	51.18	51.18
Gearing ratio ⁽³⁾	0.09	0.09	0.09	0.07	0.07	0.07
Current ratio (times) ⁽⁴⁾	0.42	0.40	0.40	0.29	0.28	0.28

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Notes:

- (1) NTA equals shareholders' funds less intangible assets.
- (2) Based on the number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share Purchase.
- (3) Gearing ratio equals total borrowings divided by shareholders' funds.
- (4) Current ratio equals current assets divided by current liabilities.
- (b) *Scenario (A) : Market Purchases of up to 10% out of capital and held as treasury shares*
Scenario (B) : Market Purchases of up to 10% out of capital and cancelled

	Group		Company			
	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)	Scenario A	Scenario B
As at 31 December 2016		Scenario A	Scenario B		Scenario A	Scenario B
Shareholders' funds	1,067,218	958,579	958,579	1,355,813	1,247,174	1,247,174
Net tangible assets (NTA) ⁽¹⁾	1,067,218	958,579	958,579	1,355,813	1,247,174	1,247,174
Current assets	43,100	13,100	13,100	31,795	1,795	1,795
Current liabilities	103,563	182,202	182,202	108,730	187,369	187,369
Total borrowings	100,873	179,512	179,512	100,814	179,453	179,453
Profit attributable to Shareholders	86,982	86,982	86,982	78,451	78,451	78,451
Cash and cash equivalents	42,367	12,367	12,367	31,316	1,316	1,316
Number of Shares ('000) ⁽²⁾	2,649,740	2,384,766	2,384,766	2,649,740	2,384,766	2,384,766
Treasury shares ('000)	-	264,974	-	-	264,974	-
Financial Ratios						
Basic earnings per Share (cents)	3.28	3.65	3.65	2.96	3.29	3.29

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	Group		Company			
	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)		
As at 31 December 2016	Scenario A Scenario B		Scenario A Scenario B			
NTA per Share (cents)	40.28	40.20	40.20	51.17	52.30	52.30
Gearing ratio ⁽³⁾	0.09	0.19	0.19	0.07	0.14	0.14
Current ratio (times) ⁽⁴⁾	0.42	0.07	0.07	0.29	0.01	0.01

Notes:

- (1) NTA equals shareholders' funds less intangible assets.
- (2) Based on the number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share Purchase.
- (3) Gearing ratio equals total borrowings divided by shareholders' funds.
- (4) Current ratio equals current assets divided by current liabilities.

Off-Market Purchases

The financial effects set out below are for illustrative purposes only. The illustrations are based on historical numbers for the financial year ended 31 December 2016 and are not necessarily representative of future financial performance.

The financial effects of the two alternative scenarios whereby share purchases up to a maximum of 0.15% and 10% of the issued Shares are implemented by the Company, as set out above, are for illustrative purposes only. Although the Share Purchase Mandate would enable the Company to potentially purchase or acquire up to 10% of the issued Shares, based on a public float of approximately 10.15% as at the Latest Practicable Date, the Company is at present, only permitted to purchase or acquire up to 0.15% of the issued Shares being the extent that would not affect adversely the listing status of the Shares on the SGX-ST as at the Latest Practicable Date. Even so, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 0.15% or, as the case may be, (if and when future circumstances permit) the entire 10% of the issued Shares. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

Even if the Share Purchase Mandate is approved, the Directors will not exercise the Share Purchase Mandate if the Group's working capital requirements and ability to service its debts would be adversely affected.

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Off-Market Purchases

(c) *Scenario (A) : Off-Market Purchases of up to 0.15% out of capital and held as treasury shares*

Scenario (B) : Off-Market Purchases of up to 0.15% out of capital and cancelled

As at 31 December 2016	Group			Company		
	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)		Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)	
		Scenario A	Scenario B		Scenario A	Scenario B
Shareholders' funds	1,067,218	1,065,334	1,065,334	1,355,813	1,353,929	1,353,929
Net tangible assets (NTA) ⁽¹⁾	1,067,218	1,065,334	1,065,334	1,355,813	1,353,929	1,353,929
Current assets	43,100	41,216	41,216	31,795	29,911	29,911
Current liabilities	103,563	103,563	103,563	108,730	108,730	108,730
Total borrowings	100,873	100,873	100,873	100,814	100,814	100,814
Profit attributable to Shareholders	86,982	86,982	86,982	78,451	78,451	78,451
Cash and cash equivalents	42,367	40,483	40,483	31,316	29,432	29,432
Number of Shares ('000) ⁽²⁾	2,649,740	2,645,766	2,645,766	2,649,740	2,645,766	2,645,766
Treasury shares ('000)	-	3,974	-	-	3,974	-
<u>Financial Ratios</u>						
Basic earnings per Share (cents)	3.28	3.29	3.29	2.96	2.97	2.97
NTA per Share (cents)	40.28	40.27	40.27	51.17	51.17	51.17
Gearing ratio ⁽³⁾	0.09	0.09	0.09	0.07	0.07	0.07

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	Group		Company	
	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)
As at 31 December 2016		Scenario A Scenario B		Scenario A Scenario B
Current ratio (times) ⁽⁴⁾	0.42	0.40 0.40	0.29	0.28 0.28

Notes:

- (1) NTA equals shareholders' funds less intangible assets.
- (2) Based on the number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share Purchase.
- (3) Gearing ratio equals total borrowings divided by shareholders' funds.
- (4) Current ratio equals current assets divided by current liabilities.
- (d) *Scenario (A) : Off-Market Purchases of up to 10% out of capital and held as treasury shares*
Scenario (B) : Off-Market Purchases of up to 10% out of capital and cancelled

	Group		Company	
	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)
As at 31 December 2016		Scenario A Scenario B		Scenario A Scenario B
Shareholders' funds	1,067,218	941,620 941,620	1,355,813	1,230,215 1,230,215
Net tangible assets (NTA) ⁽¹⁾	1,067,218	941,620 941,620	1,355,813	1,230,215 1,230,215
Current assets	43,100	13,100 13,100	31,795	1,795 1,795
Current liabilities	103,563	199,161 199,161	108,730	204,328 204,328
Total borrowings	100,873	196,471 196,471	100,814	196,412 196,412
Profit attributable to Shareholders	86,982	86,982 86,982	78,451	78,451 78,451
Cash and cash equivalents	42,367	12,367 12,367	31,316	1,316 1,316

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	Group			Company		
	Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)		Before Share Purchase (S\$'000)	After Share Purchase (S\$'000)	
As at 31 December 2016	Scenario A		Scenario B	Scenario A		Scenario B
Number of Shares (^{'000}) ⁽²⁾	2,649,740	2,384,766	2,384,766	2,649,740	2,384,766	2,384,766
Treasury shares (^{'000})	-	264,974	-	-	264,974	-
<u>Financial Ratios</u>						
Basic earnings per Share (cents)	3.28	3.65	3.65	2.96	3.29	3.29
NTA per Share (cents)	40.28	39.48	39.48	51.17	51.59	51.59
Gearing ratio ⁽³⁾	0.09	0.21	0.21	0.07	0.16	0.16
Current ratio (times) ⁽⁴⁾	0.42	0.07	0.07	0.29	0.01	0.01

Notes:

- ⁽¹⁾ NTA equals shareholders' funds less intangible assets.
- ⁽²⁾ Based on the number of Shares issued as at the Latest Practicable Date and adjusted for the effect of the Share Purchase.
- ⁽³⁾ Gearing ratio equals total borrowings divided by shareholders' funds.
- ⁽⁴⁾ Current ratio equals current assets divided by current liabilities.

3.8 Listing Status of the Shares. Rule 723 of the Listing Manual requires a listed company to ensure that at least 10% of equity securities (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public. Approximately 10.15% of the issued Shares were held by public Shareholders as at the Latest Practicable Date. No Shares were held by the Company as treasury shares as at the Latest Practicable Date. If the Company had purchased or acquired Shares from the public up to 0.15% of the issued Shares as explained in paragraph 3.3.1 above pursuant to the proposed Share Purchase Mandate on the Latest Practicable Date, approximately 10% of the issued Shares would have been held by public Shareholders as at that date.

The Company will ensure that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the proposed Share

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Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

- 3.9 **Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

3.9.1 ***Obligation to make a Take-over Offer***

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

3.9.2 ***Persons Acting in Concert***

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

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights; and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

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

3.9.3 ***Effect of Rule 14 and Appendix 2***

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

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

Based on the interests of the substantial Shareholders as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date as set out in paragraph 5.2 below and as confirmed by the Securities Industry Council, none of the substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase by the Company of the maximum limit of 10% of its issued Shares as at the Latest Practicable Date.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

- 3.10 **Reporting Requirements.** Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (i) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares, and (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) must include, *inter alia*, details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the

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number of issued shares excluding treasury shares and the number of treasury shares held after the purchase.

- 3.11 **No Purchases During Price Sensitive Developments.** While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchases or Off-Market Purchases during the period of two weeks immediately preceding the announcement of the Company's results for each of the first three quarters of the financial year, and during the period of one month immediately preceding the announcement of the Company's annual results.

4. THE PROPOSED ADOPTION OF THE NEW CONSTITUTION

- 4.1 **Companies (Amendment) Act 2014.** The Companies (Amendment) Act 2014 (the "**Amendment Act**"), which was passed in Parliament on 8 October 2014 and took effect in phases on 1 July 2015 and 3 January 2016 respectively, introduced wide-ranging changes to the Companies Act. The changes aim to reduce regulatory burden on companies, provide for greater business flexibility and improve the corporate governance landscape in Singapore. The key changes include the introduction of a multiple proxies regime to enfranchise indirect investors and CPF investors, provisions to facilitate the electronic transmission of notices and documents, and the merging of the memorandum and articles of association of a company into one document called the "constitution".
- 4.2 **New Constitution.** The Company is accordingly proposing to adopt a new constitution (the "**New Constitution**"), which consists of the memorandum and articles of association of the Company which were in force immediately before 3 January 2016 (the "**Existing Constitution**") and incorporates amendments to take into account changes to the Companies Act introduced pursuant to the Amendment Act. At the same time, the existing objects clauses will be replaced by a general provision giving the Company full capacity to carry on or undertake any business or activity, do any act or enter into any transaction. The proposed New Constitution also contains updated provisions which are consistent with the listing rules of the SGX-ST prevailing as at the Latest Practicable Date, in compliance with Rule 730(2) of the Listing Manual. In addition, the Company is taking this opportunity to include provisions in the New Constitution to address the personal data protection regime in Singapore, and also to streamline and rationalise certain other provisions.
- 4.3 **Summary of Principal Provisions.** The following is a summary of the principal provisions of the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the New Constitution as new provisions:

4.3.1 **Companies Act**

The following articles include provisions which are in line with the Companies Act, as amended pursuant to the Amendment Act:

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- (a) **Article 1 (Article 2 of Existing Constitution).** Article 1, which is the interpretation section of the New Constitution, includes the following additional/revised provisions:
- (i) a revised definition of “in writing” to make it clear that this expression includes any representation or reproduction of words, symbols or other information which may be displayed in a visible form, whether physical or electronic. This would facilitate, for example, a proxy instrument being in either physical or electronic form;
 - (ii) new definitions of “registered address” and “address” to make it clear that these expressions mean, in relation to any Shareholder, his physical address for the service or delivery of notices or documents personally or by post, except where otherwise expressly specified;
 - (iii) a new provision stating that the expressions “Depositor”, “Depository”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in the Securities and Futures Act, Chapter 289 (the “SFA”). This follows the migration of the provisions in the Companies Act which relate to the Central Depository System to the SFA pursuant to the Amendment Act; and
 - (iv) a new definition of “relevant intermediary” and a new provision stating that the expressions “current address”, “electronic communication” 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.
- (b) **New Article 6(B).** Article 6(B) is a new provision which provides that new shares may be issued for no consideration. This is in line with new 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.
- (c) **Article 12 (Article 54 of Existing Constitution).** Article 12, which relates to the Company’s power to alter its share capital, has new provisions which:
- (i) empower the Company, by Ordinary Resolution, to convert its share capital or any class of shares from one currency to another currency. This is in line with new section 73 of the Companies Act, which sets out the procedure for such redenominations; and
 - (ii) empower the Company, by Special Resolution, to convert one class of shares into another class of shares. This is in line with new section 74A of the Companies Act, which sets out the procedure for such conversions.

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- (d) **Article 20 (Article 18 of Existing Constitution).** The requirement to disclose the amount paid on the shares in the share certificate relating to those shares, and for the share certificate to be issued under the share seal of the Company, has been removed in Article 20, which relates to share certificates. A share certificate need only state (*inter alia*) the number and class of the shares, whether the shares are fully or partly paid up, and the amount (if any) unpaid on the shares. As at the Latest Practicable Date, section 123(2) of the Companies Act still requires share certificates to be issued under the common seal of a company. In addition, Article 20 further provides that a share certificate may, to the extent permitted under the Companies Act, bear facsimile signatures which may be reproduced by mechanical, electronic or other method approved by the Directors.
- (e) **Article 56 (Article 60 of Existing Constitution).** Article 56, which relates to the time-frame for holding annual general meetings, has been revised to remove the specific requirement that, save as otherwise permitted under the Companies Act, an annual general meeting is to be held once in every year and within a period of not more than 15 months after the holding of the last preceding annual general meeting. This has been replaced with a general provision that an annual general meeting shall be held in accordance with the provisions of the Companies Act. The change will accommodate any amendments which may be made to the Companies Act from time to time as regards the timelines for holding annual general meetings. As the Company has a primary listing on the SGX-ST, in determining the time and place of the general meeting pursuant to Article 56(B), the Directors are required to comply with Rule 730A of the Listing Manual, which requires the Company to hold all its general meetings in Singapore, unless prohibited by the relevant laws and regulations in Singapore.
- (f) **Article 60 (Article 64 of Existing Constitution).** Article 60, which relates to the routine business that is transacted at an annual general meeting, has been revised to:
- (i) substitute the reference to “accounts” with “financial statements”, and the reference to “the report of the Directors” with “Directors’ statement”, for consistency with the updated terminology in the Companies Act; and
 - (ii) clarify the types of Directors’ remuneration which will be subject to Shareholders’ approval as routine business.
- (g) **Article 68(B) (Article 70 of Existing Constitution).** Article 68(B), 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% to 5% of the total voting rights of the members having the right to vote at the meeting, or of the total sum paid up on all the shares conferring that right. This is in line with section 178 of the Companies Act, as amended pursuant to the Amendment Act.

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- (h) **Articles 73, 79 and 81(A) (Articles 76, 82 and 85 of Existing Constitution).** Articles 73, 79 and 81(A), which relate to the voting rights of Shareholders and the appointment and deposit of proxies, have new provisions which cater to the multiple proxies regime introduced by the Amendment Act. 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) Article 79(A) provides that 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 form of proxy 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 form of proxy. This is in line with new section 181(1C) of the Companies Act;
 - (ii) Article 79(B) provides that the Company will be entitled and bound to reject an instrument of proxy lodged by a Depositor if he is not shown to have shares entered against his name in the Depository Register as at 72 (previously 48) hours before the time of the relevant general meeting. Consequential changes have also been made in Articles 73 and 79(B) 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 (previously 48) hours before the time of the relevant general meeting. This is in line with new section 81SJ(4) of the SFA;
 - (iii) Article 73 provides that 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 new section 181(1D) of the Companies Act; and
 - (iv) the cut-off time for the deposit of proxies has been extended from 48 to 72 hours before the time appointed for holding the general meeting in Article 81(A). This is in line with section 178(1)(c) of the Companies Act, as amended pursuant to the Amendment Act.
- (i) **Article 101 (Article 106 of Existing Constitution).** Article 101, which relates to the filling of the office vacated by a retiring Director in default circumstances except in certain cases, has been revised to remove the event of a Director attaining any applicable retiring age as an exception to a deemed re-election to office. This follows the repeal of section 153 of the Companies Act and removal of the 70-year age limit for directors of public companies and subsidiaries of public companies.

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As a general update, Article 101 further provides that the retirement of a Director shall not have effect until the conclusion of the meeting, except where a resolution is passed to elect some other person in his place, or a resolution for his re-election is lost, and accordingly a retiring Director who is re-elected will continue in office without a break.

- (j) **Article 105 (Article 108 of Existing Constitution).** Article 105, which relates to the Directors' power to appoint any person to be a Director to fill a casual vacancy or as an additional Director, has been expanded to provide that the Company may also do so by Ordinary Resolution. This is in line with new section 149B of the Companies Act, which provides that unless the constitution otherwise provides, a company may appoint a director by ordinary resolution passed at a general meeting.
- (k) **Article 118 (Article 119 of Existing Constitution).** Article 118, which relates to the general powers of Directors to manage the Company's business, clarifies that the business and affairs of the Company are to be managed by or under the direction of or, additionally, under the supervision of, the Directors. These changes are in line with section 157A of the Companies Act, as amended pursuant to the Amendment Act.
- (l) **Articles 127, 146 and 147 (Articles 127, 128, 149, 150 and 151 of Existing Constitution).** Article 147, which relates to the sending of the Company's financial statements and related documents to Shareholders, additionally provides that such documents may, subject to the listing rules of the SGX-ST, 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. This is in line with new 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 this proviso, the Company is currently required to comply with Rule 707(2) of the Listing Manual, 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. The requirement to send these documents to debenture holders has also been removed in Article 147.

