



SINGAPORE REINSURANCE CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 197300016C)

Directors:

Ramaswamy Athappan (Chairman), *Non-Executive and Non-Independent Director*
David Chan Mun Wai (Deputy Chairman), *Non-Executive and Non-Independent Director*
Hwang Soo Jin, *Non-Executive and Non-Independent Director*
Dileep Nair, *Non-Executive and Independent Director*
Peter Sim Swee Yam, *Non-Executive and Independent Director*
Ong Eng Yaw, *Non-Executive and Independent Director*

Registered Office:

85 Amoy Street
Singapore 069904

20 March 2018

To: **The Shareholders of Singapore Reinsurance Corporation Limited ("Company")**

Dear Shareholders

(1) THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

(2) THE PROPOSED ADOPTION OF A NEW CONSTITUTION OF THE COMPANY

1. BACKGROUND

1.1 We refer to:

- (a) the Ordinary Resolution 8 in item 7 of the Notice of the 45th Annual General Meeting of the Company (the "**AGM**") in relation to the proposed renewal of the Company's Share Buy-Back Mandate; and
- (b) the Special Resolution 9 in relation to the proposed adoption of the new constitution of the Company (the "**Proposed Adoption of New Constitution**"),

which are to be proposed at the AGM which is scheduled to be held on 19 April 2018.

- 1.2 The purpose of this letter is to provide Shareholders with information relating to Ordinary Resolution 8 and Special Resolution 9.

2. RENEWAL OF SHARE BUY-BACK MANDATE

2.1 Background

At the 44th AGM of the Company held on 26 April 2017, Shareholders had approved, inter alia, the grant of a Share Buy-Back Mandate to the Directors to exercise all powers of the Company to purchase or otherwise acquire ordinary shares in the issued capital of the Company ("**Shares**") upon and subject to the terms of such mandate ("**2017 Mandate**"). The authority contained in the 2017 Mandate was expressed to continue in force until the next AGM and as such would be expiring on 19 April 2018, being the date of the forthcoming AGM. It is proposed that such authority ("**Share Buy-Back Mandate**") be renewed at the forthcoming AGM.

2.2 Rationale

The renewal of the Share Buy-Back Mandate will give the Company the flexibility to undertake purchases or acquisitions of its issued Shares, at any time and from time to time, subject to market conditions, during the period that the Share Buy-Back Mandate is in force. The Share Buy-Back Mandate will provide the Company with:

- (1) a mechanism to facilitate the return of surplus cash over and above the Company's requirements in an expedient and cost-efficient manner; and
- (2) the opportunity to exercise control over the Company's share capital structure with a view to enhance the earnings per Share and/or net asset value per Share.

Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate will only be made when the Directors believe that such purchases or acquisitions would be made in circumstances which would not have a material adverse effect on the financial position of the Company and/or affect the listing status of the Company on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Any purchase or acquisition by the Company of its Shares has to be made in accordance with, and in the manner prescribed by, the Companies Act, Chapter 50 of Singapore (the "**Act**"), the Listing Manual of the SGX-ST ("**Listing Manual**") and such other laws and regulations as may, for the time being, be applicable.

2.3 Terms of the Share Buy-Back Mandate

The authority and limits of the Share Buy-Back Mandate are summarised below:

2.3.1 Maximum number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares that may be purchased or acquired by the Company shall not exceed 10% of the issued Shares of the Company as at the date of the AGM (excluding treasury shares and subsidiary holdings as at that date) at which the Share Buy-Back Mandate is approved ("**Approval Date**").

For illustrative purposes only, on the basis of 605,219,785 Shares (excluding treasury shares and subsidiary holdings) in issue as at 20 February 2018 (the "**Latest Practicable Date**"), and assuming that no further Shares are issued on or prior to the AGM, not more than 60,521,978 Shares (representing 10% of the Shares in issue as at that date) may be purchased or acquired by the Company pursuant to the Share Buy-Back Mandate.

2.3.2 Duration of authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, from the Approval Date up to the earliest of:

- (a) the date on which the next AGM of the Company is held or is required by law to be held;
- (b) the date on which the authority contained in the Share Buy-Back Mandate is revoked or varied by the Shareholders in general meeting; or
- (c) the date on which share purchases or acquisitions pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated.

2.3.3 Manner of purchase

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

- (a) on-market purchases effected on the SGX-ST through the ready market through one or more duly licensed stockbrokers appointed by the Company for the purpose ("**Market Purchases**"); and/or
- (b) off-market purchases in accordance with an "equal access scheme" 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 the rules of the Listing Manual ("**Off-Market Purchase**").

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy-Back Mandate, the Listing Manual and the Act as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme or schemes. Under the Act, an equal access scheme must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of issued Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all offers are the same, except that there shall be disregarded, where applicable,
 - (1) differences in consideration attributable to the fact that the offers may relate to Shares with different accrued dividend entitlements;
 - (2) differences in consideration attributable to the fact that the offers may relate to Shares with different amounts remaining unpaid; and
 - (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Additionally, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain, inter alia:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed share purchases;
- (4) the consequences, if any, of share purchases by the Company that will arise under the Singapore Code on Take-overs and Mergers ("**Take-over Code**") or other applicable takeover rules;
- (5) whether the share purchases or acquisitions, if made, could affect the listing of the Company's Shares on the SGX-ST;

- (6) details of any share purchases made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchase of Shares, where relevant, and the total consideration paid for the purchases; and
- (7) whether the shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 Purchase price

The purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) to be paid for a Share will be determined by the Directors. However, the purchase price to be determined by the Directors, in the case of both a Market Purchase and an Off-Market Purchase, shall not be more than 5% above the Average Closing Price of the Shares (the “**Maximum Price**”) in either case, excluding related expenses of the purchase or the acquisition.

