



## Singapore eDevelopment Limited

(Incorporated in the Republic of Singapore)  
(Company Registration Number 200916763W)

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### THE COMPANY'S RESPONSES TO QUERIES RAISED BY THE SGX-ST ON THE ANNOUNCEMENT MADE BY THE COMPANY ON 6 JULY 2020

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The Board of Directors (the “**Board**”) of Singapore eDevelopment Limited (the “**Company**”) refers to the announcement made by the Company on 6 July 2020 in relation to:

- (a) the corrigendum to the announcement made by the Company on 28 November 2017 relating to the appointment of Dr Lam Lee G. (“**Dr Lam**”) as the Non-Executive Vice Chairman and a Non-Executive Director of the Company (the “**28 November 2017 Appointment Announcement**”); and
- (b) the corrigendum to the annual report issued by the Company on 29 May 2020 for the financial year ended 31 December 2019 (the “**FY2019 Annual Report**”).

The Board sets out below the Company’s and the Sponsor’s responses to queries raised by the SGX-ST on the announcement made by the Company on 6 July 2020.

#### **SGX Preamble**

*I refer to the Corrigendums issued by Singapore eDevelopment (“SED”) in respect of the following announcements:*

- (i) Appointment of Dr. Lam and response to qn (b) of Appendix 7F in announcement dd 28 Nov 2017; and*
- (ii) Re-election of Dr. Lam and response to qn (b) of Appendix 7F in FY2019 Annual Report announced on 29 May 2020.*

*The Corrigendums included new information on Dr Lam’s past directorships in 2 companies which were wound up.*

### **SGX Query 1**

1. *Given that the information provided for in the FY2019 Annual Report announced on 29 May 2020 is for the purpose of re-electing Dr. Lam at the AGM which was held on 26 Jun 2020, please explain on the following:*

- (a) What is NC's views as to whether the omission of information provided in the Corrigendum would affect shareholders' assessment of the suitability of Dr. Lam to be re-elected as a director of the Company, and why?*
- (b) What is the Board's views as to whether shareholders were given sufficient, complete and accurate information to approve the election of Dr. Law as a director at the AGMs held on 30 Apr 2018 and 26 Jun 2020?*
- (c) How did the Company and Sponsor find out about the need to correct the information disclosed in the above announcements? When was the Company first aware of the omission of information?*

### **The Company's Responses to SGX Query 1**

- (a) The Nominating Committee is of the view that the omission of information on Dr Lam's past directorships in two companies which were wound up in the FY2019 Annual Report is not a material factor in determining the suitability of Dr Lam to be re-appointed as a director of the Company because Dr Lam served as an independent non-executive director of, and did not perform any executive role for, the two companies which were wound up.

In addition, the Nominating Committee is of the view that the omission of information on Dr Lam's past directorships in two companies which were wound up in the FY2019 Annual Report would not affect the results of the poll on the resolution relating to the re-appointment of Dr Lam as a director of the Company at the annual general meeting of the Company held on 26 June 2020 (the "**FY2019 AGM**") – the resolution relating to the re-appointment of Dr Lam as a director of the Company at the FY2019 AGM would still had been carried even if all shares (other than shares held by Mr Chan Heng Fai ("**Mr Chan**") and his associates) which voted on the said resolution had voted against the said resolution.

- (i) The Nominating Committee noted that there were 974,502,123 shares voting for and 20,000 shares voting against the resolution relating to the re-appointment of Dr Lam as a director of the Company at the FY2019 AGM, representing approximately 99.99% and 0.01% of the total number of shares voting for and against the said resolution respectively.
- (ii) The Nominating Committee further noted that Mr Chan and his associates contributed to 885,988,923 shares out of the 974,502,123 shares voting for the resolution relating to the re-appointment of Dr Lam as a director of the Company at the FY2019 AGM.
- (iii) Mr Chan and his associates have confirmed to the Nominating Committee that they would still have voted for the resolution relating to the re-appointment of Dr Lam as a director of the Company at the FY2019 AGM had the information on Dr Lam's past directorships in two companies which were wound up been disclosed in the FY2019 Annual Report.