The references to the Company's "accounts", "profit and loss account(s)" and Directors' "reports" have also been updated/substituted in Articles 127, 146 and 147 with references, or additional references, to "financial statements" and Directors' "statements", as appropriate, for consistency with the updated terminology in the Companies Act.

Article 151 of the Existing Constitution which requires copies of the above documents to be forwarded to any stock exchange upon which shares in the Company may be listed has been removed in the New Constitution as the Company would be obliged under the Listing Manual to forward copies of such documents to the SGX-ST and such requirement is not required to be stated in the constitution.

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- (m) **Articles 150(B) to (F) (Article 155(b) of Existing Constitution).** Articles 150(B) to (F), which relate to the service of notices to Shareholders using electronic communications, have 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 new section 387C of the Companies Act.

Under new section 387C, notices and documents may be given, sent or served using electronic communications with the express, implied or deemed consent of the member in accordance with the constitution of the company.

There is “express consent” if a shareholder expressly agrees with the company that notices and documents may be given, sent or served on him using electronic communications. There is “deemed consent” if the constitution (a) provides for the use of electronic communications and specifies the mode of electronic communications, and (b) specifies that shareholders will be given an opportunity to elect, within a specified period of time, whether to receive electronic or physical copies of such notices and documents, and the shareholder fails to make an election within the specified period of time. There is “implied consent” if the constitution (a) provides for the use of electronic communications and specifies the mode of electronic communications, and (b) specifies that shareholders agree to receive such notices or documents by way of electronic communications and do not have a right to elect to receive physical copies of such notices and documents. Certain safeguards for the use of the deemed consent and implied consent regimes are prescribed under new regulation 89C of the Companies Regulations, Chapter 50, RG 1 (the “**Companies Regulations**”).

New section 387C was introduced to give effect to recommendations by the Steering Committee for Review of the Companies Act to ease the rules for the use of electronic transmission and to make them less prescriptive, and these recommendations were accepted by the Ministry of Finance (“**MOF**”). In accepting these recommendations, the MOF noted the concerns of some shareholders who would prefer to have an option to receive physical copies of the notices and documents, notwithstanding that the company adopts the implied consent regime, and indicated that such shareholders could highlight their concerns when a company proposes amendments to its constitution to move to an implied consent regime.

Shareholders who are supportive of the new deemed consent and implied consent regimes for electronic communications may vote in favour of the adoption of the New Constitution, which incorporates new provisions (contained in Article 150) to facilitate these regimes, while Shareholders who are not supportive of the new regimes may vote against it.

In particular:

- (i) Article 150(B) provides that notices and documents may be sent to Shareholders using electronic communications either to a Shareholder’s current address (which may be an email address) or by

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making it available on a website;

- (ii) Article 150(C) provides that for these purposes, a Shareholder is deemed to have agreed to receive such notice or document by way of electronic communications and shall not have a right to elect to receive a physical copy of such notice or document (this is the implied consent regime permitted under new section 387C); and
- (iii) Article 150(D) provides that notwithstanding sub-paragraph (ii) above, the Directors may decide to give Shareholders an opportunity to elect to opt out of receiving such notice or document by way of electronic communications, and a Shareholder is deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity but failed to opt out within the specified time (this is the deemed consent regime permitted under new section 387C).

Article 150(E) 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 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 the Companies Act and/or other applicable regulations or procedures. Further, under Article 150(F), in the case of service on a website, the Company must give separate notice of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by (1) sending such separate notice to Shareholders personally or by post, and/or (2) sending such separate notice to Shareholders' current addresses (which may be email addresses), and/or (3) by way of advertisement in the daily press, and/or (4) by way of announcement on the SGX-ST.

Under new regulation 89D of the Companies Regulations, notices or documents relating to take-over offers and rights issues are excluded from the application of section 387C and therefore cannot be transmitted by electronic means pursuant to section 387C.

As at the Latest Practicable Date, the outcome of a public consultation by the SGX-ST on (*inter alia*) whether listed issuers should be allowed to send notices and documents to shareholders electronically under the new regimes permitted under the Companies Act is not known yet. In its consultation, the SGX-ST had also asked for comments on additional safeguards in relation to the new regimes. There is no certainty that the listing rules will be amended to allow electronic transmission of notices and documents under the new regimes. Going forward, for so long as the Company is listed on the SGX-ST, the Company will not make use of the new regimes to transmit notices or documents electronically to Shareholders unless the SGX-ST's listing rules allow it, and the Company will comply with the SGX-ST's listing rules on the subject.

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- (n) **Article 157 (Article 165 of Existing Constitution).** Article 157, which relates to Directors' indemnification, has been expanded to permit the Company, subject to the provisions of and so far as may be permitted by the Companies Act, to indemnify a Director against losses "to be incurred" by him in the execution of his duties. This is in line with new sections 163A and 163B of the Companies Act, which permit a company to lend, on specified terms, funds to a director for meeting expenditure incurred "or to be incurred" by him in defending court proceedings or regulatory investigations.

4.3.2 **Objects clauses**

The existing objects clauses contained in the Existing Constitution are proposed to be deleted and substituted with a general provision in the New Constitution (see new Article 4) to the effect that, subject to the provisions of the Companies Act and any other written law and its 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.

This is in line with section 23 of the Companies Act, which provides that a company has full capacity to carry on or undertake any business or activity, do any act or enter into any transactions, subject to the law and to the provisions of its constitution.

By deleting the existing objects 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, the Company will have all the powers of a natural person, with 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.

Notwithstanding the deletion of the existing objects clauses, the Company will still be required to comply with the Companies Act and the Listing Manual in carrying on its business and undertaking business activities. For example, if required by Chapter 10 of the Listing Manual, the Company will have to obtain Shareholders' approval to enter into a transaction for the acquisition or disposal of assets. Also, if required by Rule 104 of the Listing Manual, a change in the principal business of the Company will be subject to the SGX-ST's approval if in the SGX-ST's opinion, the integrity of the market may be adversely affected, or it is in the interests of the public to do so.

4.3.3 **Listing Manual**

Rule 730(2) of the Listing Manual provides that if an issuer amends its articles or other constituent documents, they must be made consistent with all the listing rules prevailing at the time of amendment.

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The following Articles have been included in the New Constitution, or updated, to ensure consistency with the listing rules of the SGX-ST prevailing as at the Latest Practicable Date, in compliance with Rule 730(2) of the Listing Manual:

- (a) **Article 43(A) (Article 24 of Existing Constitution).** Article 43(A), which relates to the Directors' power to decline to register transfers of shares, provides that in the event of the Directors refusing to register a transfer of shares, they shall serve a notice in writing stating the facts which are considered to justify a refusal to register a transfer of shares to the applicant within ten market days after the date on which the application for a transfer of shares was made. This is in line with Rule 733 of the Listing Manual.
- (b) **Articles 68, 69, 70 and 72 (Articles 70, 71, 73, 74 and 75 of Existing Constitution).** Article 68, which relates to the method of voting at general meetings, has new provisions to make it clear that, if required by the listing rules of any stock exchange upon which shares in the Company may be listed, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by the SGX-ST). Consequential changes have been made to Articles 69, 70 and 72. Article 69 additionally provides that, if required by the listing rules of any stock exchange upon which shares in the Company may be listed, scrutineers will be appointed. These changes are in line with Rule 730A of the Listing Manual.
- (c) **Articles 98 and 101 (Articles 102 and 106 of Existing Constitution).** Article 98, which relates to the vacation of office of a Director in certain events, additionally provides that the office of a Director shall become vacant if he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds. Consequential changes have been made to Article 101, which relates to the filling of the office vacated by a retiring Director in certain default events, to provide that a retiring Director is deemed to be re-elected in certain default circumstances except, additionally, where he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds. These changes are in line with paragraph (9)(n) of Appendix 2.2 of the Listing Manual.
- (d) **Article 103 (Article 107 of Existing Constitution).** Article 103, which relates to the notice of intention to appoint a Director other than a Director retiring at a meeting, clarifies that such notice of intention, or notice from the person to be proposed giving his consent to the nomination and signifying his candidature for the office, must be lodged at the registered office of the Company not less than 11 nor more than 42 clear days before the date appointed for the meeting. This clarification is in line with paragraph 9(h) of Appendix 2.2 of the Listing Manual.
- (e) **Article 110 (Article 96 of Existing Constitution).** Article 96(1) of the Existing Constitution currently provides that no Director shall vote in respect of any contract, arrangement or transaction in which he is interested, or in respect of any allotment of shares in or debentures of the Company to him and if he does so his vote shall not be counted. This provision has been updated in Article

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110(A) of the New Constitution, which provides additionally that a Director shall not vote in respect of any contract or arrangement or any other proposal in which he has “any personal material interest, directly or indirectly”. This update is in line with paragraph (9)(e) of Appendix 2.2 of the Listing Manual.

- (f) **Article 111 (Article 112 of Existing Constitution).** Article 111, which relates to the proceedings of Directors in case of vacancies in their body, has additional provisions to make it clear that where the number of Directors is reduced to below the minimum number, the continuing Directors(s) may act only for the purpose of filling up such vacancies or of summoning general meetings (except in an emergency). This additional clarification is in line with paragraph (9)(k) of Appendix 2.2 of the Listing Manual.

4.3.4 PDPA

In general, under the Personal Data Protection Act 2012, an organisation can only collect, use or disclose the personal data of an individual with the individual's consent, and for a reasonable purpose which the organisation has made known to the individual. New Article 159 specifies, *inter alia*, the purposes for which the Company and/or its agents and service providers would collect, use and disclose personal data of members and their appointed proxies or representatives.

4.3.5 General

The following Articles have been included in the New Constitution, or have been updated, streamlined and rationalised generally:

- (a) **New Article 17.** Article 17 is a new provision which provides that all new 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 times and on such terms as they think proper.
- (b) **Article 21(B) (Article 15(3) of Existing Constitution).** Article 21(B), which relates to the issue of share certificates to joint holders of shares, has been updated to provide that 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 and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.
- (c) **Article 36 (Article 44 of Existing Constitution).** Article 36, which relates to the rights and liabilities of members whose shares have been forfeited or surrendered, additionally provides that the Directors may at their absolute discretion enforce the payment of the moneys payable on such shares without any allowance for the value of the shares at the time of forfeiture or surrender.
- (d) **Article 39 (Article 48 of Existing Constitution).** Article 39, which relates to the application of sale proceeds of a share on which the Company has a lien, additionally provides that for the purpose of giving effect to any such sale, the Directors may authorise some person to transfer or effect the transfer of the

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shares sold to the purchaser.

- (e) **Article 64 (Article 66 of Existing Constitution).** Article 64, which relates to the adjournment of a general meeting if a quorum is not present, has been revised to make it clear that this can occur if a quorum is not present within half an hour from the time appointed for the meeting, “or such longer interval as the Chairman of the Meeting may think fit to allow”, and further that 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”. Article 64 additionally provides that at the adjourned meeting, any one or more members present in person or by proxy shall be a quorum.
- (f) **New Article 67.** Article 67 is a new provision which relates to amendments of resolutions at general meetings. Article 67 provides that if an amendment is ruled out of order in good faith by the Chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling, and further that in the case of a special resolution, no amendment (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
- (g) **Articles 75, 83 and 98 (Articles 78, 86 and 102 of Existing Constitution).** These Articles have been updated to substitute the references to insanity and a person of unsound mind with references to mental disorder and a person who is incapable of managing himself or his affairs, following the enactment of the Mental Health (Care and Treatment) Act, Chapter 178A of Singapore, which repealed and replaced the Mental Disorders and Treatment Act. Article 83 further provides that a vote cast by proxy shall not be invalidated by the previous death or mental disorder of the principal, or revocation of the proxy, provided that no intimation in writing of such death, mental disorder or revocation is received by the Company “at least one hour” before the commencement of the meeting.
- (h) **Articles 80 and 81 (Articles 84 and 85 of Existing Constitution).** Article 80, which relates to the execution of proxies, has new provisions to facilitate the appointment of a proxy through electronic means online. In particular, Article 80 provides that a member can elect to signify his approval for the appointment of a proxy via electronic communication, through such method and in such manner as may be approved by the Directors, in lieu of the present requirement of signing, or where applicable, the affixation of the corporate member’s common seal.

For the purpose of accommodating the deposit by members, and receipt by the Company, of electronic proxy instructions by members who elect to use the electronic appointment process, Article 81, which relates to the deposit of proxies, has new provisions which authorise the Directors to prescribe and determine the manner of receipt by the Company of the instrument appointing a proxy through digital means.

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- (i) **Article 91 (Article 96 of Existing Constitution).** Article 91, which provides that Directors may contract with the Company, additionally clarifies that a Director may also be a party to or interested in a contract in which the Company is interested and hold office in a company in which the Company is interested.
- (j) **New Articles 92 and 93.** These are new provisions to clarify that the Directors may 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. The appointment of any Director to the office of Chairman or Deputy Chairman will automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of contract. The appointment of any Director to any other executive office will not automatically determine if he ceases to be a Director, unless the contract or resolution under which he holds office expressly states otherwise, in which event such determination will be without prejudice to any claim for damages for breach of any contract or service between him and the Company. The Directors may entrust to and confer upon any Directors holding any executive office any of the powers 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.
- (k) **Article 99 (Article 104 of Existing Constitution).** Article 99, which relates to the retirement of Directors by rotation, clarifies that the Directors who are to retire by rotation are to be selected in accordance with Article 100 and are in addition to any Director retiring pursuant to Article 105.
- (l) **New Article 102.** Article 102 is a new provision which relates to resolutions for the appointment of Directors. Article 102 provides that 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 Article 102 shall be void.
- (m) **Article 106 (Article 109 of Existing Constitution).** Article 106, which relates to the appointment of alternate Directors, contains additional provisions regulating such appointments. In particular, Article 106(D) clarifies that an 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 extent applicable as if he were a Director.
- (n) **Article 107 (Article 110 of Existing Constitution).** Article 107, which relates to meetings of Directors, additionally provides that any Director may waive notice of any meeting and that any such waiver may be retroactive. New Article 107(B) also contains additional provisions regulating participation in such meetings by telephone or video conference.

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- (o) **Article 125 (Article 126 of Existing Constitution).** Article 125, which relates to the affixing of the Common Seal, has been updated to provide that every instrument to which the Seal is affixed shall be signed autographically (previously to be affixed in the presence of and signed) by two Directors, or by a Director and by the Secretary or some other person appointed by the 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.
- (p) **New Article 135.** Article 135 is a new provision which provides that the waiver of any dividend by any document is effective only if the document is signed by the Shareholder (or person entitled in consequence of death or bankruptcy) and delivered to the Company and if or to the extent that it is accepted as such or acted upon by the Company.
- (q) **New Article 138.** New Article 138 will facilitate, if and when desired, the implementation of a scrip dividend scheme enabling Shareholders to elect to receive scrip in lieu of the cash amount of a qualifying dividend.
- (r) **Article 144 (Article 142(3) of Existing Constitution).** Article 144, which relates to the Directors' power to issue free shares and/or to capitalise any undivided profits or other moneys for share-based incentive plans, has been expanded to empower the Directors to do the same for the benefit of non-executive Directors as part of their Directors' remuneration. The aforesaid power to issue shares may only be exercised by directors in reliance of a subsisting authority conferred by shareholders for the issuance of shares pursuant to section 161 of the Companies Act, which provides that the directors shall not, without the prior approval of the company in general meeting, exercise the power of the company to issue shares notwithstanding anything in the company's constitution. This will enable the Company, if it so desires, to remunerate its non-executive Directors by way of Directors' fees in the form of shares, or in a combination of cash and shares, using these methods.
- (s) **Article 150(A) (Article 155(a) of Existing Constitution).** Article 150(A), which relates to the service of notices personally or by post, provides that 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.
- (t) **Article 153.** Article 153 provides that a Shareholder 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 or other documents from the Company.
- (u) **New Article 154.** Article 154 is a new provision which provides that 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.

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- (v) **New Article 156.** Article 156 is a new provision which provides that, in the event of a winding up of the Company, every member who is not in Singapore must appoint some householder in Singapore upon whom notices etc. in relation to the winding up may be served and in default, the liquidator may appoint some such person.

4.4 **Appendices 3 and 4.** The text of the principal provisions in the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the New Constitution as new provisions, or which have been removed in the New Constitution, is set out in Appendix 3 to this Letter and the main differences are blacklined. The existing objects clauses in the Existing Constitution which are proposed to be deleted and replaced with a general provision in the New Constitution as described in paragraph 4.3.2 above are set out in Appendix 4 to this Letter. The proposed adoption of the New Constitution is subject to Shareholders' approval.

5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

5.1 **Directors' Interests.** The interests of the Directors in the Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date, are set out below:

Directors	Direct Interest	Number of Shares		% of Issued Shares
		Deemed Interest	Total Interest	
Richard Li Tzar Kai ⁽¹⁾	-	28,167,000	28,167,000	1.063
Francis Yuen Tin Fan	-	-	-	-
Peter A. Allen	5,010,000	-	5,010,000	0.189
Alexander Anthony Arena	-	-	-	-
Tom Yee Lat Shing	-	-	-	-
Frances Wong Waikwun	-	-	-	-
Laura Deal Lacey	-	-	-	-

Note:

- ⁽¹⁾ Mr Richard Li Tzar Kai is deemed to be interested in 28,167,000 Shares held by Hopestar Holdings Limited, a company which is 100% owned by Mr Richard Li Tzar Kai.

