

SAPPHIRE CORPORATION LIMITED

Company Registration No. 198502465W

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty First Annual General Meeting of **SAPPHIRE CORPORATION LIMITED** (the "**Company**") will be held at 55 Market Street, #03-01, Singapore 048941 on Wednesday, 26 April 2017 at 11 a.m. for the following purposes:

AS ORDINARY BUSINESS

- To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the year ended 31 December 2016 together with the Reports of the Auditors thereon. **(Resolution 1)**
- To approve the payment of Directors' fees of \$256,820 for the year ended 31 December 2016 (2015: \$255,710) comprising:
 - \$166,210 to be paid in cash; and
 - \$90,610 to be paid in the form of share awards under the Sapphire Shares Award Scheme, with any residual balance to be paid in cash. **(Resolution 2)**

[See Explanatory Note (i)]
- To re-elect Mr Duan Yang, Julien who retires pursuant to Regulation 88 of the Company's Constitution and who, being eligible, offers himself for re-election. **(Resolution 3)**

[See Explanatory Note (ii)]

 - To re-elect Mr Lim Jun Xiong, Steven who retires pursuant to Regulation 89 of the Company's Constitution and who, being eligible, offers himself for re-election. **(Resolution 4)**

[See Explanatory Note (iii)]

 - To re-elect Mr Fong Heng Boo who retires pursuant to Regulation 89 of the Company's Constitution and who, being eligible, offers himself for re-election. **(Resolution 5)**

[See Explanatory Note (iv)]

 - To note the retirement of Mr Teo Cheng Kwee, retiring pursuant to Regulation 89 of the Company's Constitution and who has decided not to stand for re-election. **(Resolution 6)**
- To re-appoint KPMG LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**
- To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

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

- Authority to allot and issue shares in the capital of the Company ("**Shares**") – Share Issue Mandate
 "That, pursuant to Section 161 of the Companies Act, Chapter 50 (the "**Act**") and Rule 806 of the Listing Manual (the "**Listing Manual**") of the SGX-ST, authority be and is hereby given to the Directors of the Company to:
 - allot and issue shares in the capital of the Company (the "**Shares**") (whether by way of rights, bonus or otherwise); and/or
 - make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require the Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company shall in their absolute discretion deem fit; and
 - (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:
 - the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) and convertible securities to be issued pursuant to this Resolution shall not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and convertible securities to be issued other than on a pro-rata basis to the shareholders of the Company shall not exceed twenty percent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as at the time of passing of this Resolution);
 - (subject to such calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of Shares and convertible securities that may be issued under sub-paragraph (1) above on a pro-rata basis, the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - new Shares arising from the conversion or exercise of convertible securities;
 - new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the rules of the Listing Manual of the SGX-ST; and
 - any subsequent bonus issue, consolidation or subdivision of Shares.
 - in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST as amended from time to time (unless such compliance has been waived by the SGX-ST) and the Constitution; and
 - unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting is required by law to be held, whichever is the earlier."

[See Explanatory Note (v)] **(Resolution 7)**
 - Authority to Grant Awards and Issue Shares under the Sapphire Shares Award Scheme
 "That in accordance with the provisions of the Sapphire Shares Award Scheme ("**Scheme**") and pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, the Directors of the Company be and are hereby authorised to grant awards ("**Awards**") and allot and issue from time to time such number of shares in the capital of the Company as may be required to be allotted and issued pursuant to the vesting of Awards under the Scheme, provided that the aggregate number of new shares to be allotted and issued pursuant to the Scheme and any other shares based schemes of the Company shall not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time."

[See Explanatory Note (vi)] **(Resolution 8)**
 - To transact any other business that may be transacted at an Annual General Meeting of which due notice shall have been given.

By Order of the Board

Gwendolyn Gn Jong Yuh
 Company Secretary
 Singapore, 11 April 2017

NOTES:

- Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting where a member appoints more than one (1) proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.
- A member who is a Relevant Intermediary (as defined in Section 181(1c) of the Act, is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM. A proxy need not be a member of the Company.
- The form of proxy in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- If the form of proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit.
- If no name is inserted in the name of your proxy on the form of proxy, the Chairman of the Annual General Meeting will act as your proxy.
- The form of proxy or other instruments of appointment shall not be treated as valid unless deposited at the Share Registrar's office at 80 Robinson Road, #11-02, Singapore 068898 not less than 72 hours before the time appointed for holding the meeting and at any adjournment thereof.
- For depositors holding their shares through The Registrar of Companies (Pte) Limited in Singapore, the depositor proxy form, duly completed, must be deposited by the depositor(s) at the Share Registrar's office at 80 Robinson Road, #11-02, Singapore 068898 not less than 72 hours before the commencement of the Annual General Meeting.

PERSONAL DATA PRIVACY

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

Explanatory Notes:

- The Ordinary Resolution 2 proposed in item 2 above, if passed, will empower the Directors, to pay the Directors' fees of \$256,820 for the financial year ended 31 December 2016 comprising a combination of cash and shares. If approved, the aggregate amount of Directors' fees of \$256,820 will be paid as to \$166,210 in cash, and \$90,610 in the form of share awards under the Scheme with any residual balance to be paid in cash. The actual number of shares to be awarded will be rounded down to the nearest share, and any residual balance settled in cash.
- Further to the re-election of Mr Duan Yang, Julien pursuant to Ordinary Resolution 3, he will continue to serve as a member of the Audit and Risk Committee and a member of the Remuneration Committee of the Company and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").
- Further to the re-election of Mr Lim Jun Xiong, Steven pursuant to Ordinary Resolution 4, he will continue to serve as Chairman of the Board, Chairman of the Nominating Committee, a member of the Audit and Risk Committee and a member of the Remuneration Committee of the Company and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.
- Further to the re-election of Mr Fong Heng Boo pursuant to Ordinary Resolution 5, he will continue to serve as Chairman of the Audit and Risk Committee, member of the Nominating Committee and member of the Remuneration Committee of the Company and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.
- The Ordinary Resolution 7 proposed in item 6 above, if passed, will empower the Directors of the Company to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such instruments, up to a number not exceeding, in total, 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution 7 is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

- The Ordinary Resolution 8 proposed in item 7 above, if passed, will empower the Directors of the Company, to grant Awards pursuant to the Scheme and allot and issue shares pursuant to the vesting of the Awards under the Scheme. The Scheme was approved by the shareholders of the Company in the extraordinary general meeting on 25 April 2008. Please refer to the Circular dated 9 April 2008 for further details.