- (iv) Mr Chan and his associates shared with the Nominating Committee that the omission of information on Dr Lam's past directorships in two companies which were wound up in the FY2019 Annual Report was not a material factor considered by them when deciding whether to vote for or against the resolution relating to the re-appointment of Dr Lam as a director of the Company at the FY2019 AGM and that they concur with the Nominating Committee's view that the omission of information on Dr Lam's past directorships in two companies which were wound up in the FY2019 Annual Report is not a material factor in determining the suitability of Dr Lam to be re-appointed as a director of the Company because Dr Lam served as an independent non-executive director of, and did not perform any executive role for, the two companies which were wound up.
- (b) The Board respectfully submits that Catalist Rule 720(5) which requires, *inter alia*, the issuer to provide information relating to the candidate as set out in Appendix 7F of the Catalist Rules in the annual report was introduced with effect from 1 January 2019. Accordingly, the Board is of the view that the Company was not required to disclose information relating to Dr Lam as set out in Appendix 7F of the Catalist Rules (including information on Dr Lam's past directorships in two companies which were wound up) in the annual report issued by the Company on 12 April 2018 for the financial year ended 31 December 2017.

The Board acknowledges the omission of information on Dr Lam's past directorships in two companies which were wound up in the FY2019 Annual Report. Nevertheless, the Board concurs with the Nominating Committee's view that the omission of such information is not a material factor in determining the suitability of Dr Lam to be re-appointed as a director of the Company because Dr Lam served as an independent non-executive director of, and did not perform any executive role for, the two companies which were wound up.

The Board also concurs with the Nominating Committee's view that the omission of information on Dr Lam's past directorships in two companies which were wound up in the FY2019 Annual Report would not affect the results of the poll on the resolution relating to the re-appointment of Dr Lam as a director of the Company at the FY2019 AGM. The Board is of the view that the omission of such information does not appear to prejudice minority shareholders of the Company given that the resolution relating to the re-appointment of Dr Lam as a director of the Company at the FY2019 AGM would still have been carried even if all shares (other than shares held by Mr Chan and his associates) which voted on the said resolution had voted against the said resolution.

Notwithstanding the foregoing, the Board has decided to make arrangements to convene an extraordinary general meeting of the Company to allow shareholders of the Company to re-vote on the resolution relating to the re-appointment of Dr Lam as a director of the Company. A circular containing relevant information relating to the re-appointment of Dr Lam as a director of the Company (including information on Dr Lam's past directorships in two companies which were wound up which were omitted from the FY2019 Annual Report) will be issued to shareholders of the Company in due course.

Further details are set out in the announcement made by the Company on 8 July 2020 titled "*Extraordinary General Meeting in relation to the Re-appointment of Dr Lam Lee G.*".

(c) The Company wishes to mention that:

- (i) the first instance which the Company became aware that Dr Lam was an independent non-executive director of Ruifeng Petroleum Chemical Holdings Limited, a company incorporated in the Cayman Islands and listed on the Hong Kong Stock Exchange which was subsequently wound up, was on 22 June 2020 when Dr Lam returned the duly filled in and completed Appendix 7F declaration (i.e. the document setting out information required pursuant to Appendix 7F of the Catalist Rules) to the Company disclosing such finding; and
- (ii) the first instance which the Company became aware that Dr Lam was an independent non-executive director of Hsin Chong Group Holdings Limited, a company incorporated in Bermuda and listed on the Hong Kong Stock Exchange which was placed under provisional liquidation, was on 29 June 2020 when the Sponsor highlighted to the Company via email that its independent due diligence checks, conducted in connection with the re-designation of Dr Lam from the Non-Executive Vice Chairman and a Non-Executive Director of the Company to the Independent Non-Executive Vice Chairman and an Independent Non-Executive Director of the Company, revealed such finding.

The Company first became aware of the omission of information on Dr Lam's past directorship in one company which was wound up in the 28 November 2017 Appointment Announcement and the omission of information on Dr Lam's past directorships in two companies which were wound up in the FY2019 Annual Report on 3 July 2020.

During the preparation of the Company's responses to queries raised by the SGX-ST on the announcements made by the Company on 2 July 2020, the Company discovered that the announcement made by the Company on 2 July 2020 relating to the re-designation of Dr Lam from the Non-Executive Vice Chairman and a Non-Executive Director of the Company to the Independent Non-Executive Vice Chairman and an Independent Non-Executive Director of the Company had disclosed:

- (i) information on Dr Lam's past directorship in one company which was wound up was not disclosed in the 28 November 2017 Appointment Announcement; and
- (ii) information on Dr Lam's past directorships in two companies which were wound up was not disclosed in the FY2019 Annual Report.

Hence, the Company decided to release the corrigendum to the 28 November 2017 Appointment Announcement and the corrigendum to the FY2019 Annual Report on 6 July 2020.

## **SGX Query 2**

2. *To the Company:*

- (a) What were the relevant SOPs and controls in place to ensure that the disclosures in Appendix 7F are accurate, factual and complete?*
- (b) What resulted in the omission of the above information, in each instance (i) and (ii)?*
- (c) Whom in the Company was responsible for the omissions?*

## **The Company's Responses to SGX Query 2**

- (a) The Company's corporate secretarial service provider will furnish a document setting out information required pursuant to Appendix 7F of the Catalist Rules (the "**Appendix 7F Declaration**") to the Company and the Company will forward the Appendix 7F Declaration to the relevant candidate to be filled in and completed.