5.2 **Substantial Shareholders' Interests.** The interests of the substantial Shareholders in the Shares, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

Substantial Shareholders	Direct Interest	Number of Shares		% of Issued Shares
		Deemed Interest	Total Interest	
Jenny W.L. Fung ⁽¹⁾	-	2,347,042,230	2,347,042,230	88.576
Lester Huang ⁽¹⁾	-	2,347,042,230	2,347,042,230	88.576
OS Holdings Limited ⁽¹⁾	-	2,347,042,230	2,347,042,230	88.576

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Substantial Shareholders	Number of Shares			% of Issued Shares
	Direct Interest	Deemed Interest	Total Interest	
Ocean Star Management Limited ⁽¹⁾	-	2,347,042,230	2,347,042,230	88.576
The Ocean Trust ⁽¹⁾	-	2,347,042,230	2,347,042,230	88.576
The Ocean Unit Trust ⁽¹⁾	-	2,347,042,230	2,347,042,230	88.576
The Starlite Trust ⁽¹⁾	-	2,347,042,230	2,347,042,230	88.576
The Starlite Unit Trust ⁽¹⁾	-	2,347,042,230	2,347,042,230	88.576
PCGH ⁽²⁾	200,000	2,346,842,230	2,347,042,230	88.576
Pacific Century International Limited ⁽³⁾	-	2,330,058,230	2,330,058,230	87.935
Pacific Century Group (Cayman Islands) Limited ⁽⁴⁾	1,160,991,050	1,169,067,180	2,330,058,230	87.935
Anglang Investments Limited	1,169,067,180	-	1,169,067,180	44.120

Notes:

- (1) In April 2004, Mr Richard Li Tzar Kai transferred his entire beneficial interest in PCGH to Ocean Star Management Limited as trustee holding for and on behalf of The Ocean Unit Trust and The Starlite Unit Trust. All the issued units of each of The Ocean Unit Trust and The Starlite Unit Trust are held by Star Ocean Ultimate Limited as trustee for and on behalf of The Ocean Trust and The Starlite Trust respectively. Ocean Star Management Limited is the wholly-owned subsidiary of OS Holdings Limited. Ms Jenny W.L. Fung and Mr Lester Huang each holds more than 20% of the shares of OS Holdings Limited. Each of The Ocean Trust, The Starlite Trust, The Ocean Unit Trust, The Starlite Unit Trust, Ms Jenny W.L. Fung, Mr Lester Huang, OS Holdings Limited and Ocean Star Management Limited is deemed to have an interest in 2,347,042,230 shares in the Company through PCGH (see Note 2).
- (2) PCGH has a direct interest in 200,000 shares in the Company. PCGH is also deemed to be interested in (i) the 16,784,000 shares held by its wholly-owned subsidiary, Borsington Limited (ii) the 1,169,067,180 shares held by Anglang Investments Limited and (iii) the 1,160,991,050 shares held by Pacific Century Group (Cayman Islands) Limited.
- (3) Pacific Century International Limited is deemed to be interested in (i) the 1,169,067,180 shares held by Anglang Investments Limited and (ii) the 1,160,991,050 shares held by Pacific Century Group (Cayman Islands) Limited.
- (4) Pacific Century Group (Cayman Islands) Limited is deemed to be interested in the 1,169,067,180 shares held by Anglang Investments Limited.

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6. DIRECTORS' RECOMMENDATIONS

- 6.1 **The Proposed Adoption of the Shareholders Mandate.** The Directors who are considered independent for the purposes of the proposed adoption of the Shareholders Mandate are Messrs Francis Yuen Tin Fan, Alexander Anthony Arena, Tom Yee Lat Shing, Ms Frances Wong Waikwun and Ms Laura Deal Lacey. Having considered the opinion of Provenance Capital, the Independent Directors are of the opinion that the proposed adoption of the Shareholders Mandate to permit entry into the Interested Person Transactions (as described in paragraph 5 of Appendix 1) between the PCRD Group (as described in paragraph 2 of Appendix 1) and certain Interested Persons (as described in paragraph 4 of Appendix 1) in the ordinary course of its business will enhance the efficiency of the PCRD Group and is in the best interests of the Company. For the reasons set out in paragraph 2 of Appendix 1, the Independent Directors recommend that Shareholders vote in favour of Ordinary Resolution No. 6, being the Ordinary Resolution relating to the proposed adoption of the Shareholders Mandate to be proposed at the 2017 AGM.

The Independent Directors, in rendering their recommendation, have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any Shareholder.

As different Shareholders would have different investment objectives, the Independent Directors recommend that any individual Shareholder who may require specific advice in relation to the Shareholders Mandate should consult his stockbroker, bank manager, solicitor, accountant or other professional advisers.

- 6.2 **The Proposed Renewal of the Share Purchase Mandate.** The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution No. 7, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate to be proposed at the 2017 AGM.
- 6.3 **The Proposed Adoption of the New Constitution.** The Directors are of the opinion that the proposed adoption of the New Constitution is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Special Resolution No. 8, being the Special Resolution relating to the proposed adoption of the New Constitution to be proposed at the 2017 AGM.

7. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 50 Raffles Place, #35-01, Singapore Land Tower, Singapore 048623, during normal business hours from the date of this Letter up to the date of the 2017 AGM:

- (a) the Annual Report of the Company for the financial year ended 31 December 2016;
- (b) the Existing Constitution;
- (c) the proposed New Constitution;
- (d) the 2016 Letter;

LETTER TO SHAREHOLDERS

- (e) Provenance Capital's letter to the Independent Directors referred to in paragraph 2.3 above; and
- (f) Provenance Capital's letter of consent referred to in paragraph 2.4 above.

8. DIRECTORS' RESPONSIBILITY STATEMENT

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

Yours faithfully
for and on behalf of
the Board of Directors of
PACIFIC CENTURY REGIONAL DEVELOPMENTS LIMITED

Richard Li Tzar Kai
Chairman

THE SHAREHOLDERS MANDATE

1. Chapter 9 of the Listing Manual

- 1.1 Chapter 9 of the listing manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be at risk, with the listed company’s interested persons. Under this Chapter, a listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders’ approval for a transaction, when the value of that transaction alone or on aggregation with other transactions conducted with the same interested person during the financial year reaches, or exceeds, certain materiality thresholds.
- 1.2 Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested persons and hence are excluded from the ambit of Chapter 9, immediate announcement and shareholders’ approval would be required in respect of transactions with interested persons if certain financial thresholds (which are based on the value of the transaction as compared with the listed company’s latest audited consolidated net tangible assets (“**NTA**”)) are reached or exceeded. In particular, shareholders’ approval is required for an interested person transaction of a value equal to, or which exceeds:
- (a) 5% of the listed company’s latest audited consolidated NTA; or
 - (b) 5% of the listed company’s latest audited consolidated NTA, when aggregated with other transactions entered into with the same interested person (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.
- 1.3 Based on the latest audited consolidated financial statements of Pacific Century Regional Developments Limited (“**PCRD**” or the “**Company**”) and its subsidiaries (the “**Group**”) for the financial year ended 31 December 2016, the consolidated NTA of the Group was approximately S\$1,067 million. In relation to PCRD, for the purposes of Chapter 9 of the Listing Manual, in the current financial year and until such time as the consolidated audited financial statements of the Group for the financial year ending 31 December 2017 are published, 5% of the latest audited consolidated NTA of the Group would be approximately S\$53 million.
- 1.4 Chapter 9 of the Listing Manual, however, permits a listed company to seek a mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the listed company’s interested persons. A general mandate is subject to annual renewal.
- 1.5 Under the Listing Manual:
- (a) an “**entity at risk**” means:
 - (i) the listed company;
 - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or

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- (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the **"listed group"**), or the listed group and its interested person(s), has control over the associated company;
- (b) (in the case of a company) an **"interested person"** means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder;
- (c) (in the case of a company) an **"associate"** in relation to an interested person who is a director, chief executive officer or controlling shareholder means an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder, the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family or controlling shareholder/his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which the director/his immediate family, the chief executive officer/his immediate family or controlling shareholder/his immediate family has an aggregate interest (directly or indirectly) of 30% or more, and, where a controlling shareholder is a corporation, means its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30% or more;
- (d) an **"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 Listing Manual; and
- (e) an **"interested person transaction"** means a transaction between an entity at risk and an interested person.

2. Rationale for the Shareholders Mandate and Benefits to Shareholders

- 2.1 The PCRD Group (as defined below) engages in a diversified range of activities with interests in telecommunications and information technology, financial services, property and infrastructure investment and development.
- 2.2 Due to the diverse business interests and activities of the PCRD Group (as defined below), it is envisaged that in the ordinary course of their businesses, transactions between companies in the PCRD Group (as defined below) and PCRD's interested persons are likely to occur with some degree of frequency, and may arise from time to time. Such transactions would include, but are not limited to, the provision of goods and services in the ordinary course of business of the PCRD Group (as defined below) to PCRD's interested persons or the obtaining of goods and services from them for day-to-day operational needs.
- 2.3 In view of the time-sensitive nature of commercial transactions, the Shareholders Mandate pursuant to Chapter 9 of the Listing Manual will enable:
 - (a) PCRD;

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- (b) subsidiaries of PCRD (other than a subsidiary that is listed on the SGX-ST or an approved exchange, if any); and
- (c) associated companies of PCRD (other than an associated company that is listed on the SGX-ST or an approved exchange, if any) over which the Group, or the Group and its interested person(s) has or have control,

(together, the “**PCRD Group**”), or any of them, in the ordinary course of their businesses, to enter into the categories of transactions (“**Interested Person Transactions**”) set out in paragraph 5 below with the specified classes of PCRD’s interested persons (the “**Interested Persons**”) set out in paragraph 4 below, provided such Interested Person Transactions are made on normal commercial terms and are not prejudicial to the interests of the Company and its Shareholders (excluding those who are Interested Persons) (the “**Minority Shareholders**”).

- 2.4 The Shareholders Mandate, and its subsequent renewal thereafter on an annual basis, will enhance the ability of companies in the PCRD Group to pursue business opportunities which are time-sensitive in nature, and will eliminate the need for PCRD to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders’ prior approval for the entry by the relevant company in the PCRD Group into such transactions. This will substantially reduce the expenses associated with the convening of general meetings on an *ad hoc* basis, improve administrative efficacy considerably, and allow manpower resources and time to be channelled towards attaining other corporate objectives.
- 2.5 The Shareholders Mandate is intended to facilitate transactions in the normal course of business of the PCRD Group which are transacted from time to time with the specified classes of Interested Persons, provided that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its Minority Shareholders.

3. The Shareholders Mandate and Validity Period

- 3.1 The Shareholders Mandate covers a wide range of activities undertaken by the PCRD Group. These activities are set out in detail in paragraph 5 below.
- 3.2 The Shareholders Mandate does not cover an Interested Person Transaction which has a value that is below S\$100,000 as the threshold and aggregation requirements contained in Chapter 9 of the Listing Manual would not apply to such an Interested Person Transaction.
- 3.3 Transactions with interested persons (including the Interested Persons) that do not fall within the ambit of the Shareholders Mandate will be subject to the relevant provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.
- 3.4 The adoption of the Shareholders Mandate will take effect from the date of the passing of the Ordinary Resolution relating thereto to be proposed at the Annual General Meeting to be held on 31 March 2017 until the next Annual General Meeting of the Company (unless sooner revoked or varied by the Company in general meeting). Thereafter, it is intended that approval from Shareholders for subsequent renewals of the Shareholders Mandate will be sought at each subsequent Annual General Meeting of the Company.

4. Classes of Interested Persons

The Shareholders Mandate applies to Interested Person Transactions which are carried out with the following classes of Interested Persons:

- (a) Pacific Century Group Holdings Limited (“**PCGH**”) and its associates (as defined in the Listing Manual) (the “**PCGH Group**”); and
- (b) Mr Richard Li Tzar Kai, a Director of PCRD, and his associates (as defined in the Listing Manual).

The PCGH Group includes, but is not limited to, Pacific Century International Limited (“**PCIL**”) and Pacific Century Group (Cayman Islands) Limited (“**PCG**”). PCG is a wholly-owned subsidiary of PCIL, which is in turn a wholly-owned subsidiary of PCGH.

It is anticipated that transactions (as described in paragraph 5 below) may arise between the PCRD Group and the PCGH Group, and/or the PCRD Group and Mr Richard Li’s associates (as defined in the Listing Manual).

5. Interested Person Transactions

The Interested Person Transactions with the Interested Persons which are covered by the Shareholders Mandate, and the benefits to be derived therefrom, are set out below:

- (a) Property-related Transactions

This category relates to the provision to, or the obtaining from, Interested Persons of products and services in the normal course of business of the PCRD Group. The transactions within this category comprise:

- (i) the leasing and/or rental of properties;
- (ii) the provision of property maintenance and property management services; and
- (iii) the provision or obtaining of such other products and services which are incidental to or in connection with the provision or obtaining of products and services in sub-paragraphs (i) to (ii) above,

(the “**Property-related Transactions**”).

The PCRD Group will benefit from transacting with Interested Persons, in addition to non-Interested Persons, in an expeditious manner. The PCRD Group would also benefit from an additional source of revenue, as well as having access to competitive quotes from Interested Persons.

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(b) Borrowings

This category of transactions pertains to the obtaining of financial assistance and services, including the borrowing of funds, from Interested Persons, as well as transactions that are undertaken by the PCRD Group in connection with the management of its funding requirements ("**Borrowings**").

The PCRD Group can benefit from competitive rates or quotes offered by Interested Persons, as well as by leveraging on the financial strength and credit standing of the Interested Persons in an expeditious manner.

(c) Group Management and Support Services

This category ("**Management and Support Services**") relates to transactions by the PCRD Group in connection with the provision to, or the obtaining from, Interested Persons of management and support services in the areas of finance, insurance, treasury, business development, management information systems, corporate secretarial services and human resources management and development services (including staff secondment).

The PCRD Group will benefit from transacting with Interested Persons, in addition to non-Interested Persons, in an expeditious manner. The PCRD Group would also benefit from an additional source of revenue, as well as having access to competitive quotes from Interested Persons.

6. Review Procedures for Interested Person Transactions

- 6.1 In general, there are procedures established by the PCRD Group to ensure that transactions with Interested Persons are undertaken on normal commercial terms consistent with the PCRD Group's usual business practices and policies, which are generally no more favourable to the Interested Persons than those extended to unrelated third parties.

(a) Property-related Transactions and Management and Support Services

In relation to Property-related Transactions and Management and Support Services, such Interested Person Transactions shall be entered into, where applicable, at the prevailing rates/prices of the service or product provider which (in relation to services or products to be provided to an Interested Person) are no more favourable to the Interested Person than those extended to third parties, or (in relation to services or products to be obtained from an Interested Person) are no less favourable than those extended by the Interested Person to third parties, on the service or product provider's usual commercial terms or otherwise in accordance (where applicable) with industry norms.

To determine whether the prices and terms offered to the Interested Person are no more favourable than those extended to third parties, rates and terms offered to at least two unrelated third parties for transactions of a similar nature, size or complexity are compared taking into account factors such as the availability of resources, expertise or manpower for the performance of the services or the provision of such goods and the existence of any cost and/or time saving factors.

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To determine whether the terms offered by the Interested Person are fair and reasonable and no less favourable than those extended by the Interested Person to unrelated third parties, rates and terms offered by or generally quoted by at least two unrelated third parties who are engaged in providing similar services or products are compared.

For Property-related Transactions relating to the leasing and/or rental of properties, such comparison should also take into account the prevailing market rental rates for other properties within its vicinity of similar or comparable standing and facilities, the tenure of the lease, the area of the leased premises and any other factor which may affect the rental rates or terms of the lease.

In the event that comparison quotations cannot be obtained in respect of the Interested Person Transactions which involve the leasing of properties since the nature of real estate is such that there may be properties which are unique without a comparable benchmark, such Interested Person Transactions shall be entered into only after the senior executive(s) of the relevant company within the PCRD Group (having no interest, direct or indirect, in the transaction) has evaluated and has satisfied himself (including by reference to historical rent for comparable leases (based on information provided by consultants or otherwise)) of the reasonableness of the quantum of such rent for the leasing of properties offered to or by the Interested Person, and that such terms are fair and are not prejudicial nor disadvantageous to the PCRD Group.

Threshold Limits

In addition, the following review procedures will apply to Property-related Transactions and Management and Support Services:

(i) a transaction with a value equal to or less than:

(1) 2% of the latest audited consolidated NTA of the Group; or

(2) S\$20,000,000,

whichever is the lower, shall be reviewed and approved by a Director of the Company appointed by the Audit Committee from time to time for such purpose or, failing him, such other senior executive(s) designated by the Audit Committee from time to time for this purpose (having no interest, direct or indirect, in the transaction), and all such transactions shall be reviewed on a quarterly basis by the Audit Committee; and

(ii) a transaction with a value exceeding:

(1) 2% of the latest audited consolidated NTA of the Group; or

(2) S\$20,000,000,

whichever is the lower, shall be reviewed and approved by the Audit Committee prior to entering such an Interested Person Transaction.