For the purpose of determining the Maximum Price:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last 5 Market Days (each being a day on which the SGX-ST is open for trading in securities (“**Market Day**”)) on which the Shares were transacted on the SGX-ST immediately preceding the date of the making of the Market Purchase by the Company, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with any rules that may be prescribed by the SGX-ST, for any corporate action that occurs after the relevant 5-day period; and

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

2.4 **Status of Purchased or Acquired Shares**

Under the Act, any Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to those Shares expire on cancellation, unless such Shares are held by the Company as treasury shares. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

2.5 **Treasury Shares**

Under the Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions relating to treasury shares under the Act are summarised below:

2.5.1 Maximum holdings

- (i) The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares; and

- (ii) The Company if having more than one class of shares shall not hold treasury shares of that class exceeding 10% of the total number of issued shares in that class at any time and in the event that the Company holds in its treasury more than 10% of the total number of issued shares in any class of its shares, it shall cancel the excess within six months or such further period as Registrar may allow.

2.5.2 Voting and other rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

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

2.5.3 Disposal and cancellation

Where Shares are held as treasury shares, the Company may at any time:

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

As at the Latest Practicable Date, the Company does not hold any treasury shares. In accordance with Rule 704(28) of the Listing Manual, in the event the Company purchases any Shares and holds them as treasury shares, the Company will immediately announce the following if there is any sale, transfer, cancellation and/or use of the treasury shares:

- (i) date of the sale, transfer, cancellation and/or use;
- (ii) purpose of such sale, transfer, cancellation and/or use;
- (iii) number of treasury shares sold, transferred, cancelled and/or used;
- (iv) number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (v) percentage of the number of treasury shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.6 Source of Funds

The Company intends to use internal sources of funds to fund purchases or acquisitions of its Shares pursuant to the Share Buy-Back Mandate. The Company does not intend to obtain or incur borrowings to finance its purchase or acquisition of the Shares. The Directors do not propose to exercise the Share Buy-Back Mandate in a manner and to such an extent that the liquidity and capital adequacy position of the Group would be materially adversely affected.

2.7 Financial Effects

The financial effects on the Company and the Group arising from the purchases or acquisitions of Shares which may be made pursuant to the Share Buy-Back Mandate will depend on, inter alia, whether the Shares are purchased or acquired out of profits and/or capital, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 December 2017, are based on the assumptions set out below.

2.7.1 Purchase or acquisition out of capital or profits

The Act permits the Company to pay for the consideration for purchase or acquisition of its Shares out of capital or profits provided the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced but the amount of the share capital will be reduced.

2.7.2 Information as at the Latest Practicable Date

As at the Latest Practicable Date, the issued capital of the Company comprised 605,219,785 Shares. No Shares are reserved for issue by the Company as at the Latest Practicable Date.

Purely for illustration purposes, on the basis of 605,219,785 Shares (excluding treasury shares and subsidiary holdings) in issue as the Latest Practicable Date and assuming no further Shares are issued and no Shares are held by the Company as treasury shares on or prior to the AGM, the purchase by the Company of 10% of its issued Shares will result in the purchase or acquisition of 60,521,978 Shares.

Assuming that the Company purchases or acquires the 60,521,978 Shares at the Maximum Price of \$0.335 for one Share (being the price equivalent to 5% above the average of the closing market prices of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 60,521,978 Shares is \$20,274,863.

2.7.3 Illustrative financial effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Buy-Back Mandate will depend on, inter alia, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, and the consideration paid at the relevant time and whether the Shares purchased or acquired are cancelled or held as treasury shares.

For illustrative purposes only and on the basis of the following assumptions:

- (a) that the Company purchases or acquires the 60,521,978 Shares at the Maximum Price of \$0.335 for one Share (being the price equivalent to 5% above the average of the closing market prices of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 60,521,978 Shares is \$20,274,863; and
- (b) the Share Buy-Back Mandate had been in force at the relevant time.

The financial effects of the:

- (a) acquisition of 60,521,978 Shares by the Company pursuant to the Share Buy-Back Mandate by way of purchases made entirely out of capital and held as treasury shares;
- (b) acquisition of 60,521,978 Shares by the Company pursuant to the Share Buy-Back Mandate by way of purchases made entirely out of profits and cancelled; and
- (c) acquisition of 60,521,978 Shares by the Company pursuant to the Share Buy-Back Mandate by way of purchases made entirely out of capital and cancelled,

on the audited financial statements of the Group and the Company for the financial year ended 31 December 2017 would be as follows:

(A) Purchases made entirely out of capital and held as treasury shares

As at 31 December 2017	Group		Company	
	Before Share Buy-Back \$'000	After Share Buy-Back \$'000	Before Share Buy-Back \$'000	After Share Buy-Back \$'000
Share Capital	123,300	123,300	123,300	123,300
Reserves	43,843	43,843	43,843	43,843
Accumulated Profits	92,010	92,010	91,662	91,662
	259,153	259,153	258,805	258,805
Treasury Shares	–	(20,275)	–	(20,275)
Total Shareholders' Equity	259,153	238,878	258,805	238,530
Net Tangible Assets	259,153	238,878	258,805	238,530
Current Assets	530,034	510,029	526,953	506,678
Current Liabilities	225,896	225,896	224,152	224,152
Cash and Cash Equivalents	100,739	80,464	97,890	77,615
Number of Shares ('000) (net of treasury shares)	605,220	544,698	605,220	544,698
<u>Financial Ratios</u>				
Net Tangible Assets per share (cents)	42.82	43.86	42.76	43.79
Basic and Diluted Earnings per share (cents)	2.09	2.32	2.10	2.33
Return on Equity (%)	4.88	5.30	4.91	5.33
Current Ratio (times)	2.35	2.26	2.35	2.26

