THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Circular is issued by Elec & Eltek International Company Limited (the "Company"). If you are in any doubt as to the contents herein or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all of your shares in the Company, you should immediately forward this Circular, together with the accompanying Notice of Annual General Meeting and the attached form of proxy ("**Proxy Form**") to the purchaser or transferee or to the bank, the stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser or transferee.

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Elec & Eltek International Company Limited
依利安達集團有限公司*

(Incorporated in the Republic of Singapore with Limited Liability)

Singapore Company Registration Number: 199300005H

(Hong Kong Stock Code: 1151)

(Singapore Stock Code: E16.SI)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

(1) THE PROPOSED RE-ELECTION OF RETIRING DIRECTORS;

(2) THE PROPOSED RENEWAL OF THE SHARE ISSUE MANDATE;

(3) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE;

(4) THE PROPOSED RENEWAL OF THE INTERESTED PERSON TRANSACTIONS MANDATE; AND

(5) NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT DATES AND TIMES:

Last date and time for deposit of Proxy Form:	24 April 2019 at 10:00 a.m.
Date and time of Annual General Meeting:	26 April 2019 at 10:00 a.m.
Place of Annual General Meeting:	(a) In Hong Kong, at: Board Room, 23/F, Delta House, 3 On Yiu Street, Shek Mun, Shatin, New Territories, Hong Kong (for Hong Kong Shareholders); AND (b) In Singapore, *via* video conferencing at: Conference Room, Wangz Business Centre, The Penthouse, 7 Temasek Boulevard, #44-01 Suntec Tower 1, Singapore 038987 (for Singapore Shareholders)

A letter from the Board is set out from pages 8 to 35 of this Circular. Whether or not you are able to attend and vote at the Annual General Meeting in person, please complete the accompanying Proxy Form in accordance with the instructions printed thereon and return it to the registered office of the Company at 80 Raffles Place, #33-00 UOB Plaza 1, Singapore 048624 (for Singapore Shareholders) or the office of the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for Hong Kong Shareholders) as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the Proxy Form will not preclude you from attending and voting in person at the Annual General Meeting if you so wish, and, in such event, the Proxy Form shall be deemed to be revoked.

** for identification purpose only*

25 March 2019

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

"**2018 AGM**"	:	The AGM held on 27 April 2018
"**2018 Circular**"	:	The circular dated 26 March 2018, with respect to, among others, the 2018 AGM
"**2018 IPT Mandate**"	:	Shall have the meaning ascribed to it in Section 5.1.1 of this Circular
"**2018 Share Issue Mandate**"	:	Shall have the meaning ascribed to it in Section 3.1 of this Circular
"**2018 Share Purchase Mandate**"	:	Shall have the meaning ascribed to it in Section 4.1.3 of this Circular
"**2019 AGM**"	:	The AGM to be held on 26 April 2019
"**ACRA**"	:	Accounting and Corporate Regulatory Authority of Singapore
"**Act**"	:	Companies Act (Chapter 50 of Singapore Statutes), as may be amended or modified from time to time
"**AGM**"	:	Annual General Meeting of the Company
"**Approval Date**"	:	Shall have the meaning ascribed to it in Section 4.3.1 of this Circular
"**Articles**"	:	The Memorandum and Articles of Association of the Company
"**Audit Committee**"	:	The audit committee of the Company
"**Average Closing Price**"	:	Shall have the meaning ascribed to it in Section 4.3.4(c) of this Circular
"**Board**"	:	The board of Directors
"**CDP**"	:	The Central Depository (Pte) Limited
"**close associate**"	:	Shall have the meaning ascribed to it under the HK Listing Rules
"**connected transaction(s)**"	:	Shall have the meaning ascribed to it under the HK Listing Rules

"**Controlling Shareholder(s)**"	:	A person who: (a) holds, directly or indirectly, fifteen per cent. (15%) or more of the total number of issued Shares (excluding Treasury Shares) in the Company (unless the SGX-ST determines that such a person is not a Controlling Shareholder of the Company); or (b) in fact exercises control over the Company Under the HK Listing Rules, the term "controlling shareholder" refers to any person who is, or group of persons (including any holder of depository receipts) who are together, entitled to exercise or control the exercise of thirty per cent. (30%) (or such other amount as may from time to time be specified in the HK Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings of the Company or who is or are in a position to control the composition of a majority of the Board
"**core connected person(s)**"	:	Shall have the meaning ascribed to it under the HK Listing Rules
"**Depositor**"	:	A Depository Agent or a Direct Account Holder to the balance of whose Securities Account any shares are credited, but excluding a sub-account holder
"**Depository**"	:	CDP established by the SGX-ST, or any other corporation approved by the Monetary Authority of Singapore as a depository company or corporation for the purposes of the Securities and Futures Act (Chapter 289 of Singapore Statutes), 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 SGX-ST, a trust company (registered under the Trust Companies Act (Chapter 336 of Singapore Statutes)), a banking corporation or merchant bank (approved by the Monetary Authority of Singapore under the Monetary Authority of Singapore Act (Chapter 186 of Singapore Statutes)) 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 of holders maintained by the Depository or the clearing house (as the case may be) in respect of book-entry securities
"**Direct Account Holder**"	:	A person who has a securities account directly with the Depository or a clearing house (as the case may be) and not through a Depository Agent
"**Directors**"	:	The directors of the Company as at the Latest Practicable Date
"**EEIC Group**"	:	The Company, its Subsidiaries and Associated Companies
"**EEIH**"	:	Elec & Eltek International Holdings Limited
"**EPS**"	:	Earnings per Share
"**Equipment**"	:	Machineries and equipment for use in the production of PCBs, with quality features like enhanced functionality and low maintenance, including without limitation, PCB handling machines, mechanical drilling machines, laser drilling machines, imaging data processing systems, direct exposure machines, etching machines, acid cleaning machines, pattern plating machines, plated-through machines, panel plate machines, dry film strippers, tin stripper machines, routing machines, e-test machines, automated optical inspection equipment and other similar machineries and equipment
"**FY**"	:	Financial year ended 31 December

"**HK Listing Rules**"	:	The Rules Governing the Listing of Securities on the HKEX, as amended, modified or supplemented from time to time
"**HK Repurchase Code**"	:	The Code on Share Buy-backs of Hong Kong, as amended, modified or supplemented from time to time
"**HK Takeovers Code**"	:	The Code on Takeovers and Mergers of Hong Kong, as amended, modified or supplemented from time to time
"**HKEX**"	:	The Stock Exchange of Hong Kong Limited
"**HK$**"	:	Hong Kong dollars
"**Independent Directors**"	:	Mr. Stanley Chung Wai Cheong, Mr. Ong Shen Chieh and Mr. Kong Tze Wing, who are Directors considered to be independent in relation to the IPT Mandate
"**Interested Person**"	:	A person who is considered an "Interested Person" within the meaning of Chapter 9 of the Listing Manual, as defined in Section 1.2.2 of Appendix B to this Circular
"**Interested Person Transaction**"	:	A transaction entered into between an entity at risk and an Interested Person within the meaning of Chapter 9 of the Listing Manual, as defined in Section 1.2.2 of Appendix B to this Circular
"**IPT Mandate**"	:	A general mandate granted by the Shareholders to authorise the Company to enter into any transactions falling within the types of Interested Person Transactions, in accordance with the terms set out in the resolution authorising the same
"**KBCF**"	:	Shall have the meaning ascribed to it in Appendix A to this Circular
"**Kingboard**"	:	Kingboard Holdings Limited
"**Kingboard Group**"	:	Kingboard, its Subsidiaries and Associated Companies (other than the EEIC Group)
"**Latest Practicable Date**"	:	8 March 2019, being the latest practicable date prior to the printing of this Circular for the purpose of obtaining relevant information for inclusion herein
"**Listing Manual**"	:	The listing manual of the SGX-ST, as may be amended, modified or supplemented from time to time

"**Market Day**"	:	A day on which the SGX-ST or the HKEX, as the case may be, is open for securities trading
"**Maximum Price**"	:	Shall have the meaning ascribed to it in Section 4.3.4(b) of this Circular
"**NTA**"	:	Net tangible assets
"**Off-Market Share Purchase**"	:	A Share Purchase by the Company effected otherwise than on the SGX-ST and/or the HKEX pursuant to an equal access scheme, which is in accordance with Section 76C of the Act, for the purchase of Shares from the Shareholders
"**On-Market Share Purchase**"	:	A Share Purchase by the Company effected on the SGX-ST and/or the HKEX, through one or more duly licensed stockbrokers, appointed by the Company for such purpose
"**PCB(s)**"	:	Printed circuit board(s)
"**Permitted Period**"	:	Shall have the meaning ascribed to it in Section 4.3.2(a) of this Circular
"**Public**"	:	Shall have the meaning ascribed to it in Section 4.9.1(c) of this Circular
"**Relevant Period**"	:	Shall have the meaning ascribed to it in Section 3.2(d) of this Circular
"**Rule 14**"	:	Shall have the meaning ascribed to it in Section 4.10.1(a) of this Circular
"**Securities Account**"	:	The securities account or sub-account maintained by a Depositor with the Depository or a clearing house (as the case may be)
"**SFC**"	:	The Securities and Futures Commission of Hong Kong
"**SFO**"	:	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, modified or supplemented from time to time
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share(s)**"	:	Ordinary share(s) in the share capital of the Company

"**Shareholder(s)**"	:	Registered holders of Shares in the register of members maintained by the Company and Depositors who have Shares entered against their names in the Depository Register
"**Share Issue Mandate**"	:	A general mandate granted by the Shareholders to authorise the Directors to allot, issue and deal with Shares in accordance with the terms set out in the resolution authorising the same
"**Share Purchase**"	:	Purchase of Shares by the Company pursuant to the Share Purchase Mandate
"**Share Purchase Mandate**"	:	A general mandate granted by the Shareholders to authorise the Directors to exercise all the powers of the Company to purchase Shares in accordance with the terms set out in the resolution authorising the same
"**Singapore CG Code**"	:	The Singapore Code of Corporate Governance, as amended, supplemented or modified from time to time
"**Singapore Listing Rules**"	:	The listing rules of the SGX-ST, as set out in the Listing Manual
"**Singapore Take-over Code**"	:	The Singapore Code on Take-overs and Mergers, as amended, supplemented or modified from time to time
"**Substantial Shareholder**"	:	A person who has an interest in not less than five per cent. (5%) of all issued voting shares Under the HK Listing Rules, the term "substantial shareholder" in relation to a company means a person who is entitled to exercise, or control the exercise of, ten per cent. (10%) or more of the voting power at any general meeting of the company Under the SFO, the term "substantial shareholder", in relation to a corporation, means a person who has an interest in the relevant share capital of the corporation, the nominal value of which is equal to or more than five per cent. (5%) of the nominal value of the relevant share capital of the corporation
"**S$**"	:	Singapore dollars
"**US$**" and "**US cents**"	:	US dollars and cents, respectively
"**%**" or "**per cent.**"	:	Per centum or percentage

The term "**Treasury Share**" shall have the meaning ascribed to it in Section 4 of the Act.

The term "**Subsidiary**" shall have the meaning ascribed to it in Section 5 of the Act and the HK Listing Rules, as the case may be. The terms "**Associate**" and "**Associated Company**" shall have the meanings ascribed to them, respectively, in the section entitled "Definitions and Interpretation" of the Listing Manual or the HK Listing Rules, as the case may be.

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

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the SFO, the Listing Manual, the HK Listing Rules, the Singapore Take-over Code, the HK Takeovers Code, the HK Repurchase Code or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Act, the SFO, the Listing Manual, the HK Listing Rules, the Singapore Take-over Code, the HK Takeovers Code, the HK Repurchase Code or any modification thereof, as the case may be, unless otherwise provided.

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

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

This Circular is translated into Chinese. In case of any inconsistency between the Chinese and English versions, the latter shall prevail.

Elec & Eltek International Company Limited
依利安達集團有限公司*

(Incorporated in the Republic of Singapore with Limited Liability)

Singapore Company Registration Number: 199300005H

(Hong Kong Stock Code: 1151)

(Singapore Stock Code: E16.SI)

Directors:

Executive Directors:

Ms. Stephanie Cheung Wai Lin (*Vice-Chairman*)

Mr. Chang Wing Yiu

Non-executive Director:

Mr. Cheung Kwok Wing (*Chairman*)

Independent non-executive Directors:

Mr. Stanley Chung Wai Cheong

Mr. Ong Shen Chieh

Mr. Kong Tze Wing

Registered Office:

80 Raffles Place

#33-00 UOB Plaza 1

Singapore 048624

Headquarters and Principal Place of Business:

23/F, Delta House

3 On Yiu Street

Shek Mun, Shatin

New Territories, Hong Kong

25 March 2019

To: The Shareholders

Dear Sir/Madam

(A) THE PROPOSED RE-ELECTION OF RETIRING DIRECTORS;

(B) THE PROPOSED RENEWAL OF THE SHARE ISSUE MANDATE;

(C) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE;

(D) THE PROPOSED RENEWAL OF THE INTERESTED PERSON TRANSACTIONS MANDATE; AND

(E) NOTICE OF ANNUAL GENERAL MEETING

* *For identification purposes only*

1. INTRODUCTION

1.1. The Directors are convening the 2019 AGM on 26 April 2019, (a) in Hong Kong, at Board Room, 23/F, Delta House, 3 On Yiu Street, Shek Mun, Shatin, New Territories, Hong Kong (for Hong Kong Shareholders); and (b) in Singapore, *via* video-conferencing at Conference Room, Wangz Business Centre, The Penthouse, 7 Temasek Boulevard, #44-01 Suntec Tower 1, Singapore 038987 (for Singapore Shareholders) at 10:00 a.m. to seek Shareholders' approval for the following matters:

(a) the proposed re-election of retiring Directors;

(b) the proposed renewal of the Share Issue Mandate;

(c) the proposed renewal of the Share Purchase Mandate; and

(d) the proposed renewal of the IPT Mandate.

These resolutions will be proposed at the 2019 AGM, as set out in the notice of the 2019 AGM contained in this Circular.

1.2. The Singapore Listing Rules and the HK Listing Rules contain provisions to regulate: (i) the issuance of shares; (ii) the repurchase of shares by companies with primary listings of their securities on the SGX-ST and the HKEX, respectively; and (iii) Interested Person Transactions (and, in a similar context of the HK Listing Rules, "**connected transactions**").