The relevant candidate will return the Appendix 7F Declaration which has been filled in and completed to the Company and the Company will forward the Appendix 7F Declaration which has been filled in and completed to the Company's corporate secretarial service provider.

In the case of an announcement, the Company's corporate secretarial service provider will key in the information furnished in the Appendix 7F Declaration which has been filled in and completed into the prescribed SGXNET template and furnish the SGXNET template to the Company and the Company will forward the SGXNET template to the relevant candidate for a final review. The relevant candidate will confirm to the Company that the SGXNET template is in order and the Company will seek approvals from the Board and its Sponsor for release of the announcement.

In the case of an annual report, the Company's corporate secretarial service provider will key in the information furnished in the Appendix 7F Declaration which has been filled in and completed into the relevant section of the annual report and furnish the relevant section to the Company and the Company will forward the relevant section to the relevant candidate for a final review.

Going forward, the Company will also check the information provided by the relevant candidate in the Appendix 7F Declaration against a people profile search obtained from the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**") and Google searches conducted on the relevant candidate to further strengthen the robust and stringent system put in place by the Company.

- (b) Based on email correspondences between the Company and Dr Lam, it appears that:
- (i) In the case of instance (i), Dr Lam had omitted to disclose information on his past directorship in one company which was wound up.
  - (ii) In the case of instance (ii), Dr Lam had omitted to disclose information on his past directorships in two companies which were wound up.
- (c) Dr Lam has informed the Company that:
- (i) He had relied on his personal office support team to fill in and complete the Appendix 7F Declaration.
  - (ii) It was regretful that his personal office support team had overlooked and had omitted to disclose information on his past directorship in one company which was wound up in the case of instance (i) and had omitted to disclose information on his past directorships in two companies which were wound up in the case of instance (ii).
  - (iii) Going forward, he will personally review, verify and confirm documents to be submitted to the Company prepared by his personal office support team to ensure that the information contained in such documents are accurate, factual and complete.

### **SGX Query 3**

#### **3. Sponsor:**

- (a) What were the relevant SOPs and controls in place to ensure that the disclosures in Appendix 7F were accurate, factual and complete?*
- (b) What went wrong and resulted in the omission of the above information, in each instance (i) and (ii)?*

### **The Sponsor's Responses to SGX Query 3**

- (a) With regard to executive officers' and directors' appointments, the Sponsor's SOPs and controls in place to ensure that the disclosures in Appendix 7F are accurate, factual and complete are as follows:
  - (i) The Company is required to provide the Sponsor with the candidate's resume and the relevant Board resolutions for his/her appointment.
  - (ii) The Sponsor will conduct independent due diligence checks via Dow Jones, ACRA and Google searches, review similar Appendix 7F announcements of the candidate on SGXNET, and conduct internal checks on the candidate's business relationships.
  - (iii) The Sponsor will conduct an interview with the candidate and ensure that the candidate completes the Appendix 7F declaration. The Sponsor will query the candidate if the information reflected in the Appendix 7F declaration is not in line with the Sponsor's independent due diligence checks.
- (b) During Dr Lam's first appointment back in November 2017, the Sponsor conducted a Dow Jones search on Dr Lam and there was no match for adverse news. In addition, during the Sponsor's interview with him, Dr Lam did not declare that Ruifeng Petroleum Chemical Holdings Limited was placed under provisional liquidation in his Appendix 7F declaration.

As for the FY2019 Annual Report, the Sponsor generally relied on Dr Lam to self-declare and update his disclosures in the FY2019 Annual Report, if required. Notwithstanding the self-declaration and disclosure by Dr Lam, the Sponsor will also check disclosures in the FY2019 Annual Report against the Appendix 7F announcement of Dr Lam at the time of his appointment. As a result, the disclosure in the FY2019 Annual Report reflected the same information as disclosed in the Appendix 7F announcement of Dr Lam at the time of his appointment as there were no updates from Dr Lam since then.

Going forward, with regard to the Appendix 7F declaration in the annual report, the Sponsor will also conduct Dow Jones, ACRA and Google searches for candidates to be re-appointed to ensure that there has not been any changes or updates since his prior appointment or re-appointment date.