(B) Purchases made entirely out of profits and cancelled

As at 31 December 2017

	Group		Company	
	Before Share Buy-Back \$'000	After Share Buy-Back \$'000	Before Share Buy-Back \$'000	After Share Buy-Back \$'000
Share Capital	123,300	123,300	123,300	123,300
Reserves	43,843	43,843	43,843	43,843
Accumulated Profits	92,010	71,735	91,662	71,387
Total Shareholders' Equity	259,153	238,878	258,805	238,530
Net Tangible Assets	259,153	238,878	258,805	238,530
Current Assets	530,304	510,029	526,953	506,678
Current Liabilities	225,896	225,896	224,152	224,152
Cash and Cash Equivalents	100,739	80,464	97,890	77,615
Number of Shares ('000)	605,220	544,698	605,220	544,698
<u>Financial Ratios</u>				
Net Tangible Assets per share (cents)	42.82	43.86	42.76	43.79
Basic and Diluted Earnings per share (cents)	2.09	2.32	2.10	2.33
Return on Equity (%)	4.88	5.30	4.91	5.33
Current Ratio (times)	2.35	2.26	2.35	2.26

(C) Purchases made entirely out of capital and cancelled

As at 31 December 2017

	Group		Company	
	Before Share Buy-Back \$'000	After Share Buy-Back \$'000	Before Share Buy-Back \$'000	After Share Buy-Back \$'000
Share Capital	123,300	103,025	123,300	103,025
Reserves	43,843	43,843	43,843	43,843
Accumulated Profits	92,010	92,010	91,662	91,662
Total Shareholders' Equity	259,153	238,878	258,805	238,530
Net Tangible Assets	259,153	238,878	258,805	238,530
Current Assets	530,304	510,029	526,953	506,678
Current Liabilities	225,896	225,896	224,152	224,152
Cash and Cash Equivalents	100,739	80,464	97,890	77,615
Number of Shares ('000)	605,220	544,698	605,220	544,698
<u>Financial Ratios</u>				
Net Tangible Assets per share (cents)	42.82	43.86	42.76	43.79
Basic and Diluted Earnings per share (cents)	2.09	2.32	2.10	2.33
Return on Equity (%)	4.88	5.30	4.91	5.33
Current Ratio (times)	2.35	2.26	2.35	2.26

The financial effects set out above are for illustrative purposes only. In particular, it is important to note that the above illustration is based on historical numbers in respect of the financial year ended 31 December 2017 and is not necessarily representative of future financial performance. Although the Share Buy-Back Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

2.8 Taxation

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

2.9 Listing Manual

Any purchase or acquisition by the Company of its issued Shares pursuant to the Share Buy-Back Mandate will be reported by the Company in accordance with prevailing reporting requirements of the SGX-ST.

The Listing Manual restricts a listed company from purchasing shares by way of Market Purchases at a price per share which is more than 5% above the “average closing market price”, being the average of the closing market prices of the shares over the last 5 Market Days on which transactions in the share were recorded, before the day on which the purchases were made, and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period. The Maximum Price for a Share in relation to Market Purchases referred to in Paragraph 2.3.4 above conforms to this requirement.

Although the Listing Manual does not prescribe a maximum price in relation to purchases of shares by way of Off-Market Purchases, the Company has set a cap of not more than 5% above the Average Closing Price of a Share as the Maximum Price for purchases of Shares by way of Off-Market Purchases.

The Listing Manual does not expressly prohibit any purchase by a listed company of its shares during any particular time or times. However, as a listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Buy-Back Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced.

The Company will also observe its internal guidelines on dealings in securities and will not deal in its securities during the period commencing two weeks before the announcement of its financial statements for each of the first three quarters of its financial year and one month before the announcement of its financial statements for the financial year and ending on the date of announcement of the relevant results.

The Listing Manual provides that a listed company shall ensure that at least 10% of any class of its listed securities is at all times held by public shareholders. As the percentage of issued Shares held in public hands as at the Latest Practicable Date is approximately 47.51%, the Company is of the view that there is, at the present, a sufficient number of the Shares in public hands that would permit the Company to potentially undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Buy-Back Mandate without affecting adversely the listing status of the Shares on the SGX-ST. Additionally, the Company will

consider investor interests when maintaining a liquid market in its securities, and will ensure that there is a sufficient float for an orderly market in its securities when purchasing its issued Shares.

The share buy-back will not be carried out during the period commencing two weeks before the announcement of the financial statements for each of the first three quarters of the Company's financial year and one month before the announcement of the Company's full year financial statements.

2.10 Take-over Implications

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

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

In relation to Directors and persons acting in concert with them, Rule 14 provides that unless exempted (or if exempted, such exemption is subsequently invalidated), Directors and persons acting in concert with them will incur an obligation to make a take-over offer if, as a result of a purchase or acquisition of Shares by the Company:

- (a) the percentage of voting rights held by such Directors and their concert parties in the Company increases to 30% or more; or
- (b) if they together hold between 30% and 50% of the Company's voting rights, the percentage of their voting rights increases by more than 1% in any period of 6 months.

Under Appendix 2, 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 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-Back Mandate unless required by the Act.