1.3. The purpose of this Circular is to provide Shareholders with information relating to, and explain the rationale for the resolutions to be proposed at, the 2019 AGM, in respect of: (i) the proposed re-election of the retiring Directors; (ii) the proposed renewal of the Share Issue Mandate; (iii) the proposed renewal of the Share Purchase Mandate; and (iv) the proposed renewal of the IPT Mandate.

1.4. This Circular also serves as an explanatory statement (as required under the HK Listing Rules) to provide the Shareholders with the requisite information reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the relevant ordinary resolution.

IMPORTANT: In cases where there are discrepancies between the applicable laws, rules and/or regulations of Hong Kong and Singapore, the more stringent set of laws, rules and/or regulations shall prevail.

2. THE PROPOSED RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date:

(a) the executive Directors were Ms. Stephanie Cheung Wai Lin and Mr. Chang Wing Yiu;

(b) the non-executive Director was Mr. Cheung Kwok Wing; and

(c) the independent non-executive Directors were Mr. Stanley Chung Wai Cheong, Mr. Ong Shen Chieh and Mr. Kong Tze Wing.

Pursuant to Articles 95(2) and 95(4) of the Articles, Mr. Cheung Kwok Wing and Ms. Stephanie Cheung Wai Lin, shall retire from office by rotation, and being eligible, each of such Directors shall offer themselves for re-election at the 2019 AGM.

The particulars required to be disclosed under the HK Listing Rules in relation to the Directors proposed for re-election are set out in Appendix A ("**Biographical Details of the Directors**") to this Circular.

3. THE PROPOSED RENEWAL OF THE SHARE ISSUE MANDATE

3.1. At the 2018 AGM held by the Company on 27 April 2018, a Share Issue Mandate (the "**2018 Share Issue Mandate**") was granted by the Shareholders to the Directors, authorising the Directors to issue Shares and/or to make or grant offers, agreements or options that might or would require Shares to be issued, in accordance with the terms set out in the resolution approving the 2018 Share Issue Mandate and in compliance with the Singapore Listing Rules, HK Listing Rules, all legal requirements and the Articles. The 2018 Share Issue Mandate will expire upon the conclusion of the 2019 AGM.

3.2. An ordinary resolution as set out in Ordinary Resolution 7 of the notice of the 2019 AGM will be proposed at the 2019 AGM to seek the approval of the Shareholders, that, pursuant to Section 161 of the Act, Rule 806 of the Listing Manual and the HK Listing Rules, the following authority be given to the Directors:

(a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares in the capital of the Company and to make or grant offers, agreements and options (including, but not limited to, bonds, warrants and debentures convertible into Shares), which would or might require the exercise of such powers;

(b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including, but not limited to, bonds, warrants and debentures convertible into Shares), which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of the Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), above, shall not exceed fifty per cent. (50%) of the total number of issued shares in the capital of the Company (excluding Treasury Shares and subsidiary holdings, if any), of which the aggregate number of shares to be issued other

than on a *pro-rata* basis to existing Shareholders shall not exceed twenty per cent. (20%) of the aggregate nominal amount of the issued share capital of the Company (excluding Treasury Shares and subsidiary holdings, if any) as at the date of passing of the resolution and the approval in paragraph (a), above, shall be limited accordingly; and

(d) for the purpose of Ordinary Resolution 7, "**Relevant Period**" means the period from the passing of the resolution until the earliest of:

(i) the conclusion of the next AGM;

(ii) the expiration of the period within which the next AGM is required, by the Articles or any applicable laws, to be held; or

(iii) the revocation or variation of the authority given under the resolution by an ordinary resolution of the Shareholders in general meeting.

3.3. As at the Latest Practicable Date, the number of Shares in issue was 186,919,962. Accordingly, the exercise of the Share Issue Mandate in full (other than on a *pro-rata* basis) would enable the Company to issue a maximum of 37,383,992 new Shares (assuming no Shares are issued or repurchased after the Latest Practicable Date and up to the passing of the relevant resolution). The renewal of the 2018 Share Issue Mandate will provide flexibility to the Directors to issue new Shares when it is in the interests of the Company to do so.

4. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

4.1. Background

4.1.1. The Act allows companies to purchase their own shares, stocks and preference shares in the manner stated in the Act, if their articles of association allow them to do so. Article 51(a) of the Articles expressly permits the Company to purchase or otherwise acquire, among others, its issued Shares.

4.1.2. Any purchase or acquisition of its Shares by the Company is required to be made in accordance with, and in the manner prescribed by, the Act, the Listing Manual, the Articles, the HK Listing Rules, the HK Repurchase Code and such other laws and regulations as may, for the time being, be applicable. Companies listed on the HKEX are not allowed to hold Treasury Shares. Accordingly, as the Company is listed on the Main Board of the HKEX, the Company will not be allowed to hold Treasury Shares and any Shares purchased, redeemed or acquired pursuant to the Share Purchase Mandate will be cancelled. As at the Latest Practicable Date, the Company did not have any outstanding convertible equity securities that had not been converted.

4.1.3. At the 2018 AGM, the Shareholders had approved the renewal of a Share Purchase Mandate (the "**2018 Share Purchase Mandate**") to enable the Company to purchase or otherwise acquire its issued Shares. The rationale for, the authority and limitations on and the financial effects of, the 2018 Share Purchase Mandate were set out in the 2018 Circular.

4.1.4. The 2018 Share Purchase Mandate was expressed to continue, among others, in force until:

(i) the date on which the 2019 AGM is held or required by law or the Articles to be held;

(ii) the date on which the purchase of Shares by the Company pursuant to the 2018 Share Purchase Mandate is carried out to the fullest extent mandated; or

(iii) the date on which the authority conferred by the 2018 Share Purchase Mandate is revoked or varied by the Company in general meeting,

whichever is the earliest.

4.1.5. As the 2018 Share Purchase Mandate would be expiring on 26 April 2019, being the date of the 2019 AGM, the Directors are seeking the Shareholders' approval for the renewal of the 2018 Share Purchase Mandate at the 2019 AGM.

4.2. Rationale for renewal of the Share Purchase Mandate

4.2.1. The rationale for the Company to undertake the Share Purchases is to enable the Directors to return to the Shareholders, the EEIC Group's surplus funds over and above its ordinary capital requirements, which are in excess of the foreseeable financial and investment needs of the EEIC Group, in an expedient and cost-efficient manner.

4.2.2. The proposed renewal of the 2018 Share Purchase Mandate will continue to give the Directors the flexibility to purchase or acquire the Shares if and when circumstances permit. The Share Purchase Mandate will also allow the Company greater flexibility over its share capital structure and dividend policy and may lead to an enhancement of EPS and/or NTA per Share, depending on market conditions and funding arrangements at the time. As the Share Purchases will give the Directors the opportunity to purchase Shares when the Shares are under-valued, the Directors are of the opinion that the Share Purchases would help to buffer short-term share price volatility and offset the effects of share price speculation.

4.2.3. If and when circumstances permit, the Directors will decide whether to effect the Share Purchases via On-Market Share Purchases or Off-Market Share Purchases, after taking into account the amount of surplus cash available, the then prevailing market conditions and the most cost effective and efficient approach.

4.2.4. Although the Share Purchase Mandate authorises Share Purchases up to a maximum of ten per cent. (10%) of the total number of issued Shares for the duration referred to in Section 4.3.2 of this Circular, the Share Purchases would be made only as and when the Directors consider them to be in the best interests of the Company and in circumstances which the Directors believe will not result in any material adverse effect on the financial position of the Company or the EEIC Group, or result in the Company being delisted from the SGX-ST and/or the HKEX. The Directors will use their best efforts to ensure that, after a Share Purchase, the number of Shares

remaining in the hands of the public will not fall below the minimum level prescribed by the Singapore Listing Rules or the HK Listing Rules, or fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST and/or the HKEX.

4.3. Authority and limits on the Share Purchase Mandate

The authority and limitations placed on the Share Purchases by the Company under the proposed renewal of the 2018 Share Purchase Mandate are set out below:

4.3.1. 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 the number of Shares representing not more than ten per cent. (10%) of the issued share capital of the Company as at the date of the 2019 AGM at which the renewal of the Share Purchase Mandate is approved (the "**Approval Date**").

For illustrative purposes only, on the basis of 186,919,962 issued Shares as at the Latest Practicable Date, and assuming that no further Shares are issued or repurchased on or prior to the 2019 AGM, not more than 18,691,996 issued Shares (representing approximately ten per cent. (10%) of the issued share capital but excluding treasury shares and subsidiary holdings of the Company as at the Approval Date) may be purchased by the Company pursuant to the Share Purchase Mandate for the duration referred to in Section 4.3.2.

4.3.2. Duration of Authority

(a) Share Purchases may be made, at any time and from time to time, on and from the Approval Date, up to:

(i) the date on which the next AGM (after the 2019 AGM) is held or required by law or the Articles to be held;

(ii) the date on which the Share Purchases are carried out to the fullest extent mandated; or

(iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in a general meeting,

whichever is the earliest (the "**Permitted Period**").

(b) The authority conferred on the Directors by the Share Purchase Mandate to purchase Shares may be renewed. When seeking the approval of the Shareholders for the renewal of the Share Purchase Mandate, the Company is required to disclose, among others, details

pertaining to Share Purchases made during the previous 12 months, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Purchases, where relevant, and the total consideration paid for such Share Purchases.

4.3.3. Manner of Share Purchases

(a) Share Purchases may be made by way of:

(i) an On-Market Share Purchase; and/or

(ii) an Off-Market Share Purchase.

(b) The Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate, the Listing Manual, the Act, the HK Listing Rules or the HK Repurchase Code, as they consider fit, in the interests of the Company in connection with or in relation to any equal access scheme or schemes. However, an Off-Market Share Purchase effected in accordance with an equal access scheme must satisfy all the following conditions:

(i) offers for the Share Purchase shall be made to every person who holds Shares, to purchase or acquire the same percentage of their issued Shares;

(ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and

(iii) the terms of all the offers shall be the same, except that the following shall be disregarded:

(A) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements (if applicable);

(B) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid (if applicable); and

(C) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

(c) The Listing Manual provides that, in making an Off-Market Share Purchase, the Company must issue an offer document to all Shareholders, which must contain at least the following information:

(i) the terms and conditions of the offer;

(ii) the period and procedures for acceptance;

(iii) the reasons for the proposed Share Purchase;

(iv) the consequences, if any, of Share Purchases by the Company that will arise under the Singapore Take-over Code, the HK Take-over Code or other applicable take-over rules;

(v) whether the Share Purchase, if made, would have any effect on the listing of the Shares on the SGX-ST; and

(vi) details of any Share Purchases made by the Company in the previous 12 months (whether On-Market Share Purchases or Off-Market Share Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the Share Purchases, where relevant, and the total consideration paid for the Share Purchases.

(d) In relation to an On-Market Share Purchase, the Company may apply to the SGX-ST for a special trading counter for the purposes of effecting the On-Market Share Purchase besides the normal ready market counter. Subject to the Shareholders' approval being obtained at the 2019 AGM for the renewal of the Share Purchase Mandate, the Company will consider whether to apply to the SGX-ST for a special trading counter for the purpose of conducting On-Market Share Purchases of its Shares.

(e) In Hong Kong, companies with a primary listing of its equity securities in Hong Kong may only engage an off-market share repurchase approved in accordance with Rule 2 of the HK Repurchase Code. According to the HK Repurchase Code, off-market purchases must be approved by the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director before a repurchasing company acquires any shares pursuant to such share repurchases. Such approval will normally be conditional upon, among others, approval of the proposed off-market repurchase by at least three-fourths of the votes cast on a poll by disinterested shareholders in attendance in person or by proxy at a general meeting of shareholders duly convened and held to consider the proposed transaction. The repurchasing company should also comply with such other applicable requirements under the HK Repurchase Code. Accordingly, even if the Share Purchase Mandate has been approved by Shareholders at the 2019 AGM, the Company will still be required to convene a general meeting to seek specific approval from the desinterested Shareholders in the event it wishes to conduct an Off-Market Share Purchase in compliance with the applicable requirements of the HK Repurchase Code.

4.3.4. Maximum Purchase Price

(a) The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors.

(b) However, the purchase price to be paid for the Shares pursuant to the Share Purchase Mandate must not exceed:

(i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price (as defined below) of the Shares; and

(ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price of the Shares,

(the "**Maximum Price**") in either case (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses).

(c) For the above purposes, "**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the date of making the On-Market Share Purchase, or, as the case may be, the date of making an announcement of an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days.

4.4. Status of purchased Shares

General

(a) Under Section 76B(5) of the Act, any Share which is purchased, unless held as a Treasury Share pursuant to Section 76H of the Act, is deemed cancelled immediately on purchase, and all rights and privileges attached to that Share will expire on cancellation. All Shares purchased by the Company, will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired, which are cancelled and not held as Treasury Shares.

(b) As the Company is concurrently primary listed on the Mainboard of the SGX-ST and the Main Board of the HKEX, the Company is required to comply with the relevant Singapore and Hong Kong laws, the Singapore Listing Rules and the HK Listing Rules, including, among others, the listing requirements of the SGX-ST and the HKEX. Pursuant to Rule 10.06(5) of the HK Listing Rules, the listing of all purchased Shares by the Company (whether on the HKEX or otherwise) shall be automatically cancelled upon such purchase.

As mentioned above, companies listed on the HKEX are not allowed to hold Treasury Shares. Accordingly, as the Company is listed on the Main Board of the HKEX, the Company will not be allowed to hold Treasury Shares and any Shares purchased, redeemed or acquired pursuant to the Share Purchase Mandate will be cancelled.

4.5. Reporting requirements

4.5.1. Notification to ACRA

Within 30 days of the Approval Date, the Company shall lodge a copy of the resolution approving the Share Purchase Mandate with ACRA.

The Company shall lodge with ACRA a notice of the Share Purchase within 30 days of the Share Purchase. Such notification shall include the date of the Share Purchase, the total number of Shares purchased by the Company, the number of Treasury Shares held (which will be nil), the Company's issued share capital before and after the Share Purchase, the amount of consideration paid by the Company for the Share Purchase, whether the Shares were purchased or acquired out of the profits or the capital of the Company and such other particulars as may be required, in the prescribed form.