(b) Borrowings

In relation to the borrowing of funds from any Interested Person by the PCRD Group, the Company will require that quotations be obtained from such Interested Person and at least two of the principal bankers of the PCRD Group for rates for loans from such bankers of an equivalent amount, and for an equivalent period, as the funds to be borrowed by the PCRD Group. The PCRD Group will only borrow funds from such Interested Person provided that the terms quoted are no less favourable to the PCRD Group than the terms quoted by such principal bankers.

Threshold Limits

Where the interest expense on any borrowing from an Interested Person when aggregated with the interest expense incurred by the PCRD Group on previous borrowings from the same Interested Person (as such term is construed under Chapter 9 of the Listing Manual) in the financial year exceeds:

- (1) 2% of the latest audited consolidated NTA of the Group; or
- (2) S\$20,000,000,

whichever is the lower, such (and each subsequent) borrowing from that Interested Person in the same financial year shall require the prior approval of the Audit Committee.

Borrowings from the same Interested Persons in respect of which the interest expense in aggregate does not exceed the limit set out above will be reviewed and approved by a Director of the Company appointed by the Audit Committee from time to time for such purposes or, failing him, such other senior executive(s) of the Company designated by the Audit Committee from time to time for such purpose (having no interest, direct or indirect, in the transaction), and shall be reviewed on a quarterly basis by the Audit Committee.

If deemed necessary or desirable, the relevant member of the Board of Directors, Audit Committee or any senior executive of the Company designated by the Audit Committee from time to time (where applicable), may at his or their own discretion, at the expense of the Company, obtain independent advice from external or professional sources to facilitate their review and approval of an Interested Person Transaction.

- 6.2 A register will be maintained by PCRD to record all Interested Person Transactions and the basis (including the quotations obtained to support such basis) on which they are entered into pursuant to the Shareholders Mandate. The annual external audit plan of PCRD shall incorporate a review of all Interested Person Transactions entered into in the relevant financial year pursuant to the Shareholders Mandate. The external auditors will review Interested Person Transactions to check, amongst other things, that the guidelines and review procedures for Interested Person Transactions have been adhered to and the relevant approvals have been obtained. The external auditors will report to the Audit Committee any non-compliance issues noted from the reviews.

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- 6.3 The Audit Committee reviews Interested Person Transactions reports quarterly and the adequacy of internal control procedures on Interested Person Transactions to confirm that the guidelines and review procedures for Interested Person Transactions have been complied with.
- 6.4 In the event that a member of the Board of Directors, Audit Committee or any senior executive of the Company designated by the Audit Committee from time to time (where applicable) is interested in any Interested Person Transaction, he will abstain from any decision-making in respect of that transaction and the review, endorsement and approval of that transaction will be undertaken by the other members of the Board of Directors, Audit Committee or such other senior executive(s) designated by the Audit Committee from time to time for such purposes (having no interest, direct or indirect, in the transaction) (as the case may be).

7. Audit Committee's Statements

- 7.1 The Audit Committee (currently comprising Mr Tom Yee Lat Shing, Mr Francis Yuen Tin Fan and Ms Frances Wong Waikwun) has reviewed the terms of the Shareholders Mandate, as proposed to be adopted, and is satisfied that the review procedures for Interested Person Transactions, as well as the reviews to be made periodically by the Audit Committee (with management assistance) in relation thereto, are sufficient to ensure that Interested Person Transactions will be made with the relevant class of Interested Persons on normal commercial terms and will not be prejudicial to the interests of the Company and its Minority Shareholders.
- 7.2 If as a result of any of the reviews by the Audit Committee, the Audit Committee forms the view that the guidelines and review procedures for Interested Person Transactions have become inappropriate or insufficient due to changes in the nature of, or manner in which, the business activities of the PCRD Group or the Interested Persons are conducted, PCRD will revert to Shareholders for a fresh general mandate based on new guidelines and review procedures so that Interested Person Transactions always will be carried out at arm's length, on commercial terms and will not be prejudicial to the interests of the Company and its Minority Shareholders.

8. Disclosure

- 8.1 PCRD will announce the aggregate value of transactions conducted with Interested Persons pursuant to the Shareholders Mandate for the financial periods which PCRD is required to report on pursuant to the Listing Manual and within the time required for the announcement of such report.
- 8.2 Disclosure will also be made in the annual report of PCRD of the aggregate value of Interested Person Transactions conducted pursuant to the Shareholders Mandate during the current financial year, and in the annual reports for the subsequent financial years during which a Shareholders Mandate is in force, in accordance with the requirements of the Listing Manual.

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PROVENANCE CAPITAL PTE. LTD.

(Company Registration Number: 200309056E)
(Incorporated in the Republic of Singapore)
96 Robinson Road #13-01 SIF Building
Singapore 068899

9 March 2017

To: The Independent Directors of Pacific Century Regional Developments Limited
(deemed to be independent in respect of the Shareholders' Mandate)

Mr Francis Yuen Tin Fan	(Deputy Chairman and Independent Non-Executive Director)
Mr Alexander Anthony Arena	(Non-Executive Director)
Mr Tom Yee Lat Shing	(Independent Non-Executive Director)
Ms Frances Wong Waikwun	(Independent Non-Executive Director)
Ms Laura Deal Lacey	(Independent Non-Executive Director)

Dear Sir/Madam,

PROPOSED ADOPTION OF THE SHAREHOLDERS' MANDATE

*Unless otherwise defined or the context otherwise requires, all terms used herein have the same meanings as defined in the Letter to Shareholders dated 9 March 2017 ("**Letter to Shareholders**").*

1. INTRODUCTION

- 1.1 Pacific Century Regional Developments Limited ("**PCRD**" or "**Company**", and together with its subsidiaries, "**Group**") had in April 2010 obtained a shareholders' mandate to enable the Company, its subsidiaries and its associated companies, which are considered to be "entities at risk" ("**PCRD Group**") under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Listing Manual**"), to enter into certain specified interested person transactions ("**IPTs**") of a recurrent nature in the ordinary course of business with the interested persons ("**Interested Persons**") namely, (a) Pacific Century Group Holdings Limited ("**PCGH**"), the controlling shareholder of the Company, and its associates; and (b) Mr Richard Li Tzar Kai, a Director of the Company, and his associates ("**Previous Shareholders' Mandate**").

The Previous Shareholders' Mandate had been approved and renewed by shareholders of the Company at each subsequent annual general meeting ("**AGM**") of the Company until the last AGM held in April 2016. The Previous Shareholders' Mandate had since lapsed.

- 1.2 The Company intends to re-instate the Previous Shareholders' Mandate (in substantially the same form with certain amendments and restrictions) as the Company believes that having the flexibility to utilise the general mandate for potential future transactions with the Interested Persons is beneficial to shareholders of the Company ("**Shareholders**"). Hence, the Company is presently proposing the adoption of the Shareholders' Mandate ("**Shareholders' Mandate**") at the forthcoming AGM to be held on 31 March 2017.

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The Shareholders' Mandate is subject to the approval of the Shareholders at the AGM and the opinion of the Independent Financial Adviser ("**IFA**") pursuant to Rule 920 of Chapter 9 of the Listing Manual.

- 1.3** In connection with the above, Provenance Capital Pte. Ltd. ("**Provenance Capital**") has been appointed as the IFA to render an opinion to the directors of the Company who are deemed independent in respect of the Shareholders' Mandate ("**Independent Directors**"), on whether the methods and procedures for determining the transaction prices of the IPTs are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.
- 1.4** As mentioned in Section 1.1 above, Mr Richard Li Tzar Kai, who is the Chairman and Executive Director of the Company, is an Interested Person for the purpose of the Shareholders' Mandate. Mr Peter A. Allen, who is the Group Managing Director and Executive Director of the Company, is also a director of the PCGH Group. As such, both Mr Richard Li Tzar Kai and Mr Peter A. Allen will abstain from deliberating and making any recommendation to Shareholders in respect of the Shareholders' Mandate as Directors of the Company. They will also abstain from voting on the ordinary resolution relating to the proposed adoption of the Shareholders' Mandate in respect of all their shareholding interests in the Company.

The remaining Directors, namely, Mr Francis Yuen Tin Fan, Mr Alexander Anthony Arena, Mr Tom Yee Lat Shing, Ms Frances Wong Waikwun and Ms Laura Deal Lacey are considered Independent Directors for the purpose of making a recommendation on the Shareholders' Mandate.

- 1.5** This letter ("**IFA Letter**") is thus addressed to the Independent Directors and sets out, *inter alia*, our evaluation and opinion on the Shareholders' Mandate. This IFA Letter forms part of the Letter to Shareholders which provides, *inter alia*, the details of the Shareholders' Mandate and the recommendation of the Independent Directors.

2. TERMS OF REFERENCE

We have been appointed as the IFA to advise the Independent Directors in respect of the Shareholders' Mandate. We are not and were not involved in or responsible for, in any aspect, the discussions in relation to the Shareholders' Mandate, nor were we involved in the deliberations leading up to the decision on the part of the Directors to propose the Shareholders' Mandate for the approval of Shareholders. We also do not, by this IFA Letter, warrant the merits of the Shareholders' Mandate, other than to express an opinion on whether the guidelines and review procedures as set out in the Shareholders' Mandate are sufficient to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

It is not within our terms of reference to evaluate or comment on the legal, strategic, commercial and financial merits and/or risks of the Shareholders' Mandate or to compare their relative merits vis-à-vis alternative transactions previously considered by the Company (if any) or which may otherwise be available to the Company currently or in the future, and we have not made such evaluation or comments. Such evaluation or comments, if any, remains the responsibility of the Directors and/or the management of the Company ("**Management**") although we may

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draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion as set out in this IFA Letter.

In rendering our opinion, we have held discussions with the Directors, the Management and/or their professional advisers (if applicable) and have examined and relied to a considerable extent on the information set out in the Letter to Shareholders, other publicly available information collated by us and the information, representations, opinions, facts and statements provided to us, whether written or verbal, by the Directors, Management and/or the professional advisers (if applicable). Whilst care has been exercised in reviewing the information which we have relied upon, we have not independently verified such information or representations, whether written or verbal, and accordingly cannot and do not make any representation or warranty, express or implied, in respect of, and do not accept any responsibility for the accuracy, completeness or adequacy of such information or representations. Nevertheless we have made reasonable enquiries and exercised judgment on the reasonable use of such information, as were deemed necessary, and have found no reason to doubt the accuracy or reliability of the information and representations.

The Directors (including those who may have delegated detailed supervision of the Letter to Shareholders) have confirmed that, to the best of their respective knowledge and belief, and having made all reasonable enquiries, information and representations provided by the Directors and Management are accurate. They have also confirmed to us that, upon making all reasonable enquiries and to their best knowledge and belief, all material information available to them in connection with the Shareholders' Mandate, the Company and the Group, have been disclosed to us, that such information is true, complete and accurate in all material respects and that there is no other material information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to the Company and/or the Group stated in the Letter to Shareholders to be inaccurate, incomplete or misleading in any material respect. The Directors have jointly and severally accepted full responsibility for such information described herein.

We have not independently verified and have assumed that all statements of fact, belief, opinion and intention made by the Directors in the Letter to Shareholders in relation to the Shareholders' Mandate have been reasonably made after due and careful enquiry. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified the information but nevertheless have made reasonable enquiries and exercised judgment on the reasonable use of such information, as were deemed necessary, and have found no reason to doubt the accuracy or reliability of the information and representations.

We would like to highlight that all information relating to the Company and the Group which we have relied upon in arriving at our recommendation or advice has been obtained from publicly available information and/or from the Directors and Management and the professional advisers (if applicable). We have not independently assessed and do not warrant or accept any responsibility as to whether the aforesaid information adequately represents a true and fair position of the financial, operational and business affairs of the Company or the Group at any time or as at 24 February 2017, being the Latest Practicable Date referred to in the Letter to Shareholders.

The scope of our appointment does not require us to conduct a comprehensive independent review of the business, operations or financial condition of the Company and/or the Group, or to

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express, and we do not express, a view on the future growth prospects, value and earnings potential of the Company and/or the Group. Such review or comments, if any, remain the responsibility of the Directors and Management, although we may draw upon their views or make such comments in respect thereof (to the extent required by the Listing Manual and/or deemed necessary or appropriate by us) in arriving at our advice as set out in this IFA Letter. We are also not required or authorised to obtain, and we have not obtained, any quotation or transaction price from third parties for the sale, purchase, provision or supply (where applicable) of services and/or products similar to those which are to be covered by the Shareholders' Mandate, and therefore are not able to, and will not compare the transactions with similar transactions with third parties.

We have not made an independent evaluation or appraisal of the assets and liabilities of the Company and/or the Group (including without limitation, property, plant and equipment). As such, we will be relying on publicly available information, disclosures and representations made by the Company on the value of the assets and liabilities, and profitability of the Company and/or the Group. We have not been furnished with any such evaluation or appraisal.

Our opinion as set out in this IFA Letter is based on market, economic, industry, monetary and other conditions (if applicable) prevailing as of the Latest Practicable Date and the information and representations provided to us as of the Latest Practicable Date. In arriving at our opinion, with the consent of the Directors and the Company, we have taken into account certain other factors and have made certain assumptions as set out in this IFA Letter. We assume no responsibility to update, revise or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. Shareholders should take note of any announcement, relevant to the Shareholders' Mandate, which may be released by the Company after the Latest Practicable Date.

In rendering our advice and giving our recommendation, we did not have regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any Shareholder or any specific group of Shareholders. As each Shareholder may have different investment objectives and profiles, we recommend that any individual Shareholder or group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) or objective(s) consult his or their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

The Company has been separately advised by its own professional advisers in the preparation of the Letter to Shareholders (other than this IFA Letter). We have had no role or involvement and have not and will not provide any advice (financial or otherwise) in the preparation, review or verification of the Letter to Shareholders (other than this IFA Letter). Accordingly, we take no responsibility for and express no views, whether expressed or implied, on the contents of the Letter to Shareholders (other than this IFA Letter).

Whilst a copy of this IFA Letter may be reproduced in the Letter to Shareholders, neither the Company, the Directors nor any other persons may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purposes, at any time and in any manner, other than for the purpose of any matter relating to the Shareholders' Mandate, without the prior written consent of Provenance Capital in each specific case.

We have prepared this IFA Letter for the purpose of Rule 920(1)(b) of the Listing Manual and the Independent Directors in connection with their consideration of the Shareholders' Mandate and

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their advice to Shareholders. The recommendation made to Shareholders in relation to the Shareholders' Mandate remains the responsibility of the Independent Directors.

Our opinion in relation to the Shareholders' Mandate should be considered in the context of the entirety of this IFA Letter and the Letter to Shareholders.

3. THE SHAREHOLDERS' MANDATE

3.1 Rationale for the Shareholders' Mandate

The full text of the rationale for adopting the Shareholders' Mandate is set out in Paragraph 2.1 of the Letter to Shareholders. An extract of the rationale for the Shareholders' Mandate is reproduced in italics below for your reference.

"The adoption of the Shareholders Mandate will:

2.1.1 facilitate entry into the mandated transactions with the specified classes of interested persons in the ordinary course of the businesses of the PCRD Group (as defined in Appendix 1 to this Letter);

2.1.2 eliminate the need for the Company to convene separate general meetings on each occasion, pursuant to the financial limits imposed under Chapter 9 of the Listing Manual, to seek Shareholders' approval as and when such transactions with the interested persons arise, thereby:

(a) reducing substantially the administrative time, inconvenience and costs associated with the convening of such meetings; and

(b) enabling the PCRD Group (as defined in Appendix 1 to this Letter) to maintain its overall competitiveness and not be placed at a disadvantage to other parties that do not require shareholders' approval to be obtained for entering into such transactions."

3.2 Classes of Interested Persons

The classes of Interested Persons to be covered in the Shareholders' Mandate are the same as those covered in the Previous Shareholders' Mandate, which are as follows:

- (a) PCGH, a controlling shareholder of the Company, and its associates (as defined in the Listing Manual) ("**PCGH Group**"); and
- (b) Mr Richard Li Tzar Kai, a Director of the Company, and his associates (as defined in the Listing Manual).

The PCGH Group includes, but is not limited to, Pacific Century International Limited ("**PCIL**") and Pacific Century Group (Cayman Islands) Limited ("**PCG**"). PCG is a wholly-owned subsidiary of PCIL, which is in turn a wholly-owned subsidiary of PCGH.

3.3 Categories of IPTs

The categories of IPTs to be covered in the Shareholders' Mandate are the same as those covered in the Previous Shareholders' Mandate, which are as follows:

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(a) Property-related Transactions

This category relates to the provision to, or the obtaining from, Interested Persons of products and services in the normal course of business of the PCRD Group. The transactions within this category comprise:

- (i) the leasing and/or rental of properties;
- (ii) the provision of property maintenance and property management services; and
- (iii) the provision or obtaining of such other products and services which are incidental to or in connection with the provision or obtaining of products and services in sub-paragraphs (i) to (ii) above,

(“**Property-related Transactions**”).