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company. Unless the contrary is established, the following persons, inter alia, will be presumed to be acting in concert:

- (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 each other.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

As at the Latest Practicable Date, the Company's issued share capital comprises 605,219,785 Shares. Fairfax Financial Holdings Limited has a deemed interest in 168,035,957 Shares, representing 27.76% of the total voting rights of the Company. Fairfax Financial Holdings Limited is deemed to have an interest in shares held by Fairfax Asia Limited, Newline Corporate Name Limited and Newline Holdings UK Limited. Mr Ramaswamy Athappan, the Chairman of the Board and non-executive Director of the Company, is a director of Fairfax Asia Limited. (Collectively, Mr Ramaswamy Athappan, Fairfax Financial Holdings Limited, Fairfax Asia Limited, Newline Corporate Name Limited and Newline Holdings UK Limited shall hereinafter be referred to as the "**Fairfax Concert Parties**".)

For illustrative purposes only, as at the Latest Practicable Date, the Company's issued share capital would comprise 605,219,785 Shares, of which, 168,214,689 Shares representing approximately 27.79% of the total voting rights of the Company would be held by the Fairfax Concert Parties. Therefore, in the event that the Company undertakes share purchases up to a maximum of the 10% limit, the Fairfax Concert Parties would have an aggregate interest of approximately 30.88% of the total voting rights of the Company.

The total shareholding interest and voting rights of the Fairfax Concert Parties in the Company would be increased to 30% or more as a result of the aforesaid share purchases undertaken by the Company and Fairfax Concert Parties would as a consequence be required to make a general offer to the other Shareholders under Rule 14 of the Take-over Code.

However, under Appendix 2 of the Share Buy-back Guidance Note of the Take-over Code, the Fairfax Concert Parties and any other persons presumed to be parties acting in concert with them are exempted from having to make an offer under Rule 14 of the Take-over Code for the Shares by reason only of an increase in their voting rights as a result of the Company purchasing or acquiring up to the maximum of 10% of the issued share capital of the Company pursuant to the Share Buy-Back Mandate, subject to the following conditions:

- (a) this Letter contains advice to the effect that by voting for the approval of the Share Buy-Back Mandate, the Shareholders are waiving their rights to a general offer at the required price from the Fairfax Concert Parties and any other such persons presumed to be parties acting in concert with it. This Letter should also contain (i) the name of the Fairfax Concert Parties and any other persons presumed to be parties acting in concert with them; and (ii) their voting rights as at the time of the resolutions and after the share purchases;
- (b) the resolution to approve the Share Buy-Back Mandate is approved by a majority of the Shareholders present and voting at the AGM on a poll who would not become obliged to make an offer as a result of the share purchases;
- (c) the Fairfax Concert Parties and any such other persons presumed to be parties acting in concert with it, abstain from voting for, and/or recommending Shareholders to vote in favour of, the resolution on the approval of the Share Buy-Back Mandate;
- (d) within 7 days of the passing of the resolution approving the Share Buy-Back Mandate, Mr Ramaswamy Athappan to submit to the Securities Industry Council a duly signed form as prescribed by the Securities Industry Council;

(e) the Fairfax Concert Parties and any other such persons presumed to be parties acting in concert with them, have not acquired and will not acquire any Shares between the date on which they know that the announcement of the approval of the Share Buy-Back Mandate is imminent and the earlier of:

- (i) the date on which the authority of the Share Buy-Back Mandate expires; and
- (ii) the date the Company announces it has bought back such number of Shares as authorised by the Share Buy-Back Mandate or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the share purchases, would cause their aggregate voting rights in the Company to increase to 30% or more.

If the Company ceases to buy back its Shares and the aggregate voting rights of the Fairfax Concert Parties is less than 30%, the Fairfax Concert Parties may acquire further voting rights in the Company. However, any increase in its percentage of voting rights in the Company as a result of the share purchases will be taken into account together with any voting rights of the Fairfax Concert Parties (by whatever means), in determining whether they have increased their aggregate voting rights in the Company by more than 30%.

Save for Fairfax Financial Holdings Limited, Newline Corporate Name Limited, Newline Holdings UK Limited, Fairfax Asia Limited and Mr Ramaswamy Athappan (being a director of Fairfax Asia Limited), none of the Directors or substantial shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase by the Company of the maximum number of Shares which can be purchased pursuant to the Share Buy-Back Mandate as at the Latest Practicable Date.

In view of the foregoing, it should be noted that approving the Share Buy-Back Mandate will constitute a waiver by the Shareholders in respect to their right to a general offer by the Fairfax Concert Parties at the required price, if a share buy-back by the Company results in the aggregate shareholding of the Fairfax Concert Parties to increase to 30% or more. The voting rights of Fairfax Concert Parties as at the Latest Practicable Date and in the event if share purchases up to the maximum of 10% of the issued share capital of the Company as permitted by the Share Buy-Back Mandate are set out above in this Letter.

Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity.

2.11 Insurance Act, Chapter 142

Under the Insurance Act, Chapter 142 (the “Insurance Act”):

(a) no person shall:

- (i) obtain effective control of; or**
- (ii) become a substantial shareholder of; or**
- (iii) enter into any agreement or arrangement, whether oral or in writing and whether express or implied, to act together with any person with respect to the acquisition or holding of, or the exercise of rights in relation to, their interests in voting shares of an aggregate of 5% or more of the total votes attached to all voting shares in,**

a licensed insurer which is incorporated in Singapore, without the prior written approval of the Monetary Authority of Singapore (the “Authority”).