4.5.2. Notification to SGX-ST

The Singapore Listing Rules specify that a company listed on the SGX-ST shall notify the SGX-ST of all purchases or acquisitions of its shares not later than 9:00 a.m.:

(a) in the case of an On-Market Share Purchase, on the Market Day following the day on which the On-Market Share Purchase was made; or

(b) in the case of an Off-Market Share Purchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Share Purchase.

The notification of such purchases or acquisition of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the necessary information to the Company in a timely fashion to enable the Company to make the notifications to the SGX-ST.

4.5.3. Reporting Requirements in Hong Kong

Under the HK Listing Rules, after a listed issuer has made a purchase of its shares whether on the HKEX or otherwise, the listed issuer shall:

(a) submit for publication to the HKEX not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Market Day following any day on which the issuer makes a purchase of shares (whether on the HKEX or otherwise), the total number of shares purchased by the issuer on the previous day, the purchase price per share or the highest and lowest price paid for such shares, where relevant, and shall confirm that purchases made on the HKEX were made in accordance with the HK Listing Rules and if the issuer's primary listing is on the HKEX, that there have been no material changes to the particulars contained in the explanatory statement issued by the listed issuer in relation to the mandate pursuant to which such share purchase is made. In respect of purchases made on another stock exchange, the issuer's report must confirm that those purchases were made in accordance with the domestic rules applying to purchases on that other stock exchange. Such reports shall be made on a return in such form and containing such information as the HKEX may from time to time prescribe. In the event that no shares are purchased on any particular day then no return need be made to the HKEX. The listed issuer should make arrangements with its brokers to ensure that they provide to the issuer in a timely fashion the necessary information to enable the listed issuer to make the report to the HKEX; and

(b) include in its annual report and accounts a monthly breakdown of purchases of shares made during the financial year under review showing the number of shares purchased each month (whether on the HKEX or otherwise) and the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid by the issuer for such purchases. The directors' report shall contain reference to the purchases made during the year and the directors' reasons for making such purchases. The issuer shall procure that any broker appointed by the issuer to effect the purchase of its shares shall disclose to the HKEX such information with respect to purchases made on behalf of the issuer as the HKEX may request.

4.6. Source of funds

4.6.1. The Company may only apply funds for a Share Purchase as provided in the Articles and in accordance with the applicable laws in Singapore and Hong Kong. The Company may not purchase its Shares for a consideration other than in cash or, in the case of an On-Market Share Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST and the HKEX.

4.6.2. The Act permits the Company to purchase or acquire its own Shares out of capital, as well as from its distributable profits so long as the Company is solvent. Pursuant to Section 76F(4) of the Act, the Company is solvent if:

(a) there is no ground on which the Company could be found to be unable to pay its debts;

(b) if:

(i) it is intended to commence winding up of the Company within the period of 12 months immediately after the date of the payment, the Company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or

(ii) it is not intended so to commence winding up, the Company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and

(c) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed Share Purchase become less than the value of its liabilities (including contingent liabilities).

4.6.3. The Company intends to use internal sources of funds or external borrowings, or a combination of internal resources and external borrowings, to finance the Share Purchases.

4.7. Financial effects

4.7.1. If Shares purchased by the Company are cancelled pursuant to Section 76B(5) of the Act, the purchase price paid by the Company for the Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) will correspondingly:

(a) reduce the amount of its share capital where the Shares were purchased out of the capital of the Company;

(b) reduce the amount of its distributable reserves where the Shares were purchased out of the profits of the Company; or

(c) reduce the amount of its share capital and distributable reserves proportionately where the Shares were purchased out of both the capital and the profits of the Company.

4.7.2. The amount of funding required for the Company to purchase or acquire its Shares and the financial impact on the Company and the EEIC Group arising from Share Purchases, which may be made pursuant to the proposed renewal of the Share Purchase Mandate, will depend on, among others, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time and the sources of funds applied by the Company.

4.7.3. Based on the existing issued and paid-up capital of the Company, as at the Latest Practicable Date and assuming that no further Shares are issued or repurchased before the 2019 AGM, in the case of On-Market Share Purchases by the Company and assuming that, pursuant to the Share Purchase Mandate, the Company purchases the maximum number of 18,691,996 Shares at the Maximum Price of US$1.44 per Share (being the price equivalent to five per cent. (5%) above the average of the closing market prices of the Shares for the five (5) 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 of 18,691,996 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately US$26,916,000.

4.7.4. Based on the existing issued and paid-up capital of the Company as at the Latest Practicable Date and assuming that no further Shares are issued or repurchased before the 2019 AGM, in the case of Off-Market Share Purchases by the Company and assuming that, pursuant to the Share Purchase Mandate, the Company purchases the maximum number of 18,691,996 Shares at the Maximum Price of US$1.65 per Share (being the price equivalent to twenty per cent. (20%) above the average of the closing market prices of the Shares for the five (5) 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 of 18,691,996 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately US$30,842,000.

4.7.5. On the basis of the assumptions set out above and assuming that (i) such Share Purchase is financed by fifty per cent. (50%) external borrowings and fifty per cent. (50%) internal resources; (ii) the Share Purchase Mandate had been effective on 1 January 2019; and (iii) the Company had purchased 18,691,996 Shares (representing ten per cent. (10%) of its total number of issued Shares at the Latest Practicable Date), the financial impact of the Share Purchase of 18,691,996 Shares made by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the EEIC Group and the Company for FY2018 is set out below:

(a) On-Market Share Purchase

	EEIC Group		Company	
As at 31 December 2018	**Before Share Purchase US$'000**	**After Share Purchase US$'000**	**Before Share Purchase US$'000**	**After Share Purchase US$'000**
*Profit after tax and non-controlling interest	24,299	23,963	1,466	1,130
*Shareholders' Funds	397,989	370,737	223,304	196,052
*NTA	397,989	370,737	223,304	196,052
*Current Assets	266,026	252,232	105	(13,689)
*Current Liabilities	258,163	271,621	251,548	265,006
*Working Capital	7,863	(19,389)	(251,443)	(278,695)
*Total Liabilities	316,578	330,036	251,548	265,006
Number of Shares ('000)	186,920	168,228	186,920	168,228
Financial Ratios				
*EPS (US cents)	13.00	14.24	n/m	n/m
*NTA per Share (US$)	2.13	2.20	1.19	1.17
*Gearing	0.80	0.89	n/m	n/m
*Current Ratio	1.03	0.93	n/m	n/m

Notes:

"*" means the computations have taken into account the impact of additional external borrowings of approximately US$13,458,000, attributable interest expense of approximately US$336,000 to be incurred and internal resources of approximately US$13,458,000.

"n/m" means the percentage is not meaningful.

(b) Off-Market Share Purchase

As at 31 December 2018	EEIC Group Before Share Purchase US$'000	EEIC Group After Share Purchase US$'000	Company Before Share Purchase US$'000	Company After Share Purchase US$'000
*Profit after tax and non-controlling interest	24,299	23,913	1,466	1,080
*Shareholders' Funds	397,989	366,761	223,304	192,076
*NTA	397,989	366,761	223,304	192,076
*Current Assets	266,026	250,219	105	(15,702)
*Current Liabilities	258,163	273,584	251,548	266,969
*Working Capital	7,863	(23,365)	(251,443)	(282,671)
*Total Liabilities	316,578	331,999	251,548	266,969
Number of Shares ('000)	186,920	168,228	186,920	168,228
Financial Ratios				
*EPS (US cents)	13.00	14.21	n/m	n/m
*NTA per Share (US$)	2.13	2.18	1.19	1.14
*Gearing	0.80	0.91	n/m	n/m
*Current Ratio	1.03	0.91	n/m	n/m

Notes:

"*" means the computations have taken into account the impact of additional external borrowings of approximately US$15,421,000, attributable interest expense of US$386,000 to be incurred and internal resources of approximately US$15,421,000.

"n/m" means the percentage is not meaningful.

4.7.6. As illustrated above, a purchase of a maximum of 18,691,996 Shares will result in an increase in the EPS of the EEIC Group. However, there will be a reduction in the NTA of the Company in both On-Market Share Purchases and Off-Market Share Purchases.

4.7.7. The Directors emphasise that they do not propose to exercise the Share Purchase Mandate to the extent that the liquidity and capital adequacy position of the EEIC Group would be materially and adversely affected. Where the Share Purchase is financed wholly or partly out of external borrowings, the net gearing of the EEIC Group will increase. Nonetheless, based on the audited financial statements for FY2018, the EEIC Group has an operating cash flow of approximately US$25,077,000. Internally generated funds may also be used to finance the Share Purchases. The Directors will be prudent in exercising the Share Purchase Mandate only to such extent where the Directors believe will enhance shareholder value, giving consideration to the prevailing market conditions, the financial position of the EEIC Group and other relevant factors.

4.7.8. There may be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report for FY2018) in the event the Share Purchase Mandate was to be carried out in full at any time during the proposed Permitted Period. However, the Directors do not propose to exercise the Share Purchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels, which, in the opinion of the Board, are from time to time appropriate for the Company.

4.7.9. Shareholders should be aware that the financial effects set out above are based on the assumptions set out above and are for illustrative purposes only. The above analysis is based on historical figures for FY2018 and is not necessarily representative of the Company's or the EEIC Group's future financial performance. Although the proposed Share Purchase Mandate would authorise the Company to buy back up to ten per cent. (10%) of the total number of issued Shares (excluding Treasury Shares, if any) as at the date the Share Purchase Mandate is obtained, the Company may not necessarily buy back or be able to buy back ten per cent. (10%) of the total number of issued Shares (excluding Treasury Shares) in full. As mentioned above, the Company is not permitted to hold Treasury Shares.

4.7.10. To the best of the knowledge of the Directors, and having made all reasonable enquiries, as at the Latest Practicable Date, none of the Directors nor any of their close associates had a present intention, in the event that the proposed Share Purchase Mandate is approved by Shareholders, to sell Shares to the Company.

4.7.11. The Directors have undertaken to the HKEX that the power of the Company to make Share Purchases pursuant to the proposed Share Purchase Mandate, if approved, shall be exercised in accordance with the HK Listing Rules, and the laws of Singapore, being the jurisdiction in which the Company is incorporated.

4.7.12. As at the Latest Practicable Date, there was no core connected person of the Company that had notified the Company that he had a present intention to sell Shares to the Company or had undertaken not to sell any of the Shares held by him to the Company, in the event that the Company is authorised to make purchases of Shares.

4.7.13. The highest and lowest prices at which the Shares have traded on the HKEX during each of the previous 12 months are as follows:

Month	Highest Price (HK$)	Lowest Price (HK$)
2018		
March	13.52	13.16
April	15.80	12.60
May	15.00	12.60
June	12.64	11.50
July	11.94	11.48
August	11.46	11.04
September	11.38	11.38
October	11.38	10.60
November	10.60	9.76
December	10.28	10.12
2019		
January	10.96	10.28
February	11.96	10.96
March (up to the Latest Practicable Date)	9.87	8.65

4.8. Tax implications arising from Share Purchases

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

4.9. Listing Rules

4.9.1. Singapore Listing Rules

(a) The Listing Manual specifies that a listed company shall notify the SGX-ST of any On-Market Share Purchases not later than 9:00 a.m. on the Market Day following the day on which the On-Market Share Purchase was made, and of any Off-Market Share Purchases not later than 9:00 a.m. on the second Market Day after the close of acceptance of the offer for the Off-Market Share Purchase. The notification of such Share Purchases to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company, in a timely fashion, the necessary information that will enable the Company to make the notifications to the SGX-ST.

(b) The Company will not buy any Shares during the period commencing two (2) weeks before the announcement of the Company's results for each of the first, second and third quarters of its financial year, or one (1) month before the announcement of the Company's annual results, as the case may be, and ending on the date of announcement of the relevant results. Further, the Company will not undertake Share Purchases after a price sensitive development has occurred or has been the subject of the consideration and/or a decision of the Board until such time as the price sensitive information has been publicly announced.

(c) The Listing Manual requires a listed company to ensure that at least ten per cent. (10%) of the total number of issued Shares excluding Treasury Shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the Public. The "**Public**", as defined under the Listing Manual, are persons other than the Directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company or its subsidiaries, as well as the associates of such persons. Based on the Register of Directors' Shareholdings maintained by the Company and its subsidiaries and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, there are 47,221,997 Shares in the hands of Public Shareholders, representing approximately 25.26% of the total number of issued Shares excluding Treasury Shares. Assuming the Company exercises the Share Purchase Mandate in full and purchases ten per cent. (10%) of the total number of issued Shares excluding Treasury Shares and subsidiary holdings (excluding preference shares and convertible equity securities) from the Public, the number of Shares in the hands of the Public would be reduced to approximately 28,530,001 Shares, representing approximately 16.96% of the total number of issued Shares excluding Treasury Shares and subsidiary holdings (excluding preference shares and convertible equity securities). It should be noted that the Company has no Treasury Shares, and is not permitted to hold Treasury Shares.

(d) Based on the above analysis, the Company is of the view 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 up to the full ten per cent. (10%) limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST. However, the Company will not be able to exercise the Share Purchase Mandate to its full extent since it needs to comply with the minimum public float requirement under the HK Listing Rules. The Directors have no present intention to exercise the Share Purchase Mandate to such an extent, as would result in the Company failing to comply with the public float requirements under the Rule 8.08 of the HK Listing Rules.

(e) In undertaking any Share Purchases, the Directors will use their best efforts to ensure that, notwithstanding such Share Purchases, a sufficient float in the hands of the Public will be maintained so that the Share Purchases will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

4.9.2. HK Listing Rules

(a) Pursuant to the HK Listing Rules, the Company shall ensure that after its purchase of Shares on any stock exchange, at least twenty-five per cent. (25%) of its Shares will remain in the hands of the public.

(b) In addition, under the HK Listing Rules, an issuer shall not purchase its shares on HKEX at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one (1) month immediately preceding the earlier of (a) the date of the board meeting (as such date is first notified to the HKEX in accordance with the HK Listing Rules) for the approval of the issuer's results for any year, half-year, quarterly or any other interim period (whether or not required under the HK Listing Rules); and (b) the deadline for the issuer to announce its results for any year or half-year under the HK Listing Rules, or quarterly or any other interim period (whether or not required under the HK Listing Rules), and ending on the date of the results announcement, the issuer may not purchase its shares on the HKEX, unless the circumstances are exceptional. Further, an issuer shall not knowingly purchase its shares from a core connected person and a core connected person shall not knowingly sell shares to the issuer, on the HKEX.