(b) Borrowings

This category of transactions pertains to the obtaining of financial assistance and services, including the borrowing of funds, from Interested Persons, as well as transactions that are undertaken by the PCRD Group in connection with the management of its funding requirements (“**Borrowings**”).

(c) Group Management and Support Services

This category relates to transactions by the PCRD Group in connection with the provision to, or the obtaining from, Interested Persons of management and support services in the areas of finance, insurance, treasury, business development, management information systems, corporate secretarial services and human resources management and development services (including staff secondment) (“**Management and Support Services**”).

The Shareholders’ Mandate does not cover an IPT which has a value that is below S\$100,000 as the threshold and aggregation requirements contained in Chapter 9 of the Listing Manual would not apply to such an IPT. Since the lapse of the Previous Shareholders’ Mandate, the Group had not carried out any IPTs with any Interested Person of a value that is S\$100,000 and above.

Transactions with interested persons (including the Interested Persons) that do not fall within the ambit of the Shareholders’ Mandate will be subject to the relevant provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.

The Shareholders’ Mandate will facilitate the PCRD Group (namely the Company, its subsidiaries and its associated companies which are considered to be “entities at risk” under Chapter 9 of the Listing Manual) in entering into the specified IPTs with Interested Persons in the ordinary course of business of the PCRD Group.

3.4 Guidelines and Review Procedures for the IPTs

To ensure that the IPTs are undertaken on normal commercial terms, consistent with the PCRDC Group's usual business practices and policies and are not prejudicial to the interests of the Company and its minority Shareholders, the Company has put in place the following guidelines and review procedures for the IPTs under the Shareholders' Mandate. These guidelines and review procedures are similar to the Previous Shareholders' Mandate with some amendments, in particular, to the approval threshold limits.

The key amendments to the Shareholders' Mandate are as follows:

- (i) a lower threshold based on 2% of the audited net tangible assets of the Group ("NTA") or S\$20,000,000, whichever is lower, for all categories of IPTs, instead of 5% for borrowings and 3% for the other categories of IPTs in the Previous Shareholders' Mandate; and
- (ii) all IPTs during the financial year will be reviewed by the Group's external auditors as part of the annual external audit plan, instead of being reviewed as part of the annual internal audit plan.

These guidelines and review procedures are also set out in Paragraph 6 of Appendix 1 to the Letter to Shareholders.

(a) Property-related Transactions and Management and Support Services

In relation to Property-related Transactions and Management and Support Services, such IPTs shall be entered into, where applicable, at the prevailing rates/prices of the service or product provider which (in relation to services or products to be provided to an Interested Person) are no more favourable to the Interested Person than those extended to third parties, or (in relation to services or products to be obtained from an Interested Person) are no less favourable than those extended by the Interested Person to third parties, on the service or product provider's usual commercial terms or otherwise in accordance (where applicable) with industry norms.

The determination of whether the prices and terms offered to Interested Person are no more favourable than those extended to third parties, would be based on a comparison of rates and terms offered to at least two unrelated third parties for transactions of a similar nature, size or complexity and shall also take into account factors such as the availability of resources, expertise or manpower for the performance of the services or the provision of such goods and the existence of any cost and/or time saving factors.

To determine whether the terms offered by the Interested Person are fair and reasonable and no less favourable than those extended by the Interested Person to unrelated third parties, this would be based on a comparison of rates and terms offered by or generally quoted by at least two unrelated third parties who are engaged in providing similar services or products.

For Property-related Transactions relating to the leasing and/or rental of properties, such comparison shall also take into account the prevailing market rental rates for other properties within its vicinity of similar or comparable standing and facilities, the tenure of

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the lease, the area of the leased premises and any other factor which may affect the rental rates or terms of the lease.

In the event that quotations for comparison cannot be obtained in respect of the IPTs which involve the leasing of properties since the nature of real estate is such that there may be properties which are unique without a comparable benchmark, such IPTs shall only be entered into after senior executive(s) of the relevant company within the PCRD Group (each having no interest, direct or indirect, in the IPT) has evaluated and has satisfied himself (including by reference to historical rent for comparable leases, based on information provided by consultants or otherwise) of the reasonableness of the quantum of such rent for the leasing of properties offered to or by the Interested Person, that such terms are fair and not prejudicial nor disadvantageous to the PCRD Group.

Threshold Limits

Before entering into any IPTs, all such transactions will be subject to review and the pre-approval by the relevant approving authorities according to the value of the IPTs as set out in the approval matrix below:

Approval Threshold – Property-related Transactions and Management and Support Services		
	Value of each IPT	Approving Authorities (each having no interest, direct or indirect, in the IPT)
1.	Equal to or less than either 2% of NTA or S\$20,000,000, whichever is lower	Director of the Company appointed by the Audit Committee from time to time for such purpose, or, failing him, such other senior executive(s) designated by the Audit Committee from time to time for such purpose (having no interest, direct or indirect, in the transaction)
2.	Exceeding either 2% of NTA or S\$20,000,000, whichever is lower	Majority of the Audit Committee

(b) Borrowings

In relation to the borrowing of funds from any Interested Person by the PCRD Group, the Company will require that quotations be obtained from such Interested Person and at least two of the principal bankers of the PCRD Group for rates for loans from such bankers of an equivalent amount, and for the equivalent period, of the funds to be borrowed by the PCRD Group. The PCRD Group will only borrow funds from such Interested Person provided that the terms quoted are no less favourable to the PCRD Group than the terms quoted by such principal bankers.

Threshold Limits

Before entering into any IPTs, all such transactions will be subject to review and the pre-approval by the relevant approving authorities according to the value of the IPTs as set out in the approval matrix below:

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Approval threshold - Borrowings		
	Value of each IPT ⁽¹⁾	Approving Authorities (each having no interest, direct or indirect, in the IPT)
1.	Equal to or less than either 2% of NTA or S\$20,000,000, whichever is lower	Director of the Company appointed by the Audit Committee from time to time for such purpose, or, failing him, such other senior executive(s) designated by the Audit Committee from time to time for such purpose (having no interest, direct or indirect, in the transaction)
2.	Exceeding either 2% of NTA or S\$20,000,000, whichever is lower	Majority of the Audit Committee

Note:

- (1) In respect of borrowings from the Interested Persons, the value of the IPT is the interest payable on the borrowings from the Interested Person, and if the loan is for a fixed tenure, the value of the IPT is the interest payable for the entire tenure of the loan.

If deemed necessary or desirable, the Approving Authorities may at their own discretion, at the expense of the Company, obtain independent advice from external or professional sources to facilitate their review and approval of an IPT.

In the event that a member of the Board of Directors, Audit Committee or any senior executive of the Company designated by the Audit Committee from time to time (where applicable) is interested in any IPT, he will abstain from any decision-making in respect of that transaction and the review, endorsement and approval of that transaction will be undertaken by the other members of the Board of Directors, Audit Committee or such other senior executive(s) designated by the Audit Committee from time to time for such purpose (having no interest, direct or indirect, in the transaction) (as the case may be).

3.5 Additional guidelines and review procedures

Besides the guidelines and review procedures set out in Section 3.4 of this IFA Letter, the Company will also implement and adhere to the following additional guidelines and procedures:

- (i) Maintaining a register of IPTs

A register will be maintained by the Company to record all the IPTs (and the basis including the quotations obtained to support such basis on which they are entered into) which are entered into pursuant to the Shareholders' Mandate. As the Shareholders' Mandate does not cover an IPT which has a value that is below S\$100,000, IPTs which are of a value that is below S\$100,000 will not be recorded in this register.

- (ii) Review by external auditors

The annual external audit plan of the Company shall incorporate a review of all IPTs entered into in the relevant financial year pursuant to the Shareholders' Mandate. The external auditors will review the IPTs to check, amongst other things, that the guidelines and review procedures for the IPTs have been adhered to and the relevant approvals

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have been obtained. The external auditors will report to the Audit Committee any non-compliance issues noted from the reviews.

(iii) Review by Audit Committee

The Audit Committee shall on a quarterly basis review all IPTs pursuant to the Shareholders' Mandate and the adequacy of internal control procedures on the IPTs to ascertain that the guidelines and review procedures for the IPTs have been complied with.

If during any reviews by the Audit Committee, the Audit Committee is of the view that the guidelines or review procedures for the IPTs have become inappropriate or insufficient in the event of changes to the nature of, or manner in which, the business activities of the PCRD Group or the Interested Persons are conducted, the Company will revert to Shareholders for a fresh general mandate based on new guidelines and review procedures to provide assurance that IPTs are carried out at arm's length, on commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

3.6 Validity period of the Shareholders' Mandate

The adoption of the Shareholders' Mandate will take effect from the date of the passing of the ordinary resolution relating thereto to be proposed at the forthcoming AGM, and will be valid until the next AGM of the Company (unless sooner revoked or varied by the Company in general meeting). Thereafter, it is intended that approval from Shareholders for subsequent renewals of the Shareholders' Mandate will be sought at each subsequent AGM of the Company.

3.7 Disclosures

The Company will announce the aggregate value of transactions conducted with Interested Persons pursuant to the Shareholders' Mandate for the financial periods which the Company is required to report on pursuant to the Listing Manual and within the time required for the announcement of such report.

Disclosure will also be made in the annual report of the Company of the aggregate value of IPTs conducted pursuant to the Shareholders' Mandate during the current financial year, and in the annual reports for the subsequent financial years during which the Shareholders' Mandate is in force, in accordance with the requirements of the Listing Manual.

4. OPINION

In arriving at our opinion in respect of the Shareholders' Mandate, we have considered, *inter alia*, the following:

- (a) rationale for the Shareholders' Mandate;
- (b) classes of Interested Persons;

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- (c) categories of IPTs; and
- (d) guidelines and review procedures for the IPTs, including the additional guidelines and review procedures.

Based on the above, we are of the opinion that the guidelines and review procedures for determining the transaction prices and/or value of the IPTs under the Shareholders' Mandate, as set out in Section 3 of this IFA Letter and Paragraph 6 of Appendix 1 to the Letter to Shareholders, if adhered to, are sufficient to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

Our opinion is addressed to the Independent Directors for the purpose of their consideration of the Shareholders' Mandate. The recommendation to be made by them to the Shareholders remains their responsibility. Whilst a copy of this IFA Letter may be reproduced in the Letter to Shareholders, neither the Company, its Directors nor any other person may reproduce, disseminate or quote this IFA Letter (or any part thereof) for the purpose of any matter which does not relate to the Shareholders' Mandate at any time and in any manner without our prior written consent in each specific case.

This IFA Letter 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 faithfully
For and on behalf of
PROVENANCE CAPITAL PTE. LTD.

Wong Bee Eng
Chief Executive Officer

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THE PRINCIPAL PROVISIONS IN THE NEW CONSTITUTION WHICH ARE SIGNIFICANTLY DIFFERENT FROM THE EQUIVALENT PROVISIONS IN THE EXISTING CONSTITUTION

Set out below are the principal provisions in the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the New Constitution as new provisions, or which have been removed in the New Constitution, with the main differences blacklined.

1. Article 1

21. In ~~these Articles, this Constitution~~ (if not inconsistent with the subject or context,) the words ~~standing and expressions set out~~ in the first column of the ~~Table next hereinafter contained~~ below shall bear the meanings set opposite to them respectively in the ~~second column thereof~~. Interpretation

<u>WORDS</u>	<u>MEANINGS</u>
"Account Holder"	A person who has a securities account directly with the Depository and not through a Depository Agent.
"The Act"	The Companies Act, Chapter 50. (Cap. 50) or any statutory modification, amendment or re-enactment thereof for the time being in force or any and every other act for the time being in force concerning companies and affecting the Company and any reference to any provision of the Act is to that provision as so modified, amended or re-enacted or contained in any such subsequent act or acts.
"Alternate Director"	An Alternate Director appointed pursuant to Article 109.
"The Articles" or "These Articles"	These Articles of Association or other regulations of the Company for the time being in force as originally framed, or as from time to time altered by special resolution.
"The Company"	The abovenamed Company by whatever name from time to time called.
"book-entry securities"	The documents evidencing title to listed securities which are deposited

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	by a Depositor with the Depository and are registered in the name of the Depository or its nominee, and which are transferable by way of book entry in the Depository Register and not by way of an instrument of transfer.
“Depositor”	An Account Holder or a Depository Agent but does not include a Sub-Account Holder.
“Depository”	The Central Depository (Pte) Limited established by the Exchange, or any other corporation approved by the Minister as a depository company or corporation for the purposes of the Act, which as a bare trustee operates the Central Depository System for the holding and transfer of book entry securities.
“Depository Agent”	A member company of the Exchange, a trust company (registered under the Trust Companies Act), a banking corporation or merchant bank (approved by the Monetary Authority of Singapore under the Monetary Authority of Singapore Act (Cap. 186)) or any other person or body approved by the Depository who or which:— (a) — performs services as a depository agent for Sub-Account Holders in accordance with the terms of a depository agent agreement entered into between the Depository and the Depository Agent; (b) — deposits book entry securities with the Depository on behalf of the Sub-Account Holders; and (c) — establishes an account in its name with the Depository.
“Depository Register”	A register maintained by the Depository in respect of book entry securities.

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"Director"	Includes any person acting as a Director of the Company and includes any person duly appointed and acting for the time being as an Alternate Director.
"Directors"	The Directors for the time being of the Company.
"Dividend"	Includes bonus dividend.
"Exchange"	Singapore Exchange Securities Trading Limited and its successors and assigns.
"Writing" and "Written in writing"	Includes printing, lithography, typewriting and any other mode of representing or reproducing words in a visible form. <u>Written or produced by any substitute for writing or partly one and partly another and shall include (except where otherwise expressly specified in this Constitution or the context otherwise requires, and subject to any limitations, conditions or restrictions contained in the Statutes) any representation or reproduction of words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an electronic communication or form or otherwise howsoever.</u>
"Market day" <u>Day</u>	Any day between Mondays and Fridays which is not an Exchange market holiday or public holiday. <u>A day on which the Stock Exchange is open for trading in securities.</u>
"Member" or "holder of any share"	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) save that references to "Member" or "holder of any share" shall, where the Act requires, exclude the Company where

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	it is a Member or holder of any share by reason of its holding of its shares as treasury shares.
"Month <u>month</u> "	Calendar month.
"Office"	The Registered Officer <u>registered office</u> of the Company for the time being.
"Paid up <u>paid</u> "	Includes <u>Paid or</u> credited as paid-up.
<u>"registered address"</u> <u>or "address"</u>	<u>In relation to any member, his physical address for the service or delivery of notices or documents personally or by post, except where otherwise expressly provided in this Constitution.</u>
"Register of Members"	The Register of registered shareholders of the Company.
"Seal"	The Common Seal of the Company or in appropriate cases the Official Seal or duplicate Common Seal.
"Secretary"	The Secretary or Secretaries appointed under these Articles and shall include any person entitled or appointed by the Directors to perform the duties of Secretary temporarily.
"Securities Account"	The securities account maintained by a Depositor with a Depository.
"Singapore"	The Republic of Singapore.
<u>"Statutes"</u>	<u>The Act and every other act for the time being in force concerning companies and affecting the Company.</u>
<u>"Stock Exchange"</u>	<u>Any stock exchange upon which shares in the Company may be listed.</u>
"Sub-Account Holder"	A Holder of an account maintained with a Depository Agent.
<u>"this Constitution"</u>	<u>This Constitution as from time to time altered.</u>

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~~“Year”~~ ~~Calendar year.~~

~~“S\$”~~ ~~The lawful currency of Singapore.~~

The expressions “Depositor”, “Depository”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in the Securities and Futures Act, Chapter 289.

~~The expressions “bare trustee” and “documents evidencing title” “current address”, “electronic communication”, “relevant intermediary” and “treasury shares” shall have the meanings ascribed to them respectively in Section 130A of the Act and the expressions “Ordinary Resolution”, “Special Resolution” and “treasury shares” shall also have the meanings ascribed to them respectively in the Act.~~the 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.~~

~~The expression “shares” shall mean the shares of the Company;~~

References in this Constitution to “holders” of shares or a class of shares shall:

- (a) exclude the Depository or its nominee (as the case may be) except where otherwise expressly provided in this Constitution or where the term “registered holders” or “registered holder” is used in this Constitution;
- (b) where the 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.

References in this Constitution to “member” shall, where the Act requires, exclude the Company where it is a member by reason of its holding of its shares as treasury shares.

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, or

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where one or more Assistant or Deputy Secretaries are appointed, shall include any one of those persons.

All such of the provisions of ~~these Articles~~ this Constitution as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" or similar expression herein shall include "stock" or "stockholder" shall be construed accordingly.

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

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

Words denoting persons shall include corporations.

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

~~Save~~ Subject as aforesaid, any ~~word or expression used~~ words or expressions defined in the Act and the Interpretation Act (Cap. 4) shall, (if not inconsistent with the subject or context,) bear the same ~~meaning in these Articles~~ meanings in this Constitution.

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

2. Article 4

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

Business or activity

- (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.