#### **SGX Query 4**

##### **4. Assessing suitability of Dr Lam**

*(a) Please detail the NC's assessment on suitability of Dr Lam, and his ability to devote sufficient time and resources to the Company, providing bases and justifications.*

*(b) Please details the Sponsor's assessment on suitability of Dr Lam , and his ability to devote sufficient time and resources to the Company, providing bases and justifications.*

#### **The Company's Responses to SGX Query 4**

- (a) Notwithstanding that Dr Lam was previously a director of two companies which were wound up, the Nominating Committee and the Board are of the view that Dr Lam is suitable to be re-appointed as a director of the Company because Dr Lam served as an independent non-executive director of the two companies which were wound up and did not perform any executive role for the two companies which were wound up.

With regard to Dr Lam's ability to devote sufficient time and resources to the Company, the Nominating Committee and the Board refers shareholders of the Company to the write up on page 23 of the FY2019 Annual Report reproduced below.

*"Although Dr. Lam Lee G. holds a significant number of listed company directorships and commitments, the NC and the Board are of the view that Dr. Lam Lee G. is able to diligently discharge his duties as a Director of the Company. The NC and the Board assessed Dr Lam Lee G.'s performance during the period of his directorship with the Company and found that Dr. Lam Lee G. has actively participated in the Board meetings held by the Company and therefore the time Dr Lam Lee G. committed for his duties as a Director is sufficient. The background, experience and qualifications of Dr. Lam Lee G. also indicate that he is able to make the substantial time commitment required to fulfil his responsibilities and duties to the Company and its Shareholders. Accordingly, the NC and the Board have reasonable grounds to be confident that Dr. Lam Lee G. will continue to be able to devote sufficient time and effort to the affairs of the Company as a Non-Executive Director of the Company."*

For completeness, the Nominating Committee and the Board wish to mention that they have reviewed the reasons provided by Dr Lam which led to the omission of information on his past directorships in one company which was wound up in the 28 November 2017 Appointment Announcement and the omission of information on his past directorships in two companies which were wound up in the FY2019 Annual Report set out in the Company's responses to SGX query 2(c) above and are satisfied that it was an inadvertent omission on the part of Dr Lam and that Dr Lam had no intention of deliberately omitting to disclose such information. Accordingly, the Nominating Committee and the Board are of the view that notwithstanding Dr Lam had omitted to disclose such information in the 28 November 2017 Appointment Announcement and the FY2019 Annual Report, Dr Lam still possesses the integrity expected of a director of the Company.

#### **The Sponsor's Responses to SGX Query 4**

- (b) The Sponsor has considered the Nominating Committee's and the Board's assessment and views on Dr Lam's suitability to act as a director of the Company. The Sponsor also noted that Dr Lam was an independent non-executive director in Ruifeng Petroleum Chemical Holdings Limited and Hsin Chong Group Holdings Limited. Dr Lam has no management role in these two companies. Dr Lam is not aware of any potential claims or liabilities made or threatened against him arising from dissolution of these two companies. The Sponsor understands from Dr Lam that he had overlooked and regrettably omitted the information due to oversight. The Sponsor's searches have not uncovered any adverse information on Dr Lam. Taking into account the Nominating Committee's and the Board's assessment of Dr Lam, his roles in the two companies which have been wound up and the Sponsor's searches, the Sponsor considers the suitability of Dr Lam to not be impaired.

The Sponsor noted the Nominating Committee's and the Board's assessment that Dr Lam has shown to be able to devote sufficient time and resources as he has participated in all the Board meetings and also given comments on the Company's announcements. The Sponsor has also noted that Dr Lam has attended all the Board meetings and participated in the clearance of the Company's announcements. There is currently no reason to suggest that Dr Lam is unable to devote sufficient time and resources to the Company. The Sponsor will re-assess Dr Lam's performance based on the Company's yearly assessment of individual members of the Board.

#### **SGX Query 5**

5. *Further to the Company's response to qn 2 of SGX RegCo's queries announced on 3 Jul 2020, please explain why did the Company not appoint Dr Lam as an independent director during the AGM, which was held on 26 June 2020, but had instead re-designated him from a Non-Executive Director to Independent Non-Executive Director on 2 Jul 2020.*

#### **The Company's Responses to SGX Query 5**

The decision to re-designate Dr Lam from the Non-Executive Vice Chairman and a Non-Executive Director of the Company to the Independent Non-Executive Vice Chairman and an Independent Non-Executive Director of the Company was made sometime in mid-June 2020 which was after the date the Company issued its FY2019 Annual Report (i.e. 29 May 2020). Accordingly, the resolution tabled at the FY2019 AGM was for the re-appointment of Dr Lam as the Non-Executive Vice Chairman and a Non-Executive Director of the Company.

By Order of the Board  
**Singapore eDevelopment Limited**

Chan Heng Fai  
Executive Chairman, Executive Director and Chief Executive Officer

8 July 2020



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*This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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