A person shall be regarded as obtaining effective control of a licensed insurer if:

- (a) the person, whether alone or together with his associates (as defined in the Insurance Act):
 - (i) holds (as defined in the Insurance Act) 20% or more of the total number of issued shares in the insurer; or
 - (ii) is in a position to control 20% or more of the voting power in the insurer;
- (b) the Directors of the insurer are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the person (whether acting alone or together with any other person, and whether with or without holding shares or controlling voting power in the insurer); or
- (c) the person (whether acting alone or together with any other person, and whether with or without holding shares or controlling voting power in the insurer) is in a position to determine the policy of the insurer.

A person (including a corporation) shall be regarded as a substantial shareholder of a licensed insurer if the person has an interest in not less than 5% of the total issued voting shares of the insurer.

The Company is a reinsurer licensed under the Insurance Act. As the number of issued Shares and/or voting Shares will be diminished by the total number of Shares purchased or acquired and cancelled or held in treasury by the Company (as the case may be), the shareholding percentage of Shareholders in the Shares of the Company could increase immediately after each Share purchase or acquisition.

A Share purchase or acquisition by the Company may therefore inadvertently cause the percentage shareholdings of Shareholders, particularly Shareholders whose current holding of Shares in the Company is close to the above limits to reach or exceed the aforementioned shareholding limits prescribed by the Insurance Act.

Shareholders whose current shareholding is close to the aforementioned shareholding limits prescribed by the Insurance Act and whose percentage shareholding may reach or exceed either of such limits by reason of any purchase or acquisition of Shares by the Company such that they would obtain effective control or become a substantial shareholder of the Company are advised to seek the prior approval of the Authority to continue to hold, on such terms as may be imposed by the Authority, the Shares representing the number of Shares which they may hold in excess of either of such limits, as a consequence of a purchase or acquisition of Shares by the Company. Shareholders who are in doubt as to the action that they should take should consult their professional advisers at the earliest opportunity.

2.12 Constitution

The Company's Constitution ("**Constitution**") presently provides that the Directors may refuse to register the transfer of any share if in their opinion such transfer, when registered, will result in foreign persons having an interest in the aggregate in more than 49% of the issued shares (excluding treasury shares) of the Company (the "**Foreign Shareholding Limit**"). For the purpose of the Constitution, "foreign person" means:

- (a) an individual who is not a citizen or permanent resident of Singapore; or

- (b) a corporation, wherever incorporated, in which citizens or permanent residents of Singapore or any body corporate constituted by any statute of Singapore do not have an interest, in the aggregate, in at least 50% of the issued shares or issued share capital (as the case may be) of such corporation; or
- (c) a limited liability partnership, in which less than 50% of the interest in such limited liability partnership is owned or controlled by citizens or permanent residents of Singapore or any body corporate constituted by any statute of Singapore or a corporation, wherever incorporated, in which citizens or permanent residents of Singapore or any body corporate constituted by any statute of Singapore have an interest, in the aggregate, in less than 50% of the issued shares or issued share capital (as the case may be) of such corporation; or
- (d) any legal entity (other than individual or a corporation or limited liability partnership) which is not owned or controlled by the Government of Singapore or any authority thereof and which is considered by the Directors to be a foreign person.

A Share purchase or acquisition by the Company may therefore inadvertently cause the percentage of Shares held by foreign persons to exceed the Foreign Shareholding Limit. Accordingly, the Directors will monitor the percentage of Shares held by foreign persons and will not exercise the proposed Share Buy-Back Mandate if such exercise may result in the Foreign Shareholding Limit being exceeded. As at the Latest Practicable Date, the number of Shares held by foreign persons is 7,290,843 Shares constituting approximately 1.20% of the total number of issued Shares.

Please note that pursuant to the Proposed Adoption of New Constitution, the Company is proposing to remove the Foreign Shareholding Limit. If the special resolution pertaining to the Proposed Adoption of New Constitution is passed at the AGM, then this paragraph 2.12 would not be applicable. More details in relation to the removal of the Foreign Shareholding Limit can be found in paragraph 3.3.5 below.

2.13 Listing Manual and Companies Act Requirements

The Companies Act and the Listing Manual require the Company to make reports in relation to the Share Buy-Back Mandate as follows:

- (a) within 30 days of the passing of a Shareholders' resolution to approve purchases of Shares, the Company must lodge a copy of such resolution with the Accounting & Corporate Regulatory Authority ("**ACRA**");
- (b) the Company must notify the ACRA, within 30 days of a purchase of Shares on the SGX-ST or otherwise. Such notification in the form as may be prescribed by the ACRA shall include details of the date of the purchase, the total number of Shares purchased by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before the purchase of Shares, the Company's issued share capital after the purchase of Shares, the amount of consideration paid by the Company for the purchase, whether the Shares were purchased out of profits or the capital of the Company and such other particulars as may be required; and
- (c) in its annual report and accounts, the Company shall make disclosure of details pertaining to purchases of Shares made during the year, including the total number of Shares purchased during the financial year under review, the purchase price per Share or the highest and lowest prices paid for the purchases, and where relevant, the total consideration paid.

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

2.14 No Previous Purchases Within the Last 12 Months

The Company has not purchased any Shares pursuant to the 2017 Mandate within the 12 months preceding the Latest Practicable Date.

3. PROPOSED ADOPTION OF A NEW CONSTITUTION

3.1 The Companies (Amendment) Act 2014

The Companies (Amendment) Act 2014 (the “**Amendment Act**”), which was passed in Parliament on 8 October 2014 and took effect in two phases on 1 July 2015 and 3 January 2016 respectively, introduced wide-ranging changes to the Act. The changes aim to reduce the regulatory burden on companies, provide for greater business flexibility and improve the corporate governance landscape in Singapore. The key changes include the introduction of a multiple proxies regime to enfranchise indirect investors and CPF investors, provisions to facilitate the electronic transmission of notices and documents, and the merging of the memorandum and articles of association of a company into one document called the “constitution”.