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3. Article 6

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

Shares of a class other than ordinary shares

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

Issue of shares for no consideration

4. Article 12

5412. (4A) The Company may by Ordinary Resolution:–

Power to consolidate, cancel and subdivide and redenominate shares

(ia) consolidate and divide all or any of its share capital shares;

(ib) subdivide its shares, or any of them (subject, nevertheless, to the provisions of the Act), provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived Statutes and this Constitution), and so that the resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such subdivision, 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 new shares; and

(c) subject to the provisions of the Statutes, convert its share capital or any class of shares from one currency to another currency.

(iiiB) The Company may by Special Resolution, subject to the provisions of these Articles and in accordance with the Act Statutes, convert any one class of shares into any other another class of shares.

Power to convert shares

5. Article 17

17. Subject to the provisions of this Constitution 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 new 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 times and on such terms as they think proper.

Power of Directors to issue shares

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6. Article 20

~~1820.~~ ~~The Every share certificate of title to shares or debentures in the capital of the Company shall be issued in accordance with the requirements of the Act under the Seal in such form as the Directors shall from time to time prescribe and may bear the autographic or facsimile signatures of at least two Directors, or by one Director and the Secretary or some other person appointed by the Directors in place of the Secretary for the purpose, and shall specify the number and class of shares to which it relates and the amount paid and the amount unpaid (if any) thereon. The To the extent permitted under the Act, a share certificate may bear facsimile signatures which may be reproduced by mechanical, electronic or other means provided the method or system of reproducing signatures has first been approved by the Auditors of the Company Directors.~~ No certificate shall be issued representing shares of more than one class.

Share certificates

7. Article 21(B)

~~1521. (3B) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders. Only the person whose name stands first in the Depository Register shall be entitled to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders. 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 and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.~~

Issue of certificate to joint holders

8. Article 36

~~4436.~~ A ~~Member~~member whose shares have been forfeited or surrendered shall cease to be a ~~Member~~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 ~~ten~~eight per cent. per annum (or such lower rate as the Directors may ~~approve~~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~~ and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment of such interest either wholly in whole or in part.

Rights and liabilities of Members~~members~~ whose shares have been forfeited or surrendered

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9. Article 39

~~4839.~~ The net proceeds of such sale, whether of a share forfeited by the Company or of a share over which the Company has a lien, after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the unpaid call and accrued interest and expenses and the residue (if any) debts or liabilities and any residue shall be paid to the Memberperson entitled to the shares at the time of the sale or to his executors, administrators or assigns, or 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.

Application of sale
proceeds of such
sale

10. Article 43(A)

~~2443.~~ (4A) Subject to these Articles, the Act or as required by the Exchange, there shall be no restriction on the transfer of fully paid-up shares (except where required by law or the rules, bye-laws or listing rules of the Exchange or of any other stock exchange upon which the shares in the Company may be listed, or bye-laws and rules governing, the Stock Exchange) but the Directors may, in their sole discretion, decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid-up may refuse to register a transfer to a transferee of whom they do not approve, Provided always that in the event of the Directors refusing to register a transfer of shares, they shall within ten Market Days beginning with the date 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. If the Directors shall decline to register any such transfer of shares, they shall give to both the transferor and the transferee written notice of their refusal to register as required by the Act.

Directors' power to
decline to register a
transfer

11. Article 56

~~6056.~~ (4A) Subject to the provisions of the Act and Article 149, the Company shall in each year hold a General Meeting in addition to any other meetings in that year to be called the Annual General Meeting, and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Save as otherwise permitted under the Act, an Annual General Meeting shall be held in accordance with the provisions of the Act. All other General Meetings shall be called Extraordinary General Meetings.

Annual General
Meeting and
Extraordinary
General Meeting

(B) The Annual General Meeting shall be held at such time and place as the Directors shall appoint. The time and place of any General Meeting shall be determined by the Directors.

Time and place

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12. Article 60

~~6460. All business shall be deemed special that is transacted at any Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of sanctioning a dividend, the consideration of the accounts and balance sheet and the reports of the Directors and Auditors, and any other documents required to be annexed to the balance sheet, electing Directors in place of those retiring by rotation or otherwise and the fixing of the Directors' remuneration and the appointment and fixing of the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:~~

Special business
Routine business

- ~~(a) declaring dividends;~~
- ~~(b) receiving and adopting the financial statements, the Directors' statement, the Auditor's report and other documents required to be attached to the financial statements;~~
- ~~(c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;~~
- ~~(d) appointing or re-appointing the Auditor;~~
- ~~(e) fixing the remuneration of the Auditor or determining the manner in which such remuneration is to be fixed; and~~
- ~~(f) fixing the remuneration of the Directors proposed to be paid in respect of their office as such under article 87 and/or article 88(A).~~

13. Article 64

~~6664. If within half an hour 30 minutes from the time appointed for the Meeting 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 meeting, if convened on the requisition of Members 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 to or such other day and at such other, time and or place as the Directors may determine, by not less than ten days' notice appoint and if at such adjourned Meeting meeting a quorum is~~

Adjournment if if
quorum not
present,
adjournment or
dissolution of
meeting

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not present within half an hour from the time appointed for holding the ~~Meeting~~meeting, the ~~Meeting~~meeting shall be dissolved. At the adjourned meeting any one or more members present in person or by proxy shall be a quorum.

14. Article 67

67. 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 any 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.

Amendment of resolutions

15. Articles 68, 69, 70 and 72

7068. (A) If required by the listing rules of the Stock Exchange, all resolutions at General Meetings shall be voted by poll (unless such requirement is waived by the Stock Exchange).

Mandatory polling

(B) AtSubject to article 68(A), at any General Meeting a resolution put to the vote of the ~~Meeting~~meeting shall be decided on a show of hands by the Members present in person or by proxy and entitled to vote unless a poll is (before or on the declaration of the result of the show of hands) demanded by:–

Method of voting where mandatory polling not required

- (ia) ~~by the Chairman~~chairman of the meeting; or
- (iib) ~~by at least~~not less than three ~~Members~~members present in person or by proxy (~~where a Member has appointed more than one proxy, any one of such proxies may represent that member~~) or attorney or in the case of a corporation by a representative and entitled to vote ~~thereat~~at the meeting; or
- (iiic) ~~by any Member or Members~~a member present in person or by proxy (~~where a Member has appointed more than one proxy, any one of such proxies may represent that member~~) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding ~~or and~~representing not less than ~~one tenth~~five per cent. of the total voting rights of all the ~~Members~~members having the right to vote at the ~~Meeting~~meeting; or
- (ivd) ~~by a Member or Members~~a member present in person or by proxy (~~where a Member has appointed more than one proxy, any one of such proxies may represent that member~~) or attorney or in the case of

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~~a corporation by a representative or any number or combination of such Members, holding or representing not less than one-tenth of the total number of paid-up shares in the Company (excluding treasury shares) conferring a right to vote at the Meeting and holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than five per cent. of the total sum paid up on all the shares conferring that right.~~

~~Provided always that no poll shall be demanded on the election of a Chairman of a Meeting (or any other Director as the Chairman may appoint to chair the Meeting from time to time) or on a question of adjournment. Unless a poll is~~
seA demand for a poll made pursuant to this article 68(B) may be withdrawn only with the approval of the chairman of the meeting, and any such demand 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. Unless a poll is demanded (and the demand is not withdrawn), 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 the that fact without proof of the number or proportion of the votes recorded in favour of or against the~~
such resolution. A demand for a poll may be withdrawn.

~~7169. If a poll is duly demanded (and the demand is not withdrawn)~~
Where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers) as the Chairman
~~chairman of the meeting may direct, and the result of a the poll shall be deemed to be the resolution of the Meeting~~
meeting at which the poll was demanded
~~taken. The Chairman~~
chairman of the meeting may, and if so requested shall, (and, if required by the listing rules of the Stock Exchange or if so directed by the meeting, shall) appoint scrutineers and may adjourn the Meeting
~~meeting to some place and time fixed by him for the purpose of declaring the result of the poll.~~

Taking a poll

~~7470. A poll on the choice of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty~~
30 days from the date of the Meeting
~~meeting) and place as the Chairman~~
chairman may direct. No notice need be given of a poll not taken immediately.

Time
Timing for taking a poll

71. ...

~~7372. Subject to the Act and the requirements of the Exchange, in the case of an equality of votes, whether on a poll or on a show of hands or on a poll, the Chairman~~
chairman of the Meeting
~~meeting at which the poll or show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote, in addition to the votes to which he may be entitled as a~~

Chairman's
casting
Casting vote of chairman

APPENDIX 3

~~Member~~member or as proxy of a ~~Member~~member.

75. ~~The demand for a poll shall not prevent the continuance of a Meeting for the transaction of any business, other than the question on which the poll has been demanded.~~

Continuance of
business after
demand for a poll

16. Article 73

~~76~~73. (4) Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to ~~Article 9(3)~~article 13(C), each ~~Member~~member entitled to vote may vote in person or by proxy or attorney, and ~~(in the case of a corporation) by a representative. On a show of hands every Member.~~ Every member who is present in person or by proxy or attorney, or in the case of a corporation by a representative, shall:

Voting rights of
Members
How members may vote

- (a) on a poll, have one vote for every share which he holds or represents; and
- (b) on a show of hands, have one vote provided that, Provided always that:
 - (i) if a Member in the case of a member who is not a relevant intermediary and who is represented by two proxies, only one of the two proxies as determined by their appointor shall vote on a show of hands and in the absence of that member or, failing such determination, only one by the chairman of the two proxies as determined by the Chairman meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and
 - (ii) in the case of a member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands. shall vote on a show of hands and on a poll, every Member who is present in person or by proxy, attorney or representative shall have one vote for each share which he holds or represents

~~Provided Always That notwithstanding anything contained in these Articles, a Depositor shall not be entitled to attend any General Meeting and to speak and vote thereat unless his name is certified by the Depository to the Company as appearing on the Depository Register not earlier than 48 hours before that General Meeting (the "cut-off time") as a Depositor on whose behalf the~~

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Depository holds shares in the Company.

~~For the purpose of determining the number of votes which a Depositor or his proxy may cast on a poll, the Depositor or his proxy shall be deemed to hold or represent that number of shares entered in the Depositor's Securities Account at the cut-off time as certified by the Depository to the Company, or where a Depositor has apportioned the balance standing to his Securities Account as at the cut-off time between two proxies, to apportion the said number of shares between the two proxies in the same proportion as specified by the Depositor in appointing the proxies; and accordingly no instrument appointing a proxy of a Depositor shall be rendered invalid merely by reason of any discrepancy between the number of shares standing to the credit of that Depositor's Securities Account as at the cut-off time, and the true balance standing to the Securities Account of a Depositor as at the time of the relevant General Meeting, if the instrument is dealt with in such manner as aforesaid.~~ For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified by the Depository to the Company.

17. Article 75

~~7875. If a Member be a lunatic, idiot or non-compos mentis, he may vote whether on a show of hands or on a poll by his committee, curator bonis or such other person as properly has the management of his estate and any such committee, curator bonis or other person may vote by proxy or attorney, provided that such evidence~~ Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that 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 of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the Meeting, 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.

Voting rights of
Members of
unsound mind by
receivers

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18. Article 79

8279. (4A) Save as otherwise provided in the Act:

Appointment of
proxies

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

(2B) ~~If the Member~~In any case where a member is a Depositor, the Company shall be entitled and bound:—

Shares entered in
Depository
Register

- (ia) to reject any instrument of proxy lodged ~~if the~~by that Depositor if he is not shown to have any shares entered ~~in its Securities Account~~against his name in the Depository Register as at 72 hours before the ~~cut-off time of the relevant General Meeting~~ as certified by the Depository to the Company; and
- (ib) to accept as ~~validly cast by~~the maximum number of votes which in aggregate the proxy or proxies appointed by ~~the~~that Depositor is or are able to cast on a poll ~~that a~~ number of votes which corresponds to ~~or is less than the aggregate~~ number of shares entered ~~in its Securities Account~~against the name of that Depositor in the Depository Register as at 72 hours before the ~~cut-off time of the relevant General Meeting~~ 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.

(C) 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.

Notes and
instructions

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~~83. (D) A proxy or attorney need not be a Member, and shall be entitled to vote on a show of hands on any question at any General Meeting~~
member of the Company.

Proxy need not be a Member

~~82. (3E) Where a Member~~member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% per cent. of the shareholding and any second named proxy as an alternate to the first named.

Apportionment of shareholding to be represented by proxy

~~(4) Voting right(s) attached to any shares in respect of which a Member has not appointed a proxy may only be exercised at the relevant general meeting by the member personally or by his attorney, or in the case of a corporation by its representative.~~

~~(5) Where a Member appoints a proxy in respect of more shares than the shares standing to his name in the Register of Members, or in the case of a Depositor, standing to the credit of that Depositor's Securities Account, such proxy may not exercise any of the votes or rights of the shares not registered to the name of that Member in the Register of Members or standing to the credit of that Depositor's Securities Account as at the cut off time, as the case may be.~~

19. Article 80

~~8480. (A) Any~~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~~the common form approved by the Directors under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, under seal or under the hand of its attorney duly authorised and the Company shall accept as valid in all respects the form of proxy approved by the Directors for use at the date relevant to the General Meeting in question.~~

Instrument appointing a proxy
Execution of proxies

(a) in the case of an individual, shall be:

- (i) signed by the appointor or his attorney 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

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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 articles 80(A)(a)(ii) and 80(A)(b)(ii), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

(B) The signature on, or authorisation of, ~~an~~ such instrument appointing a proxy need not be witnessed. Where an instrument appointing a proxy is signed or authorised 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 article 81(A), failing which the instrument may be treated as invalid.

Witness and authority

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

- (a) approve the method and manner for an instrument appointing a proxy to be authorised; and
- (b) designate the procedure for authenticating an instrument appointing a proxy.

Directors may approve method and manner, and designate procedure, for electronic communications

as contemplated in articles 80(A)(a)(ii) and 80(A)(b)(ii) for application to such members or class of members as they may determine. Where the Directors do not so approve and designate in relation to a member (whether of a class or otherwise), article 80(A)(a)(i) and/or (as the case may be) article 80(A)(b)(i) shall apply.

20. Article 81

~~8581.~~ (A) The~~An instrument appointing a proxy, together with the power of attorney or other authority, if any, under which the instrument of proxy is signed or a duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument of proxy and must be left at the Office or such other place (if any) as is:~~

To be left at Company's officeDeposit of proxies

- (a) if sent personally or by post, 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

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in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office); or

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

and in either case, not less than ~~forty-eight~~72 hours before the time appointed for the holding of the Meetingmeeting or adjourned Meetingmeeting (or (in the case of a poll before the time appointedtaken 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 failing which the instrument may, and in default shall not be treated as invalidvalid. AnThe instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the Meetingmeeting as for the Meetingmeeting to which it relates; Provided always that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered in accordance with this article 81 for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

(B) The Directors may, in their absolute discretion, and in relation to such members or class of members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in article 81(A)(b). Where the Directors do not so specify in relation to a member (whether of a class or otherwise), article 81(A)(a) shall apply.

Directors may specify means for electronic communications

21. Article 83

~~8683.~~ A vote given in accordance with the terms of an instrument of proxy (which for the purposes of these Articles shall also include a power of attorney) shall be valid notwithstandingcast by proxy shall not be invalidated by the previous death or insanitymental disorder of the principal or by the revocation of the appointment of the proxy, or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, providedappointment was made. Provided always that no intimation in writing of such death, insanity, mental disorder or revocation or transfer shall have been received by the Company at the Office (or such other place as may be specified for the deposit of instruments appointing proxies)at least one hour before the commencement of the Meetingmeeting or adjourned Meeting (or meeting or (in the case of a poll beforetaken 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 proxyvote is usedcast.

Intervening death or insanity of principal not to revoke proxymental disorder

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22. Article 91

~~9691. (1) No Director or intending Director shall be disqualified by his office from contracting or entering into any arrangement with the Company either as vendor, purchaser or otherwise nor shall such contract or arrangement or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but every Director shall observe the provisions of Section 156 of the Act relating to the disclosure of the interests of the Directors in contracts or proposed contracts with the Company or of any office or property held by a Director which might create duties or interests in conflict with his duties or interests as a Director and any contract or arrangement to be entered into by or on behalf of the Company in which any Director shall be in any way interested shall be subject to any requirements that may be imposed by the Exchange. No Director shall vote in respect of any contract, arrangement or transaction in which he is so interested as aforesaid or in respect of any allotment of shares in or debentures of the Company to him and if he does so vote his vote shall not be counted. 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.~~

Powers of Directors
to may contract with
Company

23. Article 92

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

Directors may hold
executive offices

(B) The appointment of any Director to the office of Chairman or Deputy Chairman 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.

Cessation of
directorship of
Chairman or
Deputy Chairman

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(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.

Cessation of
directorship of
Executive Director

24. Article 93

93. The Directors may entrust to and confer upon any Directors holding any executive office any of the powers 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.