(c) In undertaking any Share Purchases, the Directors will use their best efforts to ensure that, notwithstanding such Share Purchases, a sufficient float in the hands of the public will be maintained so that the Share Purchases will not adversely affect the listing status of the Shares on the HKEX, cause market illiquidity or adversely affect the orderly trading of the Shares.

4.10. Take-over Code implications arising from Share Purchases

4.10.1. Singapore Take-over Code Implications

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

(b) Under the Singapore Take-over Code, persons acting in concert or concert parties 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 the company. Unless the contrary is established, the following persons, among others, will be presumed to be acting in concert, namely: (i) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts); and (ii) a company, its parent, Subsidiaries and fellow Subsidiaries, and their Associated

Companies and companies of which such companies are Associated Companies, all with one another, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid for the purchase of voting rights. For this purpose, ownership or control of at least twenty per cent. (20%) but not more than fifty per cent. (50%) of the voting rights of a company will be regarded as the test of Associated Company status.

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

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

(e) Under Appendix 2 of the Singapore 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 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to thirty per cent. (30%) or more, or, if such Shareholder holds between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution renewing the Share Purchase Mandate.

(f) Shareholders will be subject to the provisions of Rule 14 if they acquire any Shares after the Company's Share Purchase. For the purpose of the Singapore Take-over Code, an increase in the percentage of voting rights as a result of the Share Purchases will be taken into account in determining whether a Shareholder and persons acting in concert with him have increased their voting rights by more than one per cent. (1%) in any period of six (6) months.

(g) The interests of the Directors and Substantial Shareholders of the Company in the Shares are disclosed in Section 6 below.

(h) As at the Latest Practicable Date, assuming: (a) the Company purchases the maximum number of ten per cent. (10%) of the issued share capital of the Company; and (b) there is no change in the number of Shares held or deemed to be held by the Directors and Substantial Shareholders of the Company and their respective persons in concert, prior to

and after the exercise of the Share Purchase Mandate, none of the Directors and Substantial Shareholders of the Company will become obligated to make a mandatory take-over offer under Rule 14, in the event that the Company purchases the maximum number of 18,691,996 Shares under the Share Purchase Mandate.

4.10.2. HK Takeovers Code Implications

(a) If, as a result of the repurchase of Shares by the Company pursuant to the Share Purchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company is increased, such increase will be treated as an acquisition for the purpose of the HK Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert should obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the HK Takeovers Code.

(b) As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Kingboard together with the parties acting in concert with it were interested in approximately 74.74% of the issued share capital of the Company. In the event that the Directors exercise in full the proposed Share Purchase Mandate to repurchase Shares, the aggregate shareholding of the aforesaid Shareholders will be increased to approximately 83.04% of the issued share capital of the Company. To the best of the knowledge and belief of the Directors, such increase would not give rise to an obligation to make a mandatory offer under the HK Takeovers Code.

(c) The Directors are not aware of any consequences which may arise under the HK Takeovers Code as a result of any repurchase made under the Share Purchase Mandate and under the HK Takeovers Code.

(d) The Directors have no present intention to repurchase Shares to an extent that will trigger the obligations under the HK Takeovers Code to make a mandatory offer.

4.10.3. **Shareholders who are in doubt as to their obligations, if any, to make a mandatory takeover offer under the Singapore Take-over Code and/or the HK Takeovers Code as a result of any Share Purchase by the Company should consult the Securities Industry Council and/or the SFC and/or their professional advisers at the earliest opportunity.**

4.11. Shares purchased during the previous 12 months

The Company had not purchased any Shares within the 12 months preceding the Latest Practicable Date.

5. THE PROPOSED RENEWAL OF THE INTERESTED PERSON TRANSACTIONS MANDATE

5.1. Background

5.1.1. The Company had, at the 2018 AGM, sought and obtained the approval of Shareholders to adopt a general mandate (the "**2018 IPT Mandate**") to enable the Company, its Subsidiaries and Associated Companies, which are considered "entities at risk" (as that term is used in Chapter 9 of the Listing Manual) to enter into certain Interested Person Transactions with the classes of Interested Persons (the "**Interested Persons**") as set out in the 2018 IPT Mandate.

5.1.2. Particulars of the 2018 IPT Mandate were set out in the 2018 Circular and Ordinary Resolution 10 as set out in the notice of the 2018 AGM. The 2018 IPT Mandate was expressed to take effect until the conclusion of the next AGM, being the 2019 AGM, which is scheduled to be held on 26 April 2019.

5.2. Renewal of the IPT Mandate

5.2.1. The Directors propose that the 2018 IPT Mandate be renewed at the 2019 AGM to take effect until the AGM to be convened in 2020. The particulars of the Interested Person Transactions in respect of which the 2018 IPT Mandate is sought to be renewed remain unchanged. In addition, the review procedures in respect of the 2018 IPT Mandate, which is sought to be renewed, remain unchanged. The Company anticipates that the EEIC Group will continue to enter into the existing Interested Person Transactions as approved under the 2018 IPT Mandate.

5.3. The Appendix

Details of the IPT Mandate, including the rationale for, and the benefits to, the Company, the review procedures for determining the transaction prices with the Interested Persons and other general information relating to Chapter 9 of the Listing Manual are set out in Appendix B to this Circular.

5.4. Audit Committee Statement

The Audit Committee of the Company, comprising Mr. Stanley Chung Wai Cheong, Mr. Ong Shen Chieh and Mr. Kong Tze Wing confirms that:

(a) the methods or procedures for determining the transaction prices under the 2018 IPT Mandate have not changed since the 2018 AGM; and

(b) the methods or procedures referred to in sub-paragraph (a) above 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.

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

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

6.1 Directors' interests in Shares

	Direct Interest		Indirect/Deemed Interest[1]		Total Interest		
Directors	**Number of Shares**	**%[2]**	**Number of Shares**	**%[2]**	**Number of Shares**	**Before Share Purchase (%)[2]**	**After Share Purchase (%)[3]**
Cheung Kwok Wing	1,547,200	0.83	—	—	1,547,200	0.83	0.92
Chang Wing Yiu	486,600	0.26	—	—	486,600	0.26	0.29

Notes:

(1) Deemed interests refer to interests in shares as defined pursuant to Section 7 of the Act.

(2) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 186,919,962 Shares.

(3) As a percentage of the total number of issued Shares, comprising 168,227,966 Shares (assuming that the Company purchases the maximum number of 18,691,996 Shares under the Share Purchase Mandate).

(4) As of the Latest Practicable Date, there were no share options granted under the 2018 Share Option Scheme (as defined in the 2018 Circular).

6.2 Substantial Shareholders' interests in Shares

Substantial Shareholders	Direct Interest		Indirect/Deemed Interest[1]		Total Interest		
	Number of Shares	%[7]	Number of Shares	%[7]	Number of Shares	Before Share Purchase (%)[7]	After Share Purchase (%)[8]
EEIH	90,741,550	48.55	—	—	90,741,550	48.55	53.94
Elitelink Holdings Limited	34,321,615	18.36	—	—	34,321,615	18.36	20.40
Ease Ever Investments Limited[2]	—	—	90,741,550	48.55	90,741,550	48.55	53.94
Kingboard Investments Limited[3]	10,978,500	5.87	125,063,165	66.91	136,041,665	72.78	80.87
Jamplan (BVI) Limited[4]	—	—	136,041,665	72.78	136,041,665	72.78	80.87
Kingboard[5]	1,622,500	0.87	136,041,665	72.78	137,664,165	73.65	81.83
Hallgain Management Limited[6]	—	—	137,664,165	73.65	137,664,165	73.65	81.83

Notes:

(1) Deemed interests refer to interests in shares as defined pursuant to Section 7 of the Act.

(2) The entire issued share capital of EEIH is owned approximately 77.34% by Ease Ever Investments Limited, approximately 11.59% by Kingboard and approximately 11.07% by Kingboard Investments Limited. Ease Ever Investments Limited is deemed to have an interest in 90,741,550 Shares held by EEIH, under the provisions of the SFO.

(3) The entire issued share capital of Elitelink Holdings Limited and Ease Ever Investments Limited are owned by Kingboard Investments Limited. Kingboard Investments Limited is deemed to have an interest in 34,321,615 Shares held by Elitelink Holdings Limited and 90,741,550 Shares which Ease Ever Investments Limited is deemed to have an interest in, under the provisions of the SFO.

(4) The entire issued share capital of Kingboard Investments Limited is owned by Jamplan (BVI) Limited. Jamplan (BVI) Limited is deemed to have an interest in 10,978,500 Shares held by Kingboard Investments Limited and 125,063,165 Shares which Kingboard Investments Limited is deemed to have an interest in, under the provisions of the SFO.

(5) The entire issued share capital of Jamplan (BVI) Limited is owned by Kingboard. Kingboard is deemed to have an interest in 136,041,665 Shares which Jamplan (BVI) Limited is deemed to have an interest in, under the provisions of the SFO.

(6) Approximately 39.02% of the issued share capital of Kingboard is owned by Hallgain Management Limited. Hallgain Management Limited is deemed to have an interest in 1,622,500 Shares held by Kingboard and 136,041,665 Shares which Kingboard is deemed to have an interest in, under the provisions of the SFO. There is no shareholder of Hallgain Management Limited who is entitled to exercise, or control the exercise of, directly or indirectly, one-third or more of the voting power at Hallgain Management Limited's general meetings. Hallgain Management Limited and its director is not accustomed to act in accordance with any shareholder's direction.

(7) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 186,919,962 Shares.

(8) As a percentage of the total number of issued Shares, comprising 168,227,966 Shares (assuming that the Company purchases the maximum number of 18,691,996 Shares under the Share Purchase Mandate).

6.3 No other interest, whether direct or indirect, in the Shares

Save as disclosed in this Circular, the Directors and the Substantial Shareholders of the Company do not have any interest, whether direct or indirect, in the Shares.

7. ABSTENTION FROM VOTING

7.1 Shareholders with interest in the IPT Mandate should abstain from voting at the 2019 AGM in respect of Ordinary Resolution 9 as set out in the notice of the 2019 AGM and should not accept nominations as proxies or otherwise for voting at the 2019 AGM in respect of Ordinary Resolution 9 unless specific instructions have been given in the Proxy Form on how Shareholders wish their votes to be cast for Ordinary Resolution 9.

7.2 The Directors who will be abstaining from voting at the 2019 AGM in respect of Ordinary Resolution 9 (which relates to the proposed renewal of the IPT Mandate) are Ms. Stephanie Cheung Wai Lin, Mr. Chang Wing Yiu and Mr. Cheung Kwok Wing. The Substantial Shareholder who will be abstaining from voting at the 2019 AGM in respect of Ordinary Resolution 9 (which relates to the proposed renewal of the IPT Mandate) is Kingboard. In addition, the Associates of the aforementioned Directors and the Associated Companies and Subsidiaries of the aforementioned Substantial Shareholder will all be abstaining from voting at the 2019 AGM in respect of Ordinary Resolution 9 (which relates to the proposed renewal of the IPT Mandate). EEIH, Elitelink Holdings Limited and Kingboard Investments Limited are, by virtue of these entities being Subsidiaries of Kingboard, deemed to be Associates of Kingboard, and, thus, will all be abstaining from voting at the 2019 AGM in respect of Ordinary Resolution 9 (which relates to the proposed renewal of the IPT Mandate).

7.3 Mr. Cheung Kwok Wing will be abstaining from voting at the 2019 AGM in respect of Ordinary Resolution 3 (which relates to the proposed re-election of Mr. Cheung Kwok Wing as a non-executive Director), and Ms. Stephanie Cheung Wai Lin will be abstaining from voting at the 2019 AGM in respect of Ordinary Resolution 4 (which relates to the proposed re-election of Ms. Stephanie Cheung Wai Lin as an executive Director).

8. DIRECTORS' RECOMMENDATIONS

8.1 All of the Directors, other than Mr. Cheung Kwok Wing and Ms. Stephanie Cheung Wai Lin (who by virtue of themselves being the retiring Directors, are abstaining from making any recommendation in respect of the proposed re-election of the retiring Directors), are pleased to recommend the retiring Directors, details of whom are set out in Appendix A to this Circular, for re-election at the 2019 AGM, and consider that the proposed re-election of the retiring Directors is in the interests of the Company and the Shareholders as a whole, and recommend that Shareholders vote in favour of the resolutions relating to the re-election of the retiring Directors, as set out in the notice of the 2019 AGM in this Circular.

8.2 All of the Directors, other than Ms. Stephanie Cheung Wai Lin, Mr. Cheung Kwok Wing and Mr. Chang Wing Yiu (who, by virtue of each being a director of Kingboard, EEIH or both Kingboard and EEIH, are abstaining from making any recommendation in respect of the renewal of the IPT Mandate), consider that the proposed renewal of the IPT Mandate is in the interests of the Company and the Shareholders as a whole, and recommend that Shareholders vote in favour of the resolution relating to the renewal of the IPT Mandate, as set out in the notice of the 2019 AGM in this Circular.

8.3 The Directors unanimously consider that the proposed renewal of the Share Issue Mandate and the proposed renewal of the Share Purchase Mandate are in the interests of the Company and the Shareholders as a whole, and recommend that Shareholders vote in favour of the resolutions relating to the renewal of the Share Issue Mandate and the renewal of the Share Purchase Mandate, as set out in the notice of the 2019 AGM in this Circular.

8.4 The Independent Directors are of the opinion that it is in the interests of the EEIC Group that the Company, its Subsidiaries and Associated Companies be permitted to have the flexibility to enter into the types of transactions described in Section 1.7 of Appendix B to this circular in their ordinary course of business with classes of Interested Persons described in Section 1.6 of Appendix B to this circular for reasons stated in Appendix B to this circular. Accordingly, the Independent Directors recommend that Shareholders vote in favour of Ordinary Resolution 9 as set out in the notice of the 2019 AGM relating to the proposed renewal of the IPT Mandate.

9. ANNUAL GENERAL MEETING AND PROXY

9.1 A notice convening the 2019 AGM is set out in pages AGM-1 to AGM-8 of this Circular. At the 2019 AGM, ordinary resolutions will be proposed to approve, among other things, the re-election of the retiring Directors, the renewal of the Share Issue Mandate, the renewal of the Share Purchase Mandate and the renewal of the IPT Mandate. Pursuant to the HK Listing Rules, the voting on the proposed ordinary resolutions at the 2019 AGM will be taken by way of poll.