3.2 New Constitution

The Company is accordingly proposing to adopt a new constitution (the “**New Constitution**”), which will replace the existing constitution (formerly known as the memorandum and articles of association) of the Company currently in force, the (“**Existing Constitution**”), and incorporate amendments to take into account the changes to the Act introduced pursuant to the Amendment Act. At the same time, the existing objects clause will be replaced with a general provision giving the Company full capacity to carry on or undertake any business or activity, do any act or enter into any transaction. The proposed New Constitution also contains updated provisions which are consistent with the prevailing listing rules of the SGX-ST in compliance with Rule 730(2) of the Listing Manual, as well as to take into account the provisions of the Personal Data Protection Act 2012 (the “**PDPA**”) relating to the collection, use and disclosure of personal data, and to streamline and rationalise certain other provisions.

3.3 Summary of Key Regulations in the New Constitution

The following is a summary of the key regulations of the New Constitution which are significantly different from the equivalent articles in the Existing Constitution. The Appendix 1 of this letter contains the text of the key regulations in the New Constitution which are significantly different from the equivalent articles in the Existing Constitution, or which have been included in the New Constitution as new regulations. In line with Section 35 of the Act, all references to “Article” or “Articles” within the New Constitution have been amended to “Regulation” or “Regulations”.

3.3.1 Amendments in view of the Amendment Act

The following amendments to the Existing Constitution are in line with the Act as amended pursuant to the Amendment Act:

- (a) Regulation 1 (Article 1 of Existing Constitution). Regulation 1, which states that the liability of the members is limited, has been inserted into the Constitution. This is in accordance with Section 22(1)(b) of the Act which provides that the constitution of every company has to state, *inter alia*, that the liability of the members is limited where the company is a company limited by shares.
- (b) Regulation 2 (Article 2 of Existing Constitution). Regulation 2 is the interpretation section of the New Constitution and includes the following additional/revised provisions:
 - (i) a new definition of “Applicable Laws” that includes the Act, the Insurance Act (Cap. 142), the Securities and Futures Act (Cap.289) (the “SFA”) and the Listing Manual. Regulations within the Constitution that provide for various rights that Directors and Shareholders may be granted have been described as being subject to Applicable Laws, and Regulations that place obligations on Directors and Shareholders have been described as being “as required by Applicable Laws”. This provides for flexibility in the New Constitution to allow the Company to refrain from certain actions, or take certain actions allowed by changes in the applicable laws without having to make amendments to the New Constitution;
 - (ii) new definition of “Chief Executive” as having the meaning ascribed to “chief executive officer” in the Act. This is in line with the new provisions in the Amendment Act relating to chief executive officers;
 - (iii) new definitions of “registered address” and “address” to make it clear that these expressions mean, in relation to any Shareholder, his physical address for the service or delivery of notices or documents personally or by post, except where otherwise expressly specified;
 - (iv) revised definitions of “writing” and “written” to clarify that the terms “writing” and “written” include any representation or reproduction of words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an electronic communication or form. This would facilitate, for example, a proxy instrument being in either physical or electronic form;
 - (v) new regulation stating that the expressions “current address” and “relevant intermediary” shall have the meanings ascribed to them respectively in the Act, in light of the introduction of the new provisions facilitating electronic communication and the multiple proxies regime pursuant to the Amendment Act; and
 - (vi) revised regulation stating that the terms “Depositor”, “Depository”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them in the SFA as the provisions in relation to the Central Depository System in the Act have migrated to the SFA.

- (c) Regulation 7A (New Regulation). Regulation 7A, has been newly inserted to empower the Company to issue shares for which no consideration is payable. This provision is in line with the new Section 68 of the Act, which clarifies that a company having a share capital may issue shares for which no consideration is payable to the issuing company.
- (d) Regulation 17 (Article 17 of Existing Constitution). The requirement to disclose the amount paid on the shares in the share certificate relating to those shares has been removed in Regulation 17, which relates to share certificates. A share certificate need only state, *inter alia*, the number and class of the shares, whether the shares are fully or partly paid up, and the amount (if any) unpaid on the shares. This follows the amendments to section 123(2) of the Act pursuant to the Amendment Act.
- (e) Regulation 48 (Article 48 of Existing Constitution). Regulation 48, which relates to the Company's power to alter its share capital, has new provisions which:
 - (i) empower the Company, by ordinary resolution, to convert its share capital or any class of shares from one currency to another currency. This is in line with the new section 73 of the Act, which sets out the procedure for such re-denominations; and
 - (ii) empower the Company, by special resolution, to convert one class of shares into another class of shares. This is in line with the new section 74A of the Act, which sets out the procedure for such conversions.
- (f) Regulation 59 (Article 59 of Existing Constitution). Regulation 59, which relates to the routine business that is transacted at an annual general meeting, has been revised to substitute the references to "accounts" with "financial statements", and references to "reports of the Directors" with "Directors' statement", for consistency with the updated terminology in the Act.
- (g) Regulation 65 (Article 65 of Existing Constitution). Regulation 65, which relates to the method of voting at a general meeting where mandatory polling is not required, has been revised to reduce the threshold for eligibility to demand a poll from 10% to 5% of the total voting rights of the members having the right to vote at the meeting, or of the total sum paid up on all the shares conferring that right. This is in line with section 178 of the Act, as amended pursuant to the Amendment Act.
- (h) Regulations 71, 78 and 79 (Articles 71, 78 and 79 of Existing Constitution). Regulations 71, 78 and 79, which relate to the voting rights of Shareholders and the appointment and deposit of proxies, have new provisions which cater to the multiple proxies regime introduced by the Amendment Act. The multiple proxies regime allows "relevant intermediaries", such as banks, capital markets services licence holders which provide custodial services for securities and the Central Provident Fund Board, to appoint more than two proxies to attend, speak and vote at general meetings. In particular:
 - (i) a relevant intermediary (as defined in the Act) may appoint more than two proxies to attend, speak and vote at general meetings of the Company;
 - (ii) the Company will be entitled and bound to reject an instrument of proxy lodged by a Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 (previously 48) hours before the time of the relevant general meeting. Consequential changes have also been