Power of Executive
Directors

25. Article 98

~~10298.~~ (1) ~~Subject as herein otherwise provided or in the terms of any subsisting agreement, the~~ The office of a Director shall be vacated on ~~in any one of the following events, namely:-~~

Vacation of
When
office of Director to
be vacated

- (ia) ~~if he is prohibited from being a Director by reason of any order made under the Act;~~ shall become prohibited by law from acting as a Director; or
- (iib) ~~if he ceases to be a Director by virtue of any of the provisions of the Act;~~ if he shall become disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds; or
- (iiic) ~~if he resigns~~ 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
- (ivd) ~~if a receiving order is made against him or if he suspends payments or makes any arrangement or compounds with his creditors generally;~~ if he shall have a bankruptcy order made against him or if he shall make any arrangement or composition with his creditors generally; or
- (vie) ~~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~~
- (vfi) ~~if he should be found lunatic or becomes of unsound~~

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~~mind or bankrupt during his term of office; if he becomes mentally disordered and incapable of managing himself or 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~~

- (vii) ~~if he is removed by a resolution of the Company in General Meeting pursuant to these Articles; or this Constitution.~~
- (viii) ~~subject to the provisions of the Act at the conclusion of the Annual General Meeting commencing next after he attains the age of 70 years.~~

26. Article 99

~~10499. Subject to these Articles and to the Act, at~~ At each Annual General Meeting ~~at least~~ 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 ~~lesser~~ less than one-third), selected in accordance with article 100, shall retire from office by rotation (in addition to any Director retiring pursuant to article 105). ~~Provided that all Directors shall retire from office at least once every three years.~~

Retirement of
Directors by
rotation

27. Article 101

~~106101. The Company at the Meeting~~ meeting at which a Director retires under any provision of ~~these Articles~~ this Constitution may by Ordinary Resolution fill ~~up the office being vacated~~ office by electing ~~a person thereto~~ the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected, ~~unless~~ except in any of the following cases:-

Deemed
re-appointed
Filling
vacated office

- (ia) where at such Meeting ~~meeting~~ it is expressly resolved not to fill ~~up such vacated~~ office or a resolution for the re-election of such Director is put to the ~~Meeting~~ meeting and lost; or
- (ib) 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; or
- (iic) ~~such Director has attained any retiring age applicable to him as a Director.~~ where such Director is

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disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds; or

- (d) where the default is due to the moving of a resolution in contravention of the next following article.

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.

28. Article 102

102. 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.

Resolution for appointment of Directors

29. Article 103

103. No person, other than a Director retiring at the Meeting, shall, unless recommended by the Directors for re-election, be eligible for appointment as a Director at any General Meeting unless not less than ~~eleven~~ 11 nor more than 42 clear days (exclusive of the date on which the notice is given) before the day date appointed for the Meeting there shall have been left lodged at the Office notice in writing signed by some Member member (other than the person to be proposed) duly qualified to attend and vote at the Meeting for which such notice is given of his intention to propose such person for election and also or notice in writing duly signed by the nominee person to be proposed giving his consent to the nomination and signifying his candidature for the office or the intention of such Member to propose him. Provided always that in the case of a person recommended by the Directors for election not less than nine clear days' notice only shall be necessary and notice of each and every candidate for electionsuch person shall be served on all Members the members at least seven clear days prior to the Meeting at which the election is to take place.

Notice of intention to appoint Director

30. Article 105

105. The Directors shall have power at any time and from time to time to 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 the total number of Directors shall not at any time exceed the maximum number (if any) fixed by these Articles. Any Directorany person so appointed by the

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

APPENDIX 3

Directors shall hold office only until the next Annual General Meeting and He 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 Meetingmeeting.

31. Article 106

~~409106.(4A)~~ Any Director ~~of the Company~~ 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 ~~who is not a Director or an alternate of (other than another Director or Alternate Director and who is approved by a majority of his Co-Directors)~~ to be his Alternate Director and may in like manner at any time ~~remove any such Alternate Director from office. terminate such appointment.~~ Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved. ~~No~~ person shall ~~be appointed thenot act as~~ Alternate Director ~~for to~~ more than one Director at the same time. ~~No Director may act as an Alternate Director.~~

Appointment of
Alternate Directors

~~(3B)~~ ~~An~~The appointment of an Alternate Director shall ~~ipso facto~~ cease to be an Alternate Director if his appointor 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") ceases for any reason to be a Director otherwise than by retiring and being re-elected at the same meeting.

Determination of
appointment of
Alternate Directors

~~(2C)~~ An Alternate Director shall ~~(subject to his giving to the Company an address in~~except when absent from Singapore) be entitled to receive notices of ~~all~~ meetings of the Directors and shall be entitled to attend and vote as a Director at any such meetingsmeeting at which ~~the Director appointing him~~his principal is not personally present and generally at such meeting to perform all functions of his ~~appointor as a Director in his absence.~~ principal as a Director and for the purposes of the proceedings at such meeting the provisions of 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 committee of the Directors, the foregoing provisions of this article shall also apply *mutatis mutandis* to any meeting of any such committee of which his principal is a member. An 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 this Constitution.

Powers of Alternate
Directors

~~(4D)~~ An Alternate Director ~~so appointed~~ 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 such proportion in respect of his appointment as Alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his ~~appointor~~principal as such

Alternate Directors
may contract with
Company

APPENDIX 3

~~appointer principal~~ may by notice in writing to the Company from time to time direct, but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration from the Company. Any fee paid to an Alternate Director shall be deducted from the remuneration otherwise payable to his appointor.

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

~~(6) Every person acting as an Alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his own acts and defaults and he shall not be deemed to be the agent of or for the Director appointing him.~~

32. Article 107

~~110107.~~(4A) ~~The~~Subject to the provisions of this Constitution the Directors may meet together for the despatch of business, adjourn ~~and~~ otherwise regulate their meetings as they think fit. ~~Unless otherwise determined, any two (2) Directors for the time being approved to the Board of Directors shall be a quorum. At any time any~~ Director may, and the Secretary on the requisition of a Director shall, ~~at any time~~ summon a meeting of the Directors by notice in writing given to each Director. Any Director may waive notice of any meeting and any such waiver may be retroactive. The accidental omission to give to any Director, or the non-receipt by any Director of, a notice of a meeting of Directors shall not invalidate the proceedings at that meeting.

Meetings of
Directors

(4B) Directors may participate in a meeting of the ~~Board of~~ Directors ~~either in person or by means of a conference telephone, radio, video, conference television or similar communications equipment or any other form of audio or audio visual communication~~ by means of which all persons participating in the meeting can hear ~~and be heard by one another, for the despatch of business, adjourned or otherwise regulate their meetings as they think fit~~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 at such meeting ~~for all purposes of these Articles. The quorum for such meetings held by teleconference or other alternative means shall be the same as the quorum required by a Directors' meeting provided in these Articles.~~ The Directors participating in any such a meeting shall be counted in the quorum for such meeting and, subject to there being a requisite quorum ~~under these presents, in accordance with article 108,~~ all resolutions agreed by the Directors in such meeting shall be deemed to be as effective as ~~resolutions passed at a physical meeting. The minutes signed by the Chairman of the meeting shall be conclusive evidence of any~~ resolution so passed. Notwithstanding that the Directors are not passed at a meeting in person of the Directors duly convened and held. A meeting conducted by means of a conference telephone or similar communications equipment as aforesaid is deemed to be held at the place determined by the

Participation by
telephone or video
conference

APPENDIX 3

~~chairman of the meeting, Provided always that at least one of the Directors present together at one place at the time of the conference, the meeting shall be deemed held on the same day and at the time at which such conference was held and shall be deemed held at the place at which the meeting was at that place determined by the Chairperson of the meeting.~~

33. Article 110

~~96110. (4A) No Director or intending Director shall be disqualified by his office from contracting or entering into any arrangement with the Company either as vendor, purchaser or otherwise nor shall such contract or arrangement or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but every Director shall observe the provisions of Section 156 of the Act relating to the disclosure of the interests of the Directors in contracts or proposed contracts with the Company or of any office or property held by a Director which might create duties or interests in conflict with his duties or interests as a Director and any contract or arrangement to be entered into by or on behalf of the Company in which any Director shall be in any way interested shall be subject to any requirements that may be imposed by the Exchange. No Director shall~~A Director shall not~~vote in respect of any contract, or arrangement or transaction~~any other proposal whatsoever in which he is so interested as aforesaid~~has any personal material interest, directly or indirectly, or in respect of any allotment of shares in or debentures of the Company to him and if he does so vote his vote shall not be counted. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.~~

Powers of Directors to contract with Company
Directors not to vote on transactions in which they have an interest

~~(2B) 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 these Articles~~this Constitution~~or where the terms of any such appointment or arrangements as hereinbefore mentioned are considered, and subject to article 110(A), 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. For avoidance of doubt, a Director shall not vote in respect of any contract or arrangement or proposed contract or arrangement in which he has directly or indirectly a personal material interest.~~

Relaxation of restriction on voting

~~(3) The provisions of this Article 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~~

Ratification by General Meeting

APPENDIX 3

of this Article may be ratified by Ordinary Resolution of the Company.

(4) ~~Subject to applicable law, a general notice that a Director is an officer or member of any specified firm or corporation and is to be regarded as being interested in all transactions with that firm or company shall be deemed to be a sufficient disclosure under Article 96 as regards such Director and the said transaction if it specifies the nature and extent of his interest in the specified firm or corporation and his interest is not different in nature or greater in extent than the nature and extent so specified in the general notice at the time any transaction is so made, but no such notice shall be of effect unless either it is given at a meeting of the Directors or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Directors after it is given.~~

General notice by
Director

34. Article 111

~~111.~~ The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with ~~these Articles~~ this Constitution the continuing Directors or Director may, ~~except in an emergency,~~ act only for the purpose of filling up such vacancies to ~~such minimum number or of summoning General Meetings of the Company, but not for any other purpose (except in an emergency).~~ If there ~~are~~ be no Directors or Director able or willing to act, then any two ~~Members~~ members may summon a General Meeting for the purpose of appointing Directors.

Proceedings in
case of vacancies

35. Article 118

~~118.~~ The ~~management of the business and affairs of the Company shall be vested in the Directors who (in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them) managed by, or under the direction or supervision of, the Directors. The Directors may exercise all such powers and do all such acts and things as may be exercised or done by of the Company and as are not hereby or by the Act expressly directed or Statutes or by this Constitution required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of the Act and of these Articles and to any regulations from time to time made by the Company in General Meeting, provided that no regulations so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made; provided always that the~~ The Directors shall not carry into effect any ~~sale or proposals for selling or disposing of the whole or substantially the whole of the Company's undertaking or property unless these~~ such proposals have been approved by the Company in General Meeting. The general powers given by this ~~Article~~ article shall not be limited or restricted by any special authority or power given to the Directors by any other ~~Article~~ article.

General
~~power~~ powers of
Directors to
manage
Company's
business

APPENDIX 3

36. Article 125

~~126~~125. (1) ~~The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or a committee of Directors authorised by the Directors in that behalf, and every~~Every instrument to which the Seal is affixed shall ~~(subject to the provisions of these Articles as to certificates for shares)~~ shall be affixed in the presence of and signed by two Directors, shall be signed autographically by one Director and the Secretary or by a second Director and by the Secretary or some other person appointed by the Directors in place of the Secretary for the purposes 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.

Affixing Seal

37. Article 127

127. 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 and financial statements 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 or financial statements are elsewhere than at the Office, the local manager ~~and/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 ~~of the Directors~~ or an extract from the minutes of a meeting of the Company or of the Directors or any committee which is certified as such in accordance with the provisions of the last preceding Article ~~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 ~~such extract~~ any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting of the Directors or such committee. Any authentication or certification made pursuant to this ~~Article~~ article may be made by any electronic means approved by the Directors for such purpose from time to time ~~for such purpose~~ incorporating, if the Directors deem necessary, the use of security and/or identification ~~procedures or~~ and devices approved by the Directors.

Power to authenticate documents

38. Article 135

135. 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 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.

Waiver of dividends

39. Article 138

138. (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 shares of a particular class in the capital of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of shares of that class 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:

Scrip dividend
scheme

- (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 shares of the relevant class credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this article 138;
- (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 always 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 the shares of the relevant class in respect whereof the share election has been duly exercised (the "elected shares") and, in lieu and in satisfaction thereof, shares of the relevant class shall be allotted and credited as fully paid to the holders of the elected shares on the basis of

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allotment determined as aforesaid. For such purpose and notwithstanding the provisions of article 143, the Directors shall (i) capitalise and apply out of the amount standing to the credit of any of the Company's reserve accounts or any amount 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 shares for allotment and distribution to and among the holders of the elected shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected shares towards payment of the appropriate number of shares of the relevant class for allotment and distribution to and among the holders of the elected shares on such basis.

(B) The shares of the relevant class allotted pursuant to the provisions of article 138(A) shall rank *pari passu* in all respects with the shares of that class 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.

Ranking of shares

(C) The Directors may, on any occasion when they resolve as provided in article 138(A), determine that rights of election under that article shall not be made available to the persons who are registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of shares, the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of article 138 shall be read and construed subject to such determination.

Record date

(D) The Directors may, on any occasion when they resolve as provided in article 138(A), further determine that no allotment of shares or rights of election for shares under article 138(A) shall be made available or made to members whose registered addresses entered in the Register of Members 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.

Eligibility

(E) Notwithstanding the foregoing provisions of this article, if at any time after the Directors' resolution to apply the provisions of article 138(A) in relation to any dividend but prior to the allotment of shares pursuant

Disapplication

APPENDIX 3

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 discretion and as they deem fit in the interest of the Company and without assigning any reason therefor, cancel the proposed application of article 138(A).

(F) The Directors may do all acts and things considered necessary or expedient to give effect to the provisions of article 138(A), with full power to make such provisions as they think fit in the case of shares of the relevant class 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).

Fractional entitlements

40. Article 144

~~142~~144. (3) In addition and without prejudice to the powers provided for by ~~Articles 142(1) and 142(2)~~article 143, the Directors shall have ~~the power to~~ issue shares for which no consideration is payable and/or to 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~~new shares, in each case on terms that such shares shall, upon issue,:

Power to issue free shares and/or to capitalise reserves for share-based incentive plans and Directors' remuneration

- (a) be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting and on such terms as the Directors shall think fit; or
- (b) be held by or for the benefit of non-executive Directors as part of their remuneration under article 87 and/or article 88(A) approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing.

41. Article 146

~~149~~146. In accordance with the provisions of the Act ~~and the requirements of the Exchange~~, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such ~~profit and loss accounts~~financial statements, balance sheets, ~~group accounts (if any) and reports~~, statements and other documents as may be necessary. The interval between the close of a financial year of the Company and the date of the

Presentation of accounts/financial statements

APPENDIX 3

Company's Annual General Meeting shall not exceed four months (or such other period as may be ~~prescribed~~permitted by the Exchange and/or any applicable law~~Act~~).

42. Article 147

~~150~~147. A copy of ~~every~~the financial statements and, if required, the balance sheet (including every document required by law to be attached thereto), which is duly audited and ~~profit and loss account~~ which is to be laid before ~~a~~the Company in General Meeting ~~of the Company (including every document required by the Act to be annexed thereto)~~ together with a copy of every report of the Auditors relating thereto and of the Directors' ~~accompanied~~ by a copy of the Auditor's report thereon, shall not less than ~~fourteen~~14 days before the date of the ~~Meeting~~meeting be sent to every Member of, and every holder of debentures (if any) of, member of the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the ~~Act~~Statutes or of ~~these Articles; provided that this Constitution; Provided always that:~~

Copies of accounts
financial
statements

- (a) these documents may, subject to the listing rules of the Stock Exchange, be sent less than 14 days before the date of the meeting if all persons entitled to receive notices of meetings from the Company so agree; and
- (b) this Article~~article~~ 147 shall not require a copy of these documents to be sent to more than one of any joint holders or to any person of whose address the Company is not aware or to more than one of the joint holders of a share in the Company or the several persons entitled thereto in consequence of the death or bankruptcy of the holder or otherwise, but any ~~Member~~member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the ~~office~~Office.

43. Article 151 of the Existing Constitution

~~151~~. ~~Such number of each document as is referred to in the preceding Article 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.~~

Accounts to Stock
Exchange

44. Article 150

~~155~~150.(aA) Any notice or document (including a share certificate) may be served on or delivered to any member by the Company on any Member either personally or by sending it through the post in a prepaid ~~letter or wrapper~~cover addressed to such ~~Member~~member at his registered address appearing in the Register of Members or (as the case may be) the Depository Register (as the case may be), or (if he has no registered address within Singapore) to the address, if any, within Singapore supplied by him to the Company or (as the case may be) supplied by him to the Depository as his address for the service of notices, or by delivering it to such address as aforesaid. 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. When a given number of days' notice or notice extending over any other period is required to be given the day of service shall, unless it is otherwise provided or required by this Constitution or by the Act, be not counted in such number of days or period. Any notice on behalf of the Company or of the Directors shall be deemed effectual if it purports to bear the signature of the Secretary or other duly authorised officer of the Company, whether such signature is printed, written or electronically signed.

Service of notices

(bB) Without prejudice to the provisions of ~~Article 155(a)~~article 150(A), but subject otherwise to the Act and any regulations made thereunder and (where applicable) the listing rules of the Stock Exchange, relating to electronic communications, any notice or document (including, without ~~limitations~~limitation, any accounts, balance—sheet, financial statements or report) which is required or permitted to be given, sent or served under the Act or under ~~these Articles~~this Constitution by the Company, or by the Directors, to a ~~Member or an officer or Auditor of the Company~~member may be given, sent or served using electronic communications:

Electronic communications

- (a) to the current address of that person; or
- (b) by making it available on a website prescribed by the Company from time to time,

~~in accordance with the provisions of, or as otherwise provided by this Constitution, the Act and/or any other applicable regulations or procedures. Such notice or document shall be deemed to have been duly given, sent or served upon transmission of the electronic communication to the current address of such person or as otherwise provided under the Act and/or any other applicable regulations or procedures.~~

(C) For the purposes of article 150(B) above, a member shall be deemed 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

Implied consent

APPENDIX 3

physical copy of such notice or document.