9.2 Shareholders who are unable to attend the 2019 AGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the Proxy Form, which is enclosed in this Circular. Such form is also published on the designated website of the HKEX (www.hkexnews.hk). Whether or not you intend to attend the 2019 AGM, you are requested to complete the accompanying Proxy Form in accordance with the instructions printed thereon and

return it to the registered office of the Company at 80 Raffles Place, #33-00 UOB Plaza 1, Singapore 048624 (for Singapore Shareholders) or the office of the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for Hong Kong Shareholders) as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the Proxy Form by a Shareholder will not preclude such Shareholder from attending and voting in person at the 2019 AGM if such Shareholder so wishes, and, in such event, the Proxy Form shall be deemed to be revoked.

9.3 A Depositor will not be regarded as a Shareholder entitled to attend the 2019 AGM and to speak and vote thereat unless his name appears on the Depository Register as at 72 hours before the start of the 2019 AGM.

10. CLOSURE OF REGISTER OF MEMBERS

Book closure in respect of Shareholders' entitlement to attend and vote at the 2019 AGM

With respect to Singapore Shareholders, the Singapore principal share transfer books and the Singapore principal register of members of the Company will be closed 72 hours before the start of the 2019 AGM, from 23 April 2019 to 26 April 2019, during which period no transfer of Shares held by any Singapore Shareholder will be registered. With respect to Hong Kong Shareholders, the Hong Kong share transfer books and the Hong Kong branch register of members of the Company will be closed before the start of the 2019 AGM, from 18 April 2019 to 26 April 2019, during which period no transfer of Shares held by any Hong Kong Shareholder will be registered.

In order to determine the identity of the Shareholders who are entitled to attend and vote at the 2019 AGM, all Share transfers, accompanied by the relevant share certificates, must be lodged with the Company's Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders) no later than 5:00 p.m. on 22 April 2019, or with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for Hong Kong Shareholders) no later than 4:30 p.m. on 17 April 2019.

For the purpose of determination of Shareholders registered under the Singapore principal register of members and the Hong Kong branch register of members of the Company, all necessary documents, remittances accompanied by the relevant share certificates in respect of removal of Shares between the two (2) registers of members, must be submitted no later than 5:00 p.m. and 4:30 p.m. on 1 April 2019 to the Company's Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders) and the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for Hong Kong Shareholders), respectively.

Book closure in respect of Shareholders' entitlement to final dividend and final dividend payment date

The Singapore principal share transfer books, Singapore principal register of members of the Company and the Hong Kong share transfer books and Hong Kong branch register of members of the Company will be closed on 10 May 2019, on which day no transfer of Shares will be registered, for the purpose of determining the entitlements for the final dividend. In order to qualify for the final dividend, the Shareholders are reminded to ensure that all transfer documents accompanied by the relevant share certificates, must be lodged with the Company's principal share registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders), no later than 5:00 p.m. on 9 May 2019, or with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for Hong Kong Shareholders) no later than 4:30 p.m. on 9 May 2019.

For the purpose of determination of Shareholders registered under the Singapore principal register of members and the Hong Kong branch register of members of the Company, all necessary documents, remittances accompanied by the relevant share certificates in respect of removal of Shares between the two (2) register of members, must be submitted no later than 5:00 p.m. and 4:30 p.m. on 30 April 2019 to the Company's Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders) and the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for Hong Kong Shareholders), respectively.

The proposed final dividend which shall be subject to Shareholders' approval at the forthcoming AGM to be held 26 April 2019, is payable on 24 May 2019 in US$ to Shareholders whose names appear on the Singapore principal register of members and the Hong Kong branch register of members of the Company at the close of business on 9 May 2019. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with Shares as at 5:00 p.m. on 9 May 2019 will be entitled to such proposed dividend.

11. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the HK Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Circular is complete and accurate in all material respects and not misleading or deceptive, and there are no other matters, the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours on any weekday (public holidays excepted) up to and including the date of the 2019 AGM, being not less than 14 days before the date of the 2019 AGM:

(a) the Articles;

(b) the annual report of the Company and its Subsidiaries for FY2018; and

(c) this Circular dated 25 March 2019.

Yours faithfully
For and on behalf of the Board
Elec & Eltek International Company Limited

Cheung Kwok Wing
Chairman

This appendix contains the biographical details of the Directors who will offer themselves for re-election at the 2019 AGM. The purpose of this appendix is to enable the Shareholders to make an informed view on whether to vote for or against the resolutions to be proposed at the 2019 AGM in relation to the re-election of certain retiring Directors.

Mr. Cheung Kwok Wing (張國榮), age 63, is the non-executive Director and the Chairman of the Board. Mr. Cheung is also a member of our Employees' Share Option Scheme Committee. He joined the EEIC Group in December 2004 and was appointed as a non-executive Director on 13 December 2004. He was appointed as the Chairman of the Board on 3 February 2005. In addition, Mr. Cheung is the chairman, executive director and one of the co-founders of Kingboard. Moreover, Mr. Cheung was the chairman and director of Kingboard Copper Foil Holdings Limited ("**KBCF**"), which is the subsidiary of Kingboard listed on the SGX-ST up to 3 January 2012. Mr. Cheung won the Young Industrialist Award of Hong Kong 1993, which was organised by the Federation of Hong Kong Industries and was described as "*farsighted, enterprising, and having insight in the business*". In 2006, he won the Hong Kong Business Owner-Operator Award 2006, which was organised by DHL and the South China Morning Post. In 2011, Mr. Cheung had been awarded the Honorary University Fellowships of The University of Hong Kong. Mr. Cheung possesses over 13 years' experience in the sales and distribution of electronic components including laminates prior to the establishment of the Kingboard Group. He sets the general direction and goals for the Kingboard Group. Furthermore, Mr. Cheung is a member of the National Committee of the Chinese People's Political Consultative Conference of The People's Republic of China. Mr. Cheung is also appointed as a Justice of the Peace under section 3(1)(b) of the Justices of the Peace Ordinance of Hong Kong with effect from 1 July 2015. Mr. Cheung is the brother of Ms. Stephanie Cheung Wai Lin (an executive Director and the Vice-Chairman) and the brother-in-law of Mr. Chang Wing Yiu (an executive Director). Mr. Cheung is a director and shareholder of Hallgain Management Limited. Save as disclosed in this Circular, as at the Latest Practicable Date, Mr. Cheung did not have any interest nor was he deemed to be interested in any Shares within the meaning of Part XV of the SFO, and had no relationship with any other Director, senior management, Substantial Shareholders or Controlling Shareholders of the Company.

Save as disclosed above, there is no other matter concerning Mr. Cheung that needs to be brought to the attention of the Shareholders nor is there other information which is required to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the HK Listing Rules. The information required in Appendix 7.4.1 of the Listing Manual for Mr. Cheung has been included in Annex 1 to Appendix A to this Circular.

Ms. Stephanie Cheung Wai Lin (張偉連), age 48, is an executive Director, the Vice-Chairman of the Board and the Chief Executive Officer of the Company. She joined the EEIC Group in, and has been an executive Director and the Vice-Chairman of the Board, since, August 2014. She also joined the Kingboard Group in, and has been part of the Kingboard Group since, 2002, and she was appointed as an executive director of Kingboard in January 2007. Prior to joining the Kingboard Group, she worked as an administration assistant manager in a listed company for about five (5) years. Ms. Cheung is the sister of Mr. Cheung Kwok Wing (the non-executive Director and the Chairman of the Board) and sister-in-law of Mr. Chang Wing Yiu (currently an executive Director).

Ms. Cheung is entitled to a basic monthly salary of HK$85,100, which is determined by the Board and the Remuneration Committee of the Board with reference to her qualifications, duties and responsibilities with the Group and the prevailing market conditions. Ms. Cheung is also entitled to a discretionary bonus based on her performance in respect of each financial year.

Save as disclosed in this Circular, as at the Latest Practicable Date, Ms. Cheung did not have any interest nor was she deemed to be interested in any Shares within the meaning of Part XV of the SFO, and had no relationship with any other Director, senior management, Substantial Shareholders or Controlling Shareholders of the Company.

Save as disclosed above, there is no other matter concerning Ms. Cheung that needs to be brought to the attention of the Shareholders nor is there other information which is required to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the HK Listing Rules. The information required in Appendix 7.4.1 of the Listing Manual for Ms. Cheung has been included in Annex 2 to Appendix A to this Circular.

ANNEX 1

INFORMATION FROM APPENDIX 7.4.1 OF THE LISTING MANUAL FOR MR. CHEONG KWOK WING

1.	Date of appointment	:	13 December 2004
2.	Date of last re-appointment (if applicable)	:	28 April 2017
3.	Name of person	:	Cheung Kwok Wing
4.	Age	:	63
5.	Country of principal residence	:	Hong Kong
6.	The comments of the Board on this appointment (including rationale, selection criteria, and the search and nomination process)	:	Satisfactory
7.	Whether appointment is executive, and if so, the area of responsibility	:	Non-executive
8.	Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	:	Chairman
9.	Professional qualifications	:	Please refer to the biographical details provided for Mr. Cheung for more details.
10.	Working experience and occupation(s) during the past 10 years	:	Mr. Cheung is one of the co-founders of Kingboard Holdings Limited, and is responsible for the overall planning of the Kingboard Group and sets the general direction and goal of the Kingboard Group.
11.	Shareholding interest in the listed issuer and its subsidiaries	:	Mr. Cheung holds: (i) 5,055,970 shares in Kingboard Holdings Limited (of which Mr. Cheung's spouse holds 1,714,565 shares); (ii) 1,243,000 shares in Kingboard Laminates Holdings Limited (of which Mr. Cheung's spouse holds 100,000 shares); and (iii) 1,547,200 Shares in the Company.
12.	Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	:	Mr. Cheung is the brother of Ms. Stephanie Cheung Wai Lin (an executive Director and the Vice-Chairman of the Board) and the brother-in-law of Mr. Chang Wing Yiu (an executive Director).

13.	Conflict of interest (including any competing business)	:	No	
14.	Has the undertaking (in the format set out in Appendix 7.7 of the Listing Manual) under Rule 720(1) of the Listing Manual been submitted to the Company?	:	YES ☑	NO ☐

Other Principal Commitments Including Directorships

Past (for the last 5 years)	:	—	
Present	:	(1)	Kingboard Holdings Limited (a company listed on the HKEX)
		(2)	The Company

Note:

"Principal Commitments" has the same meaning as defined in the Code of Corporate Governance.

Required information

(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against Mr. Cheung or against a partnership of which he was a partner at the time when he was a partner or at any time within two (2) years from the date he ceased to be a partner?	YES ☐	NO ☑
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which Mr. Cheung was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within two (2) years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	YES ☐	NO ☑
(c)	Whether there is any unsatisfied judgment against Mr. Cheung?	YES ☐	NO ☑
(d)	Whether Mr. Cheung has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	YES ☐	NO ☑

(e)	Whether Mr. Cheung has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	YES ☐	NO ☑
(f)	Whether at any time during the last 10 years, judgment has been entered against Mr. Cheung in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or Mr. Cheung has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	YES ☐	NO ☑
(g)	Whether Mr. Cheung has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	YES ☐	NO ☑
(h)	Whether Mr. Cheung has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	YES ☐	NO ☑
(i)	Whether Mr. Cheung has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	YES ☐	NO ☑
(j)	Whether Mr. Cheung has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:		
	(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	YES ☐	NO ☑
	(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	YES ☐	NO ☑
	(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	YES ☐	NO ☑

(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, YES ☐ NO ☑

in connection with any matter occurring or arising during that period when Mr. Cheung was so concerned with the entity or business trust?

(k) Whether Mr. Cheung has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere? YES ☐ NO ☑

Disclosure applicable to the appointment of Director only:

Any prior experience as a director of an issuer listed on the SGX-ST? YES ☑ NO ☐

Mr. Cheung has been a Director since 13 December 2004.

ANNEX 2

INFORMATION FROM APPENDIX 7.4.1 OF THE LISTING MANUAL FOR MS. STEPHANIE CHEUNG WAI LIN

1.	Date of appointment	:	1 August 2014
2.	Date of last re-appointment (if applicable)	:	28 April 2017
3.	Name of person	:	Stephanie Cheung Wai Lin
4.	Age	:	48
5.	Country of principal residence	:	Hong Kong
6.	The comments of the Board on this appointment (including rationale, selection criteria, and the search and nomination process)	:	Satisfactory
7.	Whether appointment is executive, and if so, the area of responsibility	:	Executive — responsible for strategic planning of the Company
8.	Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	:	Vice-Chairman
9.	Professional qualifications	:	Please refer to the biographical details provided for Ms. Cheung for more details.
10.	Working experience and occupation(s) during the past 10 years	:	Ms. Cheung joined the Kingboard Group in, and has been part of the Kingboard Group since, 2002, and was appointed as an executive director of Kingboard in January 2007.
11.	Shareholding interest in the listed issuer and its subsidiaries	:	Ms. Cheung holds: (i) 1,319,000 shares in Kingboard Holdings Limited (of which Ms. Cheung's spouse holds 20,000 shares); and (ii) 200,000 shares in Kingboard Laminates Holdings Limited.
12.	Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	:	Ms. Cheung is the sister of Mr. Cheung Kwok Wing (the non-executive Director and the Chairman of the Board) and sister-in-law of Mr. Chang Wing Yiu (currently an executive Director).

13.	Conflict of interest (including any competing business)	:	No	
14.	Has the undertaking (in the format set out in Appendix 7.7 of the Listing Manual) under Rule 720(1) of the Listing Manual been submitted to the Company?	:	YES ☑	NO ☐

Other Principal Commitments Including Directorships

Past (for the last 5 years)	:	—	
Present	:	(1)	Kingboard Holdings Limited (a company listed on the HKEX)
		(2)	The Company

Note:

"Principal Commitments" has the same meaning as defined in the Code of Corporate Governance.