made in the Constitution to make it clear that the number of votes which a Depositor or his proxy can cast on a poll is the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant general meeting. This is in line with new section 81SJ(4) of the SFA; and

- (iii) the cut-off time for the deposit of proxies has been extended from 48 to 72 hours before the time appointed for holding the general meeting. This is in line with section 178(1)(c) of the Act, as amended pursuant to the Amendment Act.
- (i) Regulation 98 (Article 98 of Existing Constitution). Regulation 98, which relates to the filling of the office vacated by a retiring Director in default circumstances except in certain cases, has been revised to remove the event of a Director attaining any applicable retiring age as an exception to a deemed re-election to office. This follows the repeal of section 153 of the Act and removal of the 70-year age limit for directors of public companies and subsidiaries of public companies.
- (j) Regulation 112 (Article 112 of Existing Constitution). Regulation 112, which relates to the general powers of the Directors to manage the Company's business, clarifies that the business and affairs of the Company are to be managed by, or under the direction of or, additionally, under the supervision of, the Directors. This is in line with section 157A of the Act, as amended pursuant to the Amendment Act.
- (k) Regulations 59, 121, 122, 142 and 143 (Articles 59, 121, 122, 142 and 143 of Existing Constitution). Regulation 143 which relate to the sending of the Company's financial statements and related documents to Shareholders, additionally provides that such documents may, subject to the listing rules of the SGX-ST, be sent less than 14 days before the date of the general meeting with the agreement of all persons entitled to receive notices of general meetings. This is in line with new section 203(2) of the Act, which provides that the requisite financial statements and other related documents may be sent less than 14 days before the date of the general meeting at which they are to be laid if all the persons entitled to receive notice of general meetings of the company so agree. Notwithstanding this proviso, the Company is currently required to comply with Rule 707(2) of the Listing Manual, which provides that an issuer must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting.

The references to the Company's "accounts", "profit and loss account(s)" and Directors' "reports" have also been updated/substituted in Regulations 59, 121, 122, 142, 143 and 148 with references to "financial statements" and Directors' "statements", as appropriate, for consistency with the updated terminology in the Act.

- (l) Regulation 148 (Article 148 of Existing Constitution). Regulation 148, which relates to the service of notices to Shareholders, has new provisions to facilitate the electronic transmission of notices and documents following the introduction of simplified procedures for the sending of notices and documents electronically pursuant to new section 387C of the Act.

Under new section 387C, notices and documents may be given, sent or served using electronic communications with the express, implied or deemed consent of the member in accordance with the constitution of the company. Rule 1210 of the

Listing Manual states that the following documents are excluded from the ambit of electronic communications and shall be sent to shareholders by way of physical copies:

- (a) forms or acceptance letters that shareholders may be required to complete;
- (b) notice of meetings, excluding circulars or letters referred in that notice;
- (c) notices and documents relating to takeover offers and rights issues; and
- (d) notices under Rules 1211 and Rules 1212 of the Listing Manual.

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

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

Regulation 148 provides that:

- (i) notices and documents may be sent to Shareholders using electronic communications either to a Shareholder’s current address (which may be an email address) or by making it available on a website;
- (ii) a Shareholder is deemed to have agreed to receive such notice or document by way of electronic communications and shall not have a right to elect to receive a physical copy of such notice or document (this is the implied consent regime permitted under the new section 387C); and
- (iii) Shareholders shall, at the Directors’ discretion, be given an opportunity to elect to opt out of receiving such notice or document by way of electronic communications, and a Shareholder is deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity but failed to opt out within the specified time (this is the deemed consent regime permitted under the new section 387C).

Regulation 148 additionally provides for when service is effected in the case of notices or documents sent by electronic communications. In particular, where a notice or document is made available on a website, it is deemed served on the date on which the notice or document is first made available on the website, unless otherwise provided under the Act and/or other applicable regulations or procedures. Further, in the case of service on a website, the Company must give separate notice of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by (1) sending such separate notice to Shareholders personally or by post, and/or (2) sending such separate notice to Shareholders' current addresses (which may be email addresses), and/or (3) by way of advertisement in an English daily newspaper in circulation in Singapore, and/or (4) by way of announcement on any stock exchange upon which shares in the Company may be listed.

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

On 22 March 2017, the SGX-ST announced that the listing rules would be amended, with effect from 31 March 2017, to permit listed issuers to send documents to shareholders electronically under the new regimes permitted under the Act, subject to the additional safeguards prescribed under the listing rules. If the Company decides to make use of the new regimes to transmit documents electronically to Shareholders, the Company will comply with the SGX-ST's listing rules on the subject.

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

3.3.2 Amendments in view of the Listing Manual

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

The following amendments to the Existing Constitution are in line with the Listing Manual prevailing as at the Latest Practicable Date.