(D) Notwithstanding article 150(C) above, the Directors may, at their discretion, 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 a 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.

Deemed consent

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

When notice given
by electronic
communications
deemed served

- (a) to the current address of a person pursuant to article 150(B)(a), 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 and/or any other applicable regulations or procedures; and
- (b) by making it available on a website pursuant to article 150(B)(b), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, or unless otherwise provided under the Act and/or any other applicable regulations or procedures.

(F) Where a notice or document is given, sent or served to a member by making it available on a website pursuant to article 150(B)(b), the Company shall give separate notice to the member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by any one or more of the following means:

Notice to be given of
service on website

- (a) by sending such separate notice to the member personally or through the post pursuant to article 150(A);
- (b) by sending such separate notice to the member using electronic communications to his current address pursuant to article 150(B)(a);

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- (c) by way of advertisement in the daily press; and/or
- (d) by way of announcement on the Stock Exchange.

45. Article 153

153. 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 or other documents from the Company.

No notice to members with no registered address in Singapore

46. Article 154

154. 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.

Power to present winding up petition

47. Article 156

156. In the event of a winding up of the Company every member of the Company who is not for the time being in the Republic of Singapore shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily, or within the like period after the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some householder in the Republic of Singapore upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding up of the Company may be served, and in default of such nomination the Liquidator shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee shall be deemed to be a good personal service on such member for all purposes, and where the Liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such member by advertisement in any leading daily newspaper in the English language in circulation in Singapore or by a registered letter sent through the post and addressed to such member at his address as appearing in the Register of Members or (as the case may be) the Depository Register, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

Member outside Singapore

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48. Article 157

~~165~~157. Subject to the provisions of ~~the Act~~ and so far as may be permitted by the Statutes, 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 or to be incurred by him in the execution and discharge of his duties or in relation thereto, ~~and in particular and without~~. 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~~whatsoever which shall happen 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.

Indemnity of
Directors and
officers

49. Article 159

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

Personal data of
members

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

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- (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 purpose.

(B) 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 articles 159(A)(f) and 159(A)(h), 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.

Personal data of
proxies and/or
representatives

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THE EXISTING OBJECTS CLAUSES

Set out below are the objects clauses in the Existing Constitution which are proposed to be deleted and replaced with a general provision in the New Constitution.

3. The objects for which the Company is established are all or any of the following, it being intended that the objects or all or any of the objects specified in each paragraph of this clause shall except and unless where otherwise expressed in such paragraph not be limited or restricted by reference to or inference from the terms of any other paragraph or group of paragraphs and shall be capable of being pursued as an independent object and either alone or in conjunction with all or any one or more of the other objects specified in the same or in any other paragraph or group of paragraphs and the discontinuance or abandonment of all or any of the business or objects hereinafter referred to shall not prevent the Company from carrying on any other business authorised to be carried on by the Company and it is hereby expressly declared that in the interpretation of this clause the meaning of any of the Company's objects shall not be restricted by reference to any other object or by the juxtaposition of two or more of them and that in the event of any ambiguity this clause shall be construed in such a way as to widen and not to restrict the powers of the Company: -
- (1) To carry on the business of an investment holding company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes, obligations and securities and all derivatives thereof issued or guaranteed by any company wherever incorporated or carrying on business and debentures, debenture stock, bonds, notes, obligations and securities and all derivatives thereof issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world.
 - (2) To acquire any such shares, stock, debentures, debenture stock, bonds, notes, obligations and securities and all derivatives thereof by original subscription, contract, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit.
 - (3) To purchase or otherwise acquire for investment or resale, and to traffic in lands, houses, buildings, plantations and immovable property of any tenure or any interest therein, and to sell and deal in, freehold and leasehold land and to acquire, deal in, traffic by way of sale, lease, exchange or otherwise with property of every description, whether immovable or movable, real or personal and whether for valuable consideration or not.
 - (4) To acquire by purchase, lease, exchange or otherwise for investment or let on lease or license land, estate, houses, buildings, flats, plantations, hereditaments and immovable property of any tenure or kind and whenever situate or any interest or rights therein.
 - (5) To exercise and enforce all rights and powers conferred by or incident to the ownership of any such shares stock obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or

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nominal amount thereof and to provide managerial and other executive supervisory and consultant services for or in relation to any company in which the company is interested upon such terms as may be thought fit.

- (6) To carry on any business whether manufacturing or otherwise, and to do all such lawful things incidental or conducive to the attainment of the above objects or any of them, which may seem to the Company capable of being conveniently carried on in connection with any business which the Company is authorised to carry on or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- (7) To purchase, subscribe for or otherwise acquire and hold shares, stock, debentures, debenture stock, bonds, obligations, and securities and all derivatives thereof issued or guaranteed by any company whether constituted or carrying on business in Singapore or elsewhere, and debentures, debenture stock, bonds, obligations and securities and all derivatives thereof issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, whether at home or abroad.
- (8) To acquire any such shares, stock debentures, debenture stock, obligations or securities and all derivatives thereof by original subscription, tender, purchase, exchange or otherwise either for cash or a consideration other than cash and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof in any manner and to exercise and enforce all or any of the rights and powers conferred by or incident to the ownership thereof.
- (9) To issue debentures, debenture stock, bonds, obligations, and securities of all kinds and all derivatives thereof, and to frame, constitute and secure the same, as may seem expedient, with full power to make the same transferable by delivery, or by instrument of transfer or otherwise, and either perpetual or terminable, and either redeemable or otherwise, and to charge or secure the same by trust, deed, or otherwise, on the undertaking of the Company, or upon any specific property and rights, present and future, of the Company (including, if thought fit, uncalled capital) or otherwise howsoever.
- (10) To invest money at interest on the security of immovable property or any interest therein or on the security of any movable property or assets of any kind and generally to lend and advance money with or without security upon such terms as may be arranged and to guarantee either with or without remuneration the payment of moneys or debts by any person or company and to guarantee the performance of any contracts bonds or obligations and to discount, buy, sell and deal in bills, notes, warrants, coupons and other negotiable or transferable securities or documents and all derivatives thereof.
- (11) To hold manage work or develop any estates lands buildings or other real property of every description acquired by the Company 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 up and improving buildings and by planting, paving, draining, farming, cultivating, letting on building lease or building agreement, and by advancing money to and entering into contracts and arrangements of all kinds with builders, contractors, tenants and others.

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- (12) To purchase, hire, take on lease or in exchange or otherwise howsoever acquire and to obtain or grant options over or turn to account grant leases and tenancies of lands, houses, buildings, easements, rights, privileges, concessions and immovable property of any description or tenure whatsoever in any part of the world and every manner of right or interest therein.
- (13) To improve, manage, develop, sell, exchange, lease, demise, hire mortgage, charge, enfranchise, dispose of, turn to account or otherwise deal with all or any part of the property, assets and rights of the Company.
- (14) To carry in all or any of the business of proprietors of flats, maisonettes, dwelling-houses, shops, offices and clubs, and for these purposes to purchase, take on lease, or otherwise acquire and hold any lands or buildings of any tenure or description wherever situate, or rights or interests therein or connected therewith; to prepare building sites, and to construct, reconstruct, pull down, alter, improve, decorate, furnish and maintain flats, maisonettes, dwelling houses, shops, offices, clubs, buildings, works and conveniences of all kinds; to lay out roads and pleasure gardens and recreation grounds; to plant drain or otherwise improve the land or any part thereof.
- (15) To manage, or let the immovable property referred to in the preceding paragraph or any part thereof for any period, whether belonging to the Company or not, and at such rent and on such conditions as the Company shall think fit; to collect rents and income, and to supply to tenants and occupiers and others, light, heat refreshments, attendants, messengers, waiting rooms, reading rooms, meeting rooms, lavatories, bath houses, laundry conveniences, electric conveniences, garages, recreation facilities and other advantages which from time to time the Company shall consider desirable, or to provide for such management, letting and advantages as aforesaid by employing any person, firm or company to carry out or supply the same on such terms as the Company may think fit.
- (16) To build, construct, alter, improve, maintain, develop, work, manage, carry out or control any buildings, factories, warehouses, shops, stores, houses, and other works and conveniences which may seem calculated directly or indirectly to advance the Company's interests and to contribute and subsidise or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof.
- (17) To act as nominees, trustees, managers, receivers, stewards or agents in any capacity and undertake or direct the management property, lands, and estates of any tenure or kind of any persons whether members of the Company or not in the capacity of stewards or receivers or otherwise, and to undertake and execute any trusts the undertaking of which may seem desirable and either gratuitously or otherwise and for any person, firm company or authority whatsoever.
- (18) To vest any real property, rights or interest acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company, and with or without any declared trust in favour of the Company.

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- (19) To sell or dispose of the undertaking property and assets of the Company or any other part thereof at such time in such manner and for such consideration as may be thought fit.
- (20) To facilitate and encourage the creation, issue, or conversion of debenture, debenture stock, bonds, obligations, shares, stock and securities and all derivatives thereof, and to act as trustees in connection with any such securities, and to take part in the conversion of business concerns and undertakings into companies.
- (21) To take part in the formation, management, supervision, or control of the business or operations of any company or undertaking, and for that purpose to appoint and remunerate any directors, accountants, or other experts or agents.
- (22) To constitute any trusts with a view to the issue of preferred and deferred or any other special stocks or securities based on, or representing any shares, stock, or other assets, specifically appropriated for the purpose of any such trust, and to settle and regulate, and if thought fit to undertake and execute any such trusts, and to issue, dispose of, or hold any such preferred, deferred, or other special stocks or securities.
- (23) To charge or create any encumbrance over all or part of the undertaking, property, assets and rights present and future and uncalled capital of the Company by any means whatsoever to secure any liabilities or obligations (whether monetary or otherwise) of the Company or of any third party, whether or not the Company receives any consideration or advantage in respect of the creation of such charge or other encumbrance.
- (24) To give any guarantee in relation to the repayment of any debentures, debenture stock, bonds, obligations, stocks, shares, or other securities and all derivatives thereof, or the payment of any interest or dividends thereon or for the performance of contracts or obligations by any person or company in such manner as the Company may think fit and whether or not it receives any benefit therefrom and to secure such obligations of the Company by charging all or any part of the property, assets and undertaking of the Company.
- (25) To purchase, take on lease, or in exchange, hire, or otherwise acquire and hold for any estate or interest and work and develop, any lands, buildings, easements, rights, privileges, concessions, machinery, patents, plants, stock in trade, and immovable and movable property of any kind.
- (26) To lend and advance money or give credit to any person or company, to secure or undertake in any way the repayment of moneys lent or advanced to or the liabilities incurred by any person or company and to otherwise financially assist any person or company.
- (27) To borrow or raise or secure the payment of money in such manner as may be thought fit, and for that purpose to issue notes, debentures, or debenture stock, perpetual or redeemable, or to accept bills of exchange or make promissory notes and to secure the repayment or any moneys borrowed or raised or owing by the Company by a charge or lien upon or conveyance of the whole or any part of the Company's property or assets, including its uncalled capital, and to give to lenders and creditors or trusts on their

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behalf, powers of sale and all other usual and necessary powers.

- (28) To transact or carry on any kind of agency business, and in particular in relation to the investment of money, the sale of property and the collection and receipt of money.
- (29) To carry on the business of general importers and exporters, manufacturers, general merchants, commission agents, and wholesale or retail dealers of articles of all kinds and descriptions and whether manufactured or in a raw state and to buy, sell, barter, exchange, or otherwise deal in the same.
- (30) To apply for, purchase, or otherwise acquire use, assign, sell and generally deal in patents, patent rights, trade marks, designs, or other exclusive or limited rights or privileges, and to use develop, grant licences and otherwise turn to account the same, or any interests thereunder, and at pleasure to dispose of the same in any way.
- (31) To pay for any property or rights acquired by the Company, either in cash or in fully or in partly paid shares, with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or by the issue of securities, or partly in one mode and partly in another and generally on such terms as may be arranged or determined.
- (32) To carry on in connection with the above such other businesses as may be conveniently or profitably carried on therewith or may usefully employ or turn to account or enhance the value of or render profitable any of the Company's property or rights.
- (33) To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm, company or to acquire an interest in, amalgamate with or enter into any arrangements for sharing profits or for co-operation or for limiting competition or for mutual assistance with any such person, firm or company and to give or accept by way of consideration for any of the acts or things aforesaid or for any property acquired, any shares, debentures, or securities that may be agreed upon and to hold good and retain or sell or mortgage any shares, debentures or securities so received.
- (34) To promote any other company for the purpose of acquiring all or any of the property and undertaking and all or any of the liabilities of the Company or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company and to place or guarantee the placing of, underwrite, apply for, accept and hold or subscribe, the whole or any part of the capital or securities or to lend money to or guarantee the performance of the contract of any such company.
- (35) To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account or otherwise deal with the whole or any part of the undertaking, property, assets and rights of the Company, either together or in portions for such consideration as may be agreed and in particular for shares, debentures, debenture stock or securities of any company purchasing the same.

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- (36) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, stock and other negotiable or transferable instruments.
- (37) To acquire or obtain from any government or authority, supreme, municipal, local or otherwise, or any corporation, company or person any charters, rights, privileges, and concessions which may be conducive to any of the objects of the Company and to accept, make payments under, carry out, exercise and comply with any such charters, rights, privileges and concessions.
- (38) To act as agents or brokers and subject to compliance with any restrictions imposed by law as trustees for any person, firm or company and also to act in any of the businesses of the Company through or by means of agents, brokers, subcontractors, or others.
- (39) To grant pensions or gratuities to any past or serving directors, officers, or employees of the Company or to the relations, connections, or dependants of any such person, or to effect and make payment towards insurances in respect of and for the benefit of any such persons and to establish or support associations, institutions, funds and trusts (whether solely connected with the trade, carried on by the Company or any of its subsidiary company or not) which may be considered or calculated to benefit any such persons or otherwise advance the interests of the Company or of its Members.
- (40) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or securities of the Company credited as fully paid up in full or in part or otherwise.
- (41) To pay all or any expenses incurred in connection with the formation and incorporation of the Company or to contract with any person, firm or company to pay the same and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares, debentures or securities of the Company or a company promoted by the Company.
- (42) To effect insurances against losses, damage risks and liabilities of all kinds which may affect any person or company having contractual relationship with the Company.
- (43) To distribute among the Members of the Company in kind any property of the Company and in particular any immovable property or any shares, debentures or securities of other companies belonging to the Company or of which the Company may have the power of disposing, but so that no distribution involving a reduction of the capital may be made without such sanctions as may be required by law.
- (44) To establish branches and agencies for the purposes of the Company.
- (45) Subject to compliance with the restrictions imposed by law to undertake and execute any trusts the undertaking whereof may seem desirable and either gratuitously or otherwise.
- (46) To invest and deal with the moneys of the Company not immediately required upon such securities or without security and in such manner as may from time to time be determined.

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- (47) To appoint from time to time either with full or restricted powers of sub-delegation and either with or without remuneration agents, attorneys, local or managing Directors, or any persons or corporations under power of attorney or otherwise within or outside the Republic of Singapore for the purpose of carrying out and completing all or any of the objects of the Company as mentioned in this Memorandum of Association and of arranging conducting or managing the business or businesses of the Company or any matter or concern whatsoever in which the Company now is or may from time to time be or become or be about to become interested or concerned with the same or more limited powers than the Directors of the Company have and to delegate such powers.
- (48) To amalgamate with any other company.
- (49) To enter into any arrangement for sharing profits, union of interests, co-operation, joint venture, reciprocal concessions or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction capable of being conducted so as directly or indirectly to benefit the Company and to take or otherwise acquire shares and securities of any such company and to sell hold re-issue with or without guarantee or otherwise deal with the same.
- (50) To cause the Company to be registered or recognised in any foreign country or place.
- (51) To make donations for patriotic or for charitable purpose.
- (52) To transact any lawful business in aid of Singapore in the prosecution of any war or hostilities in which Singapore is engaged.
- (53) Unless expressly excluded or modified herein or by the Company's Articles of Association to exercise each and every one of the powers set forth in the Third Schedule to the Companies Act, Cap. 50.
- (54) 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 local managers, agents, sub-contractors, trustees or otherwise.
- (55) To do all such other things as are incidental or conducive to the above objects or any of them.

AND IT IS HEREBY DECLARED as follows: -

- (A) The word "company" in this clause except where used in reference to the Company shall wherever the context so permits be deemed to include any partnership or other body of persons whether incorporated or not, and whether domiciled in the Republic of Singapore or elsewhere.
- (B) None of the paragraphs in this clause or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other paragraph, but the Company shall have full power to exercise all or any of the powers and to achieve or to endeavour to achieve all or any of the objects conferred by and provided in any one or more of the said paragraph.