Required information

(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against Ms. Cheung or against a partnership of which she was a partner at the time when she was a partner or at any time within two (2) years from the date she ceased to be a partner?	YES ☐	NO ☑
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which Ms. Cheung was a director or an equivalent person or a key executive, at the time when she was a director or an equivalent person or a key executive of that entity or at any time within two (2) years from the date she ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	YES ☐	NO ☑
(c)	Whether there is any unsatisfied judgment against Ms. Cheung?	YES ☐	NO ☑

(d)	Whether Ms. Cheung has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which she is aware) for such purpose?	YES ☐	NO ☑
(e)	Whether Ms. Cheung has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which she is aware) for such breach?	YES ☐	NO ☑
(f)	Whether at any time during the last 10 years, judgment has been entered against Ms. Cheung in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on her part, or Ms. Cheung has been the subject of any civil proceedings (including any pending civil proceedings of which she is aware) involving an allegation of fraud, misrepresentation or dishonesty on her part?	YES ☐	NO ☑
(g)	Whether Ms. Cheung has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	YES ☐	NO ☑
(h)	Whether Ms. Cheung has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	YES ☐	NO ☑
(i)	Whether Ms. Cheung has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	YES ☐	NO ☑
(j)	Whether Ms. Cheung has ever, to her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:		
	(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	YES ☐	NO ☑

(ii)	any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	YES ☐	NO ☑
(iii)	any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	YES ☐	NO ☑
(iv)	any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	YES ☐	NO ☑
	in connection with any matter occurring or arising during that period when Ms. Cheung was so concerned with the entity or business trust?		
(k)	Whether Ms. Cheung has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	YES ☐	NO ☑

Disclosure applicable to the appointment of Director only:

Any prior experience as a director of an issuer listed on the SGX-ST?	YES ☑	NO ☐

Ms. Cheung has been a Director since 1 August 2014.

1. DETAILS OF THE IPT MANDATE

1.1 Background

1.1.1 The Company had, at the 2018 AGM, sought and obtained the approval of Shareholders to adopt an IPT Mandate (the "**2018 IPT Mandate**"), which authorises the EEIC Group to enter into certain Interested Person Transactions with the Kingboard Group.

1.1.2 Kingboard is the ultimate holding company of the Company. Accordingly, transactions entered into between the EEIC Group and the Kingboard Group are considered to be Interested Person Transactions within the meaning of Chapter 9 of the Listing Manual. The rationale and benefits for, the scope, the review procedures and the classes of Interested Persons in respect of the 2018 IPT Mandate were set out in the 2018 Circular. The 2018 IPT Mandate covers recurrent transactions between the EEIC Group and Kingboard Group. Such recurrent transactions will include the:

(a) the purchase of Equipment from the Kingboard Group (the "**Purchase of Capital Equipment**") as described in Section 1.7.4 below;

(b) the purchase of goods and services from the Kingboard Group (the "**Purchase of Goods and Services**") as described in Section 1.7.5 below; and

(c) the sale of goods and services by the EEIC Group to the Kingboard Group (the "**Sale of Goods and Services**") as described in Section 1.7.5 below.

The 2018 IPT Mandate is subject to annual renewal, and, accordingly, its validity period will expire on 26 April 2019, being the date of the forthcoming 2019 AGM.

1.2 Definitions under the Listing Manual

1.2.1 Chapter 9 of the Listing Manual ("**Chapter 9**") governs transactions between a listed company or any of its Subsidiaries or Associated Companies (which is an "entity at risk", as hereinafter defined) and Interested Persons. The purpose is to guard against the risk that Interested Persons could influence the listed company, its Subsidiaries or Associated Companies to enter into transactions with such Interested Persons that may adversely affect the interests of the listed company or its shareholders.

1.2.2 For the purposes of Chapter 9, the following definitions apply:

(a) 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.

(b) An "**Associate**" means:

(i) in relation to any director, chief executive officer, Substantial Shareholder or controlling shareholder (as defined in the Listing Manual) (being an individual):

(A) his immediate family (meaning the person's spouse, child, adopted child, step-child, sibling and parent);

(B) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and

(C) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30%) or more; and

(ii) in relation to a Substantial Shareholder or a controlling shareholder (as defined in the Listing Manual) (being a company), any other company which is its Subsidiary or holding company or is a Subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30%) or more.

(c) 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

(iii) an Associated Company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its Interested Person(s), has control over the Associated Company.

(d) An "**Interested Person**" means:

(i) a director, chief executive officer or controlling shareholder (as defined in the Listing Manual) of the listed company; or

(ii) an Associate of such director, chief executive officer or controlling shareholder (as defined in the Listing Manual).

(e) A "**transaction**" includes: (i) the provision or receipt of financial assistance; (ii) the acquisition, disposal or leasing of assets; (iii) the provision or receipt of services; (iv) the issuance or subscription of securities; (v) the granting of or being granted options; and (vi) the establishment of joint ventures or joint investments, whether or not in the ordinary course of business, and whether or not entered into directly or indirectly.

1.3 Requirements under Chapter 9

1.3.1 Under Chapter 9, where a listed company, its Subsidiary or Associated Company (each being an entity at risk) proposes to enter into a transaction with an Interested Person, either an immediate announcement, or an immediate announcement and shareholders' approval would be required in respect of the transaction if the value of the transaction is equal to or exceeds certain materiality thresholds.

1.3.2 The materiality thresholds are as follows:

(a) "**Threshold 1**": Three per cent. (3%) of the group's latest audited consolidated NTA; and

(b) "**Threshold 2**": Five per cent. (5%) of the group's latest audited consolidated NTA.

1.3.3 An immediate announcement is required where:

(a) the transaction is of a value equal to, or exceeding, Threshold 1; or

(b) the aggregate value of all transactions entered into with the same Interested Person during the same financial year amounts to, or exceeds, Threshold 1, in which case, the listed company must make an immediate announcement of the latest transaction and all future transactions entered into with that same Interested Person during that financial year.

1.3.4 Shareholders' approval (in addition to an immediate announcement) is required where:

(a) the transaction is of a value equal to, or exceeding, Threshold 2; or

(b) the aggregate value of all transactions entered into with the same Interested Person during the same financial year amounts to, or exceeds, Threshold 2, save that the aggregation will exclude any transaction that has been approved by Shareholders previously, or is the subject of aggregation with another transaction that has been approved by Shareholders.

1.3.5 The requirements as set out in Sections 1.3.3 and 1.3.4 above, do not apply to any transaction that is below S$100,000 in value.

1.3.6 For illustrative purposes, based on the latest audited consolidated accounts of the EEIC Group for FY2018, the latest audited consolidated NTA of the EEIC Group as at 31 December 2018 was US$397,989,000. Accordingly, in relation to the EEIC Group, for the purposes of Chapter 9, in the current financial year, Shareholders' approval would be required where:

(a) the transaction is of a value equal to, or more than, US$19,899,000, being five per cent. (5%) of the latest audited consolidated NTA of the EEIC Group; or

(b) the transaction, when aggregated with other transactions entered into with the same Interested Person during the same financial year, is of a value equal to, or more than, US$19,899,000, save that the aggregation will exclude any transaction that has been approved by Shareholders previously, or is the subject of aggregation with another transaction that has been approved by Shareholders.

1.3.7 Part VIII of Chapter 9 provides that a listed company may seek a general mandate from its shareholders for recurrent Interested Person Transactions of a revenue or trading nature or those necessary for the 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. A general mandate granted by Shareholders is subject to annual renewal.

1.4 Overview of the EEIC Group and the Kingboard Group

1.4.1 Overview of the EEIC Group

The Company was incorporated in Singapore on 2 January 1993 and was listed on the SGX-ST on 5 September 1994 and on the HKEX on 8 July 2011. The EEIC Group is principally engaged in the design, development, manufacture and distribution of PCBs, and supplies a variety of PCBs products to a diverse customer base.

1.4.2 Overview of the Kingboard Group

Kingboard was incorporated in the Cayman Islands on 12 January 1993 and was listed on the HKEX on 8 October 1993. The Kingboard Group is principally engaged in the manufacture and sale of laminates, copper foil, glass fabric, glass yarn, bleached kraft paper, packing cartons, PCBs, chemicals, liquid crystal displays and magnetic products, and property development and investment. Laminates, copper foil, glass fabric, glass yarn and bleached kraft paper are key raw materials used in the manufacturing of PCBs, which is the principal activity of the EEIC Group.

1.5 Rationale and benefits of the IPT Mandate

1.5.1 Kingboard is the ultimate holding company of the Company. Kingboard acquired effective control of the EEIC Group through various investment holding entities on 25 November 2004. The Kingboard Group is principally engaged in the manufacture and sale of laminates, copper foil, glass fabric, glass yarn, bleached kraft paper, packing cartons, PCBs, chemicals, liquid crystal displays and magnetic products, and property development and investment. Laminates, copper foil, glass fabric, glass yarn and bleached kraft paper are key raw materials used in the manufacturing of PCBs, which is the principal activity of the EEIC Group. In addition, the Kingboard Group also acquires expertise in fabricating machineries and equipment used in the manufacturing of PCBs.

1.5.2 The EEIC Group is principally engaged in the design, development, manufacture and distribution of PCBs, and supplies a variety of PCB products to a diverse customer base. The EEIC Group, from time to time, purchases various machineries and equipment from the Kingboard Group in its ordinary and usual course of business.

1.5.3 Following the acquisition, by the Kingboard Group, of effective control of the EEIC Group on 25 November 2004, the EEIC Group would, in the ordinary course of business, enter into the Interested Person Transactions set out in Section 1.7 and with some degree of frequency.

1.5.4 With respect to the Purchase of Capital Equipment, the EEIC Group has been continuously expanding its PCB business and the Company anticipates that more Equipment for the manufacture of PCBs will be required to further expand the EEIC Group's business. Taking into account a range of factors including the reduction in transportation costs, the quality and the price of Equipment manufactured by the Kingboard Group for the production of the PCBs, the EEIC Group considers that purchases of Equipment under the NEPFA (as defined below) is necessary to facilitate its expansion plan and will improve the competitiveness, the quality and price of the PCBs manufactured by the EEIC Group. The EEIC Group has been purchasing Equipment from the Kingboard Group since 2011 and has developed a good business relationship with the Kingboard Group ever since. Based on its past experience in relation to purchasing from the Kingboard Group, the Company has been satisfied by the supply of good quality Equipment from the Kingboard Group. Furthermore, the Equipment has been delivered in a timely manner with competitive costs. One important advantage of purchasing from the Kingboard Group is that the Equipment is delivered to the EEIC Group's factory from the factory site of the Kingboard Group in the People's Republic of China, which would substantially lower the transportation costs compared to importing the Equipment from overseas. Additionally, the businesses of the EEIC Group and the Kingboard Group are complementary to each other. The Kingboard Group would have a better understanding of the nature of the EEIC Group's business and the specifications of the Equipment required for the production of PCBs.

1.5.5 With respect to the Purchase of Goods and Services, as mentioned above, the EEIC Group is engaged in the manufacture of PCBs and during the production process, materials such as copper foil, kraft paper, copper balls, laminates, glass fabric and prepreg are required. With respect to the Sale of Goods and Services, on the other hand, Kingboard requires materials and services including, but not limited to, green laminates and drill maintenance services as the key components to produce PCBs and laminates. Since each of the materials plays an important role in the course of production for both the EEIC Group and the Kingboard Group, the sale and purchase of materials are closely related. The whole production process will be distorted and delayed if any of the materials or components are in shortage. Therefore, a reliable source of the goods and services is crucial to maintain the smooth operations of both the EEIC Group and the Kingboard Group. Given the fact that the EEIC Group has established a solid business relationship with the Kingboard Group, both are familiar with each other's standards and specifications on the goods and services and are therefore able to respond quickly and achieve greater synergy when they provide goods and services to each other. Based on the above discussion, the EEIC Group considers that the Kingboard Group is a reliable business partner and such co-operation is beneficial to the business of the EEIC Group and the Kingboard Group.

1.5.6 The IPT Mandate will enhance the EEIC Group's ability to utilise the resources owned by the Interested Persons set out in Section 1.6 below, thereby enabling the EEIC Group to improve its response time and service to its customers. Further, as the businesses of the EEIC Group and the Interested Persons are complementary with each other, the Interested Persons have a better understanding (as compared with unrelated third parties) of the nature of the EEIC Group's business and Equipment requirements, and *vice versa*, and the EEIC Group and the Interested Persons are therefore able to achieve greater synergy when they provide goods and services to each other.

1.5.7 Further, the IPT Mandate will enable the EEIC Group to have access to competitive quotes from the Interested Persons set out in Section 1.6 below, in addition to obtaining quotes from, or transacting with, unrelated third parties. The EEIC Group will also benefit from the IPT Mandate in respect of the Purchase of Capital Equipment and the Purchase of Goods and Services as there will be a steady supply of capital Equipment and goods and services with quality assurance.

1.5.8 The Company obtained approval at the 2018 AGM for the Purchase of Capital Equipment from the Kingboard Group to be subject to the 2018 IPT Mandate because the Purchase of Capital Equipment is on a recurrent basis for, among others, the following reasons:

(a) Replacing the obsolete Equipment, such obsolescence being attributable to the usual wear and tear or technological advancements that have made the existing Equipment unable to produce the required product specification called for by the customers. The replacement cycle for such Equipment is also short, usually lasting for about one (1) year.

(b) Investment in newly invented Equipment as new product category orders are being placed by the customers, or more stringent quality control specifications would require new type of Equipment to be purchased from time to time.

(c) Capacity expansion of the existing manufacturing facilities would require new Equipment to be purchased.

(d) Setting up of new manufacturing plants by the EEIC Group in Yangzhou and/or in Kaiping or any other manufacturing sites would require investment in new Equipment.

1.5.9 The Company is also seeking for the Purchase of Goods and Services from, and the sale of goods and services to, the Kingboard Group to be subject to the proposed IPT Mandate because such purchase and sale of goods and services is on a recurrent basis, since this ensures a steady supply of goods and services for both the EEIC Group and the Kingboard Group on normal commercial terms.

1.5.10 The renewal of the 2018 IPT Mandate on an annual basis would eliminate the need for the Company to announce, or to announce and convene separate general meetings on each occasion to seek the Shareholders' prior approval, as and when potential recurrent Interested Person Transactions with a specific class of Interested Persons arise, thereby substantially reducing administrative expenses, time and inconvenience associated with the issuing of such announcements and/or the convening of such meetings, without compromising the corporate objectives of the Company and/or adversely affecting the business opportunities available to the EEIC Group. Accordingly, administrative efficiency would be considerably improved, allowing more resources and time to be focused on attaining corporate objectives and business opportunities.

1.6 Classes of Interested Persons

For the purpose of the IPT Mandate, the classes of Interested Persons are:

(a) Kingboard, and

(b) the Kingboard Group.

1.7 Nature and scope of Interested Person Transactions

1.7.1 The IPT Mandate will not apply to any transaction by a company in the EEIC Group with the classes of Interested Persons as specified in Section 1.6 above, that is below S$100,000 in value, as the threshold and aggregation requirements contained in Chapter 9 would not apply to such a transaction.

1.7.2 Interested Person Transactions that do not fall within the ambit of the IPT Mandate shall be subject to the relevant provisions of Chapter 9.

1.7.3 The IPT Mandate will apply to the following categories of transactions, which certain members of the EEIC Group are likely to enter into with the classes of Interested Persons set out in Section 1.6, above, in connection with the provision to, or obtaining from, the Interested Persons, of products and services in the normal course of the business or which are necessary for the day-to-day operations of the EEIC Group:

(a) The Purchase of Capital Equipment — the details of the Purchase of Capital Equipment, including the salient terms of the New Equipment Purchase Framework Agreement ("**NEPFA**") are set out in Section 1.7.4 below.

(b) The Purchase of Goods and Services — the details of the Purchase of Goods and Services, including the salient terms of the Master Sales and Purchases Agreement ("**MSPA**") are set out in Section 1.7.5 below.

(c) The Sale of Goods and Services — the details of the Sale of Goods and Services, including the salient terms of the MSPA are set out in Section 1.7.5 below.

1.7.4 The Purchase of Capital Equipment:

(a) Background:

On 7 November 2016, the Company and Kingboard had entered into the NEPFA, which set forth the terms and conditions in respect of the Purchase of Capital Equipment from the Kingboard Group by the EEIC Group.

The Company and Kingboard had previously entered into the Equipment Purchase Framework Agreement ("**EPFA**") dated 12 November 2013, which had a term of three (3) years, from 1 January 2014 to 31 December 2016.

(b) The salient terms of the NEPFA are as follows:

(i) Date of the NEPFA

7 November 2016.

(ii) Parties to the NEPFA

The parties to the NEPFA are the Company and Kingboard.

(iii) Scope of the NEPFA

The NEPFA comprises the general terms and conditions upon which any company within the EEIC Group may purchase Equipment from any company within the Kingboard Group. The EEIC Group and the Kingboard Group may from time to time enter into a specific purchase agreement or purchase order as concluded between any company within the Kingboard Group ("**Seller**") and any company within the EEIC Group ("**Buyer**") prior to the procurement transactions from time to time ("**SPA**") setting out the detailed terms for the purchase of the Equipment provided that such detailed terms shall not be inconsistent with the terms of the NEPFA.

The Kingboard Group will not be obligated to sell any prescribed quantity of Equipment or at any specific prices to the EEIC Group during the term of the NEPFA.

(iv) Term

The term of the NEPFA is for the duration of three (3) years from 1 January 2017 to 31 December 2019.

(v) Consideration

The prices at which the Equipment are to be supplied by the Seller to the Buyer shall be the market price mutually agreed between the Seller and the Buyer, or if the same is not available, a price which is not less favourable to the EEIC Group than the price at which the Kingboard Group supplies similar Equipment to independent third parties having regard to the quality, quantity and other conditions of the SPA or purchase order.

(vi) Terms of Payment

Unless otherwise agreed between the parties in the SPA, the payment terms shall be prescribed as follows: (a) a deposit of thirty per cent. (30%) of the purchase price payable upon execution of the SPA and purchase orders; (b) fifty per cent. (50%) of the purchase price will be due within one (1) month upon receipt of the Equipment by the EEIC Group; and (c) the balance of twenty per cent. (20%) of the purchase price

will be due within one (1) month following the certified acceptance of the Equipment as suitable for use. Payment terms for different type of Equipment categories may be subject to other progressive payment terms as mutually agreed between the parties from time to time.

(vii) Governing law

In relation to any disputes arising out of, or in connection with, the NEPFA, including, without limitation, any question regarding its existence, validity, performance and termination, the parties submitted irrevocably to the non-exclusive jurisdiction of the Hong Kong courts.

The NEPFA shall be governed by, and construed in accordance with, the laws of Hong Kong.

1.7.5 The Purchase of Goods and Services and Sale of Goods and Services

(a) Background:

On 7 November 2016, the Company and Kingboard had entered into the MSPA, which set forth the terms and conditions in respect of the Purchase of Goods and Services from the Kingboard Group by the EEIC Group, and the Sale of Goods and Services from the EEIC Group to the Kingboard Group.

(b) The salient terms of the MSPA are as follows:

(i) Date of the MSPA

7 November 2016.

(ii) Parties to the MSPA

The parties to the MSPA are the Company and Kingboard.

(iii) Scope of the MSPA

The MSPA comprises the general terms and conditions upon which any company within the Kingboard Group may purchase the goods and/or services from any company within the EEIC Group and *vice versa*.

The relevant party/parties may, from time to time, enter into a specific purchase agreement or purchase order as concluded between the relevant party/parties prior to procurement transactions ("**SP**") setting out the detailed terms for the purchase of the goods and/or services provided that such detailed terms shall not be inconsistent with the terms of the MSPA.

The Kingboard Group will not be obligated to sell or purchase any prescribed quantity of goods and/or services at any specific prices to or from, as the case may be, the EEIC Group, and the EEIC Group will not be obligated to sell or purchase any prescribed quantity of goods and/or services or at any specific prices to or from, as the case may be, the Kingboard Group during the term of the MSPA.

(iv) Purchase of Goods and Services from the Kingboard Group by the EEIC Group

Aluminium sheets, carton boxes, chemicals, copper foil, kraft paper, copper ball, drill bits, laminates, prepreg, glass fibre, epoxy, glacial acetic acid, phenolic board, back-up board, punch mould, dry film, fixture and spare parts, printed materials, copper foil scrap, drilling services, routing services, electroless nickel and immersion gold, lead free hot air solder levelling, gold plating services, innerlayer services, value-added sub-contract services relating to PCB manufacturing, microdrilling services for PCB and other services which are incidental to, or in connection with, the provision of the services outlined above and as mutually agreed in writing by the Kingboard Group and the EEIC Group, from time to time.

(v) Sale of Goods and Services from the EEIC Group to the Kingboard Group

PCBs, process sub-contracting services, soldermask or marking ink, repair of drill spindle services, prepreg, laminates and any other value-added sub-contract services relating to PCB manufacturing, microdrilling services for PCBs and other services which are incidental to, or in connection with, the provision of the services outlined above and as mutually agreed in writing by the Kingboard Group and the EEIC Group, from time to time.

(vi) Term

The term of the MSPA is for the duration of three (3) years from 1 January 2017 to 31 December 2019.

(vii) Consideration

The prices at which the goods and/or services are to be supplied by the relevant party to the other party shall be the market price, or if the same is not available, a price which is not less favourable to the EEIC Group or the Kingboard Group (as the case may be) than the price at which the relevant party supplies similar goods and/or services to/from independent third parties having regard to the quality, quantity and other conditions of the purchase.

(viii) Terms of Payment

Unless otherwise agreed between the parties to the SP, payment shall be made within 90 days after month-end settlement from the date when the goods and/or services are received by the relevant party. Payment terms for different types of product categories may be subject to shorter payment terms as mutually agreed between the parties, but shall not be more than 120 days.

(ix) Governing law

In relation to any disputes arising out of, or in connection with, the MSPA, including, without limitation, any question regarding its existence, validity, performance and termination, the parties submitted irrevocably to the non-exclusive jurisdiction of the Hong Kong courts.

The MSPA shall be governed by, and construed in accordance with, the laws of Hong Kong.

1.8 Review Procedures for Interested Person Transactions

1.8.1 To ensure that the Interested Person Transactions are carried out on an arm's length basis, on normal commercial terms consistent with the EEIC Group's usual business practices and policies, and will not be prejudicial to the interests of the Company and its minority Shareholders, the Company has implemented a set of procedures for the review and approval of Interested Person Transactions under the IPT Mandate. The following paragraphs (a) and (b) of this Section 1.8.1 only refers to the Kingboard Group, as the classes of Interested Persons, with respect to the IPT Mandate, comprises only of the Kingboard Group (i.e. Kingboard, its Subsidiaries and Associated Companies).

(a) Purchase of Capital Equipment

Whenever the EEIC Group intends to purchase Equipment, in order to determine if the prices offered by the Kingboard Group are comparable to, or not less favourable than, prices offered by independent third parties, the procurement department will firstly inform the potential suppliers (including the Kingboard Group) of the amount and type of intended purchase and technical requirements of such purchase, and the operations department will then assess and evaluate the technical capabilities of such suppliers and the related quotations. The Company will ask for quotations from at least two (2) independent suppliers, which are able to meet the technical requirements of the EEIC Group of comparable scale, pursuant to which such Equipment were supplied under normal trading conditions, and reported to the senior management accordingly.

Following receipt of the quotations, the Company will compare and negotiate the price and terms of the quotation on an arm's length basis. In determining the supplier, the relevant purchase department will take into account, among other factors, price quotations, quality and quantity of the Equipment, technical capabilities, qualification and experience of the suppliers, brand name of the Equipment, ability in meeting delivery schedules and delivering the Equipment continuously. As part of the internal requirement, the relevant procurement personnel and/or the director-in-charge of the relevant operating subsidiary, as the case may be, will review the purchase proposal before making the final purchase decision.

In the event that there are no comparable quotations and transactions, the Company may request for price quotations for Equipment of similar specifications and terms offered by the Kingboard Group to its independent customers, for the Company's reference purposes, and will seek to obtain the market information through various channels (such as industry-related websites or other public domains), where applicable.

(b) Purchase and Sale of Goods and Services

Whenever the EEIC Group intends to obtain or provide goods and/or services, the prices offered by the Kingboard Group in respect of the EEIC Group's procurement of goods and/or services, or the prices offered to the Kingboard Group in respect of the EEIC Group's provision of goods and/or services (as the case may be), must be comparable to or not less favourable than, prices offered by independent third party suppliers and prices offered to independent third party customers (as the case may be).

In respect of procurement, the procurement department will inform the potential suppliers (including the Kingboard Group) of the amount and type of intended procurement and ask for quotations from at least two (2) independent third party suppliers of comparable scale, where such goods and/or services were supplied under normal trading conditions, and report to the senior management accordingly. In respect of sales, the sales department will consider two (2) comparable transactions with independent customers, where applicable, and report to the senior management accordingly.

As part of the internal requirement, the relevant sales personnel and/or the director-in-charge of the relevant operating subsidiary, as the case may be, will review purchase orders from the Kingboard Group and compare them against two (2) comparable transactions with independent customers of the EEIC Group. The historical price of comparable transactions shall be taken into account. As such, the terms offered to the Kingboard Group in respect of the sales of goods and/or provision of services to the Kingboard Group will be comparable to, or not more favourable than, what would be offered to an independent customer of the EEIC Group.

For the EEIC Group's procurement, following receipt of quotations, the Company will compare and negotiate the price and terms of quotations on an arm's length basis. In determining the supplier, the relevant procurement department will take into account, among other factors, price quotations, quality and quantity of the goods and/or services, technical capabilities, qualification and experience of the suppliers/service providers, ability in meeting delivery schedules and in delivering/providing the goods and/or services continuously. As part of the internal requirement, the relevant procurement personnel and/or the director-in-charge of the relevant operating subsidiary, as the case may be, will review the purchase proposal before making the final procurement decision. The relevant procurement personnel will also evaluate the comparable suppliers (including the Kingboard Group) on a regular basis by adopting a merit-based system in monitoring the product/service quality, pricing and other major terms with a view to facilitating the Company in making any procurement decision of similar nature from time to time.

In the event that there are no comparable quotations and transactions for procurement, the Company may request for price quotations for goods or services of similar specifications and terms, offered by the Kingboard Group to its independent customers, for the Company's reference purposes, where applicable. In the case of procurement or sales, if there are no comparable quotations and transactions, the Company will seek to obtain the market information through various channels (such as industry-related websites or other public domains), where applicable.

1.8.2 Further to Section 1.8.1 above, prior approval from the Audit Committee must be obtained before:

(a) any proposed per unit purchase of the Equipment under the NEPFA equal to or exceeding US$3,000,000 (which represents 0.75% of the latest NTA of the EEIC Group) in value is entered into; and

(b) any other proposed single Interested Person Transaction (except for the Purchase of Capital Equipment) equal to or exceeding S$3,000,000 (which represents 0.56% of the latest NTA of the EEIC Group) in value is entered into.

Any decision made by the Audit Committee with regard to such transactions must be approved by the majority of its members.

1.8.3 In addition to the review procedures set out in Sections 1.8.1 and 1.8.2 above, the following procedures will also be implemented:

(a) The Company will maintain a register of Interested Person Transactions (which will include transactions below S$100,000) carried out pursuant to the IPT Mandate (recording the basis on which they are entered into, including quotations and/or offers obtained (if any) to support such basis).

(b) The annual audit plan shall incorporate a review of all Interested Person Transactions entered into pursuant to the IPT Mandate.

(c) The Audit Committee may, as it deems fit, request for additional information pertaining to any Interested Person Transaction under review from independent sources or advisers.

(d) Further to the above, where any Director has an interest (direct or indirect) in any Interested Person Transaction, such Director (or his alternate, where appropriate) shall abstain from voting on the matter. Where any member of the Audit Committee has an interest in any Interested Person Transaction, that member shall abstain from participating in the review and approval process in relation to that Interested Person Transaction.

(e) The Audit Committee will carry out periodic reviews (not less than twice a year) to ascertain that the established review procedures, as set out above, in respect of the IPT Mandate have been complied with, and whether the review procedures remain appropriate and continue to be able to ensure that the transactions will be carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders. If, during their periodic reviews, the Audit Committee is of the view that the established guidelines and procedures are inappropriate or are not sufficient to ensure that the Interested Person Transactions are conducted on an arm's length basis, and may be prejudicial to the interests of the Company and its minority Shareholders, the Company will obtain a fresh mandate from Shareholders based on new review procedures and guidelines for Interested Person Transactions. In the meantime, all Interested Person Transactions are to be approved by the Audit Committee.

(f) The Company will report all Interested Person Transactions to the Audit Committee. The Audit Committee will review and ratify all Interested Person Transactions on a half-yearly basis. In the event of ambiguity as to whether a transaction or transactions would fall within the IPT Mandate, the Company will consult the Audit Committee prior to entering into such transactions.

IMPORTANT: Notwithstanding the IPT Mandate, the Company shall comply with the applicable requirements concerning "connected transactions" under Chapter 14A of the HK Listing Rules for all its connected transactions from time to time. The Company has applied to HKEX for, and HKEX has granted waivers, in relation to the transactions covered by the IPT Mandate, as such transactions are regarded as "connected transactions" under Chapter 14A of the HK Listing Rules. Please refer to the listing document issued by the Company on 30 June 2011 for further details of the waivers. For the avoidance of doubt, for transactions not covered by the IPT Mandate which constitute connected transactions for the Company under Chapter 14A of the HK Listing Rules, the Company shall also comply with all requirements applicable to such transactions under the HK Listing Rules.

1.9 Validity period of the IPT Mandate

If the Shareholders approve Ordinary Resolution 9 as set out in the notice of the 2019 AGM, at the 2019 AGM, the IPT Mandate will take effect immediately after the passing of Ordinary Resolution 9, and will (unless revoked or varied by the Company in general meeting) continue to be in force until the next AGM. Approval from Shareholders will be sought for the renewal of the IPT Mandate at each subsequent AGM, subject to satisfactory review by the Audit Committee of its continued application to Interested Person Transactions.

1.10 Disclosure in Financial Statements and Annual Report

Pursuant to Chapter 9, the Company will:

(a) disclose in the Company's annual report, the aggregate value of transactions conducted pursuant to the IPT Mandate during the financial year under review and set out the following details:

(i) name of the Interested Person;

(ii) aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than S$100,000 in value and transactions conducted under the IPT Mandate);

(iii) aggregate value of all Interested Person Transactions conducted under the IPT Mandate (excluding transactions less than S$100,000 in value); and

(b) announce the aggregate value of transactions conducted pursuant to the IPT Mandate for the financial periods that it is required to report on, pursuant to Rule 705 of the Listing Manual, in its financial statements within the time required for the announcement of such report. The disclosure will also contain the details set out in Section 1.10(a) above.

1.11 Statement from the Audit Committee

The Audit Committee (currently comprising Mr. Stanley Chung Wai Cheong, Mr. Ong Shen Chieh and Mr. Kong Tze Wing) having considered, among others, the review procedures for the IPT Mandate as proposed to be renewed, confirms that: (1) the review procedures for determining the transaction prices have not changed since the last Shareholder approval was obtained, at the 2018 AGM, for the renewal of the IPT Mandate; and (2) the review procedures for the Interested Person Transactions as set out in Section 1.8 of this Appendix B, as well as the periodic reviews to be made by the Audit Committee in relation thereto, are sufficient to ensure that the Interested Persons Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

1.12 Abstention from Voting

The following persons, by virtue of their interests in the IPT Mandate, will abstain, and have undertaken to ensure that their Associates will abstain, from voting on Ordinary Resolution 9 as set out in the notice of the 2019 AGM to be proposed at the 2019 AGM:

(a) Kingboard;

(b) EEIH, Elitelink Holdings Limited and Kingboard Investments Limited (by virtue of these entities being Subsidiaries of Kingboard); and

(c) Ms. Stephanie Cheung Wai Lin, Mr. Cheung Kwok Wing and Mr. Chang Wing Yiu (by virtue of each of these persons being a director of Kingboard, EEIH or both Kingboard and EEIH).

Elec & Eltek International Company Limited
依利安達集團有限公司*

(Incorporated in the Republic of Singapore with Limited Liability)

Singapore Company Registration Number: 199300005H

(Hong Kong Stock Code: 1151)

(Singapore Stock Code: E16.SI)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Elec & Eltek International Company Limited (the "**Company**") will be held on 26 April 2019: (a) in Hong Kong, at Board Room, 23/F, Delta House, 3 On Yiu Street, Shek Mun, Shatin, New Territories, Hong Kong (for Hong Kong Shareholders); and (b) in Singapore, *via* video-conferencing at Conference Room, Wangz Business Centre, The Penthouse, 7 Temasek Boulevard, #44-01 Suntec Tower 1, Singapore 038987 (for Singapore Shareholders) at 10:00 a.m. to transact the following ordinary and special businesses:

ORDINARY BUSINESSES:

1. To receive and adopt the Directors' Report and the Audited Accounts of the Company for the financial year ended 31 December 2018 with the Auditors' Report thereon.

   (Ordinary Resolution 1)

2. To declare a one-tier tax exempt final dividend of US4.0 cents per share for the financial year ended 31 December 2018.

   (Ordinary Resolution 2)

3. To re-elect the following Directors retiring pursuant to Articles 95(2) and 95(4) of the Articles of Association of the Company (the "**Articles**"):

   Non-Executive Director

   Mr. Cheung Kwok Wing [see Note 2 below]

   (Ordinary Resolution 3)

* *For identification purposes only*

Executive Director

Ms. Stephanie Cheung Wai Lin [see Note 3 below]

(Ordinary Resolution 4)

4. To approve Directors' fees of HK$360,000 for the financial year ending 31 December 2019 [see Note 4 below].

(Ordinary Resolution 5)

5. To re-appoint Deloitte & Touche LLP as Auditors of the Company and authorise the Directors to fix their remuneration.

(Ordinary Resolution 6)

SPECIAL BUSINESSES:

6. To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modification:

6.1 The Proposed Renewal of the Share Issue Mandate

That pursuant to Section 161 of the Companies Act (Chapter 50 of Singapore Statutes) (the "**Act**"), Rule 806 of the Listing Manual of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong (the "**HK Listing Rules**"), authority be and is hereby given to the Directors to:

(a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company ("**Shares**") and to make or grant offers, agreements and options (including, but not limited to, bonds, warrants and debentures convertible into Shares of the Company), which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including, but not limited to, bonds, warrants and debentures convertible into Shares of the Company), which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of the Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), of this resolution, shall not exceed fifty per cent. (50%) of the total number of issued shares in the capital of the Company (excluding Treasury Shares and subsidiary holdings, if any), of which the aggregate number of Shares to be issued other than on a *pro-rata* basis to existing shareholders of the Company

("**Shareholders**") shall not exceed twenty per cent. (20%) of the aggregate nominal amount of the issued share capital of the Company (excluding Treasury Shares and subsidiary holdings, if any) as at the date of passing of the resolution and the approval in paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purpose of this resolution, "**Relevant Period**" means the period from the passing of the resolution until the earliest of:

(i) the conclusion of the next AGM;

(ii) the expiration of the period within which the next AGM is required, by the Articles or any applicable laws, to be held; and

(iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

(Ordinary Resolution 7)

6.2 The Proposed Renewal of the Share Purchase Mandate

That:

(a) for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of all the powers of the Company to purchase, or otherwise acquire, issued Shares of the Company not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors, from time to time, up to the Maximum Price (as hereinafter defined), whether by way of:

(i) off-market purchases (each an "**Off-Market Share Purchase**") effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act; and/or

(ii) on-market purchases (each an "**On-Market Share Purchase**") on the SGX-ST and/or The Stock Exchange of Hong Kong Limited (the "**HKEX**"), through the ready markets, through one or more duly licensed stock brokers appointed by the Company for such purpose,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST, the Singapore Code on Take-overs and Mergers, the HK Listing Rules, the Code on Share Buy-backs of Hong Kong, and the Code on Takeovers and Mergers of Hong Kong, as may for the time being, be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

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

(i) the date on which the next annual general meeting ("**AGM**") is held, or required, by law or the Articles, to be held; or

(ii) the date on which the purchase of Shares by the Company, pursuant to the Share Purchase Mandate, is carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in general meeting;

(c) for the purpose of this resolution:

"**Prescribed Limit**" means ten per cent. (10%) of the issued share capital of the Company as at the date of the passing of this resolution; and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price (as hereinafter defined); and

(ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price,

where:

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

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

(Ordinary Resolution 8)

6.3 The Proposed Renewal of the Interested Person Transactions Mandate

That:

(a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the SGX-ST, for the Company, its Subsidiaries and Associated Companies, or any of them, to enter into any transactions falling within the types of Interested Person Transactions, particulars of which are set out in the Circular to Shareholders dated 25 March 2019 (the "**Circular**"), with any person who falls within the class of Interested Persons described in the Circular, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for Interested Person Transactions as set out in Appendix B to the Circular (the "**IPT Mandate**");

(b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the next AGM is held, or is required by law, or the Articles, to be held;

(c) the Audit Committee of the board of Directors of the Company, be and is hereby authorised, to take such action as it deems proper, in respect of procedures, and/or to modify or implement such procedures as may be necessary, to take into consideration any amendment to Chapter 9 of the Listing Manual which may be prescribed by SGX-ST from time to time, and any amendment to the HK Listing Rules which may be prescribed by the HKEX from time to time; and

(d) the Directors, be and are hereby authorised, to do all such acts and things (including, without limitation, executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this resolution.

(Ordinary Resolution 9)

By Order of the Board

Marian Ho Wui Mee
Company Secretary

25 March 2019

Notes:

1. Terms and expressions not defined herein shall have the same meanings ascribed to them in the Circular to the Shareholders dated 25 March 2019.

2. Mr. Cheung Kwok Wing, upon re-election as a non-executive Director, will remain as Chairman of the Board and a member of the Employees' Share Option Scheme Committee of the Board.

3. Ms. Stephanie Cheung Wai Lin, upon re-election as an executive Director, will remain as Vice-Chairman of the Board.

4. For the financial year ended 31 December 2018, the approved Directors' fee was HK$360,000.

5. In accordance with Section 76C of the Act, the sources of funds to be used for the Share Purchase and the financial effects that the Share Purchase would have on the Company are stated under Sections 4.6 and 4.7 respectively, from pages 18 to 23 of the Circular.

6. A member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the AGM is entitled to appoint one (1) proxy or two (2) proxies (or in the case of a corporation, appoint its authorised representative or proxy) to attend and vote on his behalf. Such proxy(ies) need not be a member of the Company.

7. A Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by him/her (which number and class of Shares shall be specified.)

8. Whether or not you intend to attend the meeting, you are requested to complete the accompanying Proxy Form in accordance with the instructions printed thereon and return it to the registered office of the Company at 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624 (for Singapore Shareholders) or the office of the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong) (for Hong Kong Shareholders) as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof in order for the proxy to be entitled to attend and vote at the AGM. Completion and return of the Proxy Form will not preclude you from attending and voting in person at the meeting if you so wish and, in such event, the Proxy Form shall be deemed to be revoked.

* A Relevant Intermediary is:

   (a) a banking corporation licensed under the Banking Act (Chapter 19 of Singapore Statutes) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289 of Singapore Statutes) and who holds Shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36 of Singapore Statutes) (the "**CPF Act**"), in respect of Shares purchased under the subsidiary legislation made under the CPF Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those Shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy:

By submitting a Proxy Form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the collection, use and/or disclosure of the member's personal

data by the Company (or its agents or service providers) for the purposes of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that, where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; (iii) agrees to provide the Company with written evidence of such prior consent upon reasonable request; and (iv) agrees to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and/or damages as a results of the member's breach of warranty.

NOTICE OF BOOK CLOSURE IN RESPECT OF SHAREHOLDERS' ENTITLEMENT TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING

With respect to Singapore Shareholders, the Singapore principal share transfer books and the Singapore principal register of members of the Company will be closed 72 hours before the start of the AGM to be held on 26 April 2019 ("**2019 AGM**"), from 23 April 2019 to 26 April 2019, during which period no transfer of Shares held by any Singapore Shareholder will be registered, for the purpose of determining the identity of the Shareholders who are entitled to attend and vote at the 2019 AGM. With respect to Hong Kong Shareholders, the Hong Kong share transfer books and the Hong Kong branch register of members of the Company will be closed before the start of the 2019 AGM, from 18 April 2019 to 26 April 2019, during which period no transfer of Shares held by any Hong Kong Shareholder will be registered.

In order to attend and vote at the 2019 AGM, the Shareholders are reminded to ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's principal share registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders) no later than 5:00 p.m. on 22 April 2019, or with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for Hong Kong Shareholders) no later than 4:30 p.m. on 17 April 2019.

For the purpose of determination of Shareholders registered under the Singapore principal register of members of the Company and the Hong Kong branch register of members of the Company, all necessary documents, remittances accompanied by the relevant share certificates in respect of removal of Shares between the two (2) registers of members, must be submitted no later than 5:00 p.m. and 4:30 p.m. on 1 April 2019 to the Company's Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders), and the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for Hong Kong Shareholders), respectively.

NOTICE OF BOOK CLOSURE IN RESPECT OF SHAREHOLDERS' ENTITLEMENT TO FINAL DIVIDEND AND FINAL DIVIDEND PAYMENT DATE

The Singapore principal share transfer books, Singapore principal register of members of the Company and the Hong Kong share transfer books and Hong Kong branch register of members of the Company will be closed on 10 May 2019, on which day no transfer of Shares will be registered, for the purpose of determining the entitlements for the final dividend. In order to qualify for the final dividend, the Shareholders are reminded to ensure that all transfer documents accompanied by the relevant share certificates, must be lodged with the Company's principal share registrar in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders), no later than 5:00 p.m. on 9 May 2019, or with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for Hong Kong Shareholders) no later than 4:30 p.m. on 9 May 2019.

For the purpose of determination of Shareholders registered under the Singapore principal register of members and the Hong Kong branch register of members of the Company, all necessary documents, remittances accompanied by the relevant share certificates in respect of removal of Shares between the two (2) register of members, must be submitted no later than 5:00 p.m. and 4:30 p.m. on 30 April 2019 to the Company's Singapore principal share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (for Singapore Shareholders) and the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for Hong Kong Shareholders), respectively.

The proposed final dividend which shall be subject to Shareholders' approval at the forthcoming AGM to be held 26 April 2019, is payable on 24 May 2019 in US$ to Shareholders whose names appear on the Singapore principal register of members and the Hong Kong branch register of members of the Company at the close of business on 9 May 2019. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with Shares as at 5:00 p.m. on 9 May 2019 will be entitled to such proposed dividend.