- (a) Regulation 8 (Article 8 of Existing Constitution). Regulation 8, which provides that any issue of preference shares shall be subject to such limitations as may be prescribed by the SGX-ST, has been amended to clarify that the total number of issued preference shares shall not at any time exceed the total number of issued ordinary shares. This clarification is in line with paragraph 1(a) of Appendix 2.2 of the Listing Manual.
- (b) Regulation 9 (Article 9 of Existing Constitution). Regulation 9, which relates to the variation of rights of preference shareholders, has new provisions to state that, *inter alia*, the repayment of preference capital other than redeemable preference capital or any alteration of preference shareholders' rights may only be made pursuant to a

special resolution of the preference shareholders concerned. This insertion is in line with paragraph 5 of Appendix 2.2 of the Listing Manual which imposes such a requirement.

- (c) Regulation 21 (Article 21 of Existing Constitution). Regulation 21, which relates to the Directors' discretion to refuse to register a transfer of shares, has been amended to be in line with Rule 733 of the Listing Manual, which provides that if an issuer refuses to register a transfer of a security, it must give to the lodging party written notice of the refusal and the precise reasons for such refusal within 10 market days after the date on which the transfer was lodged with the issuer. Please refer to paragraph 3.3.6(b) of this letter for general amendments to Regulation 21.
- (d) Regulation 41 (Article 41 of Existing Constitution). Regulation 41, which relates to the Company's lien on shares, clarifies that such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, in addition to such amount as the Company may be called upon by law to pay in respect of those shares. This clarification is in line with paragraph (3)(a) of Appendix 2.2 of the Listing Manual. Regulation 41 has also been amended to additionally provide that the Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Regulation.
- (e) Regulation 54 (Article 54 of Existing Constitution). Regulation 54, which relates to the annual general meetings of the Company, has been amended to provide that such annual general meetings shall be held within the Republic of Singapore, in line with Rule 730A(1) of the Listing Manual.
- (f) Regulation 56 (Article 56 of Existing Constitution). Regulation 56, which sets out the timelines by which the Company has to send out notices of general meetings to Shareholders, has been amended to clarify that where such notices contain special resolutions, they must be given to shareholders at least twenty-one days before the meeting (excluding the date of notice and the date of meeting). This clarification is in line with paragraph 7 of Appendix 2.2 of the Listing Manual which, inter alia, sets out the above requirement.
- (g) Regulations 65, 66, 67, 69 and 70 (Articles 65, 66, 68 and 69 of Existing Constitution in respect of Regulations, 65, 67, 69 and 70; Regulation 66 is a New Regulation). Regulation 65, which relates to the method of voting at general meetings, has new provisions to make it clear that, if required by the listing rules of any stock exchange upon which shares in the Company may be listed, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by the stock exchange). Consequential changes have been made to Regulations 67, 69 and 70. These changes are in line with Rule 730A(2) of the Listing Manual.

Regulation 69 has also been amended to reflect that the Chairman will not have an additional casting vote in the event of an equality of votes. Under Rule 730A of the Listing Manual relating to voting by poll, each share carries the right to one vote. As the additional vote granted to the Chairman under this former Article 68 is not pursuant to any share held by the Chairman, it would be inconsistent with Rule 730A. As such, to ensure consistency, amendments have been made to remove the Chairman's right to an additional casting vote.

- (h) Regulation 95 (Article 95 of Existing Constitution). Regulation 95, which relates to the vacation of office of a Director in certain events, additionally provides that a Director shall cease to hold office if he is disqualified from acting as a director in

any jurisdiction for reasons other than on technical grounds. Consequential changes have been made to Regulation 98, which relates to the filling of the office vacated by a retiring Director in certain default events, to provide that a retiring Director is deemed to be re-elected in certain default circumstances except, additionally, where he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds. These changes are in line with paragraph (9)(n) of Appendix 2.2 of the Listing Manual.

- (i) Regulation 99 (Article 99 of Existing Constitution). Regulation 99, which relates to the notice of intention to appoint a Director other than a Director retiring at a meeting, clarifies that such notice of intention, or notice from the person to be proposed giving his consent to the nomination and signifying his candidature for the office, must be lodged at the registered office of the Company not less than 11 nor more than 42 clear days before the date appointed for the meeting. This is in line with paragraph (9)(h) of Appendix 2.2 of the Listing Manual. Regulation 99 has also been amended to clarify that the notice period for such nomination is exclusive of the date on which the notice is given.

3.3.3 Objects Clauses

To be in line with section 23 of the Act, the Company proposes to include a general regulation in the New Constitution to the effect that, subject to the provisions of the Act and any other written law and the New Constitution, the Company has:

- (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and
- (b) for the purposes of paragraph (a) above, full rights, powers and privileges.

The Company will have all the powers of a natural person, with full capacity and ability to carry on or undertake any business or activity, and to enter into any transaction, subject to the restrictions imposed by the New Constitution, the Act, the Listing Manual and any other applicable laws, rules and regulations.

3.3.4 Amendments in view of the PDPA

In general, under the PDPA, an organisation can only collect, use or disclose the personal data of an individual with the individual's consent, and for a reasonable purpose which the organisation has made known to the individual. The new Regulation 159 specifies, amongst others, the purposes for which the Company and/or its agents and service providers would collect, use and disclose personal data of Shareholders and their appointed proxies or representatives.

3.3.5 Removal of foreign shareholding restriction

Regulation 21 (Article 21 of Existing Constitution), which relates to the power of Directors to refuse to register the transfer of shares, has been revised to remove the restriction on a transfer of shares to foreign persons. Articles 22 and 24 of the Existing Constitution have consequently been deleted in light of removal of the aforesaid restriction. Certain provisions of Article 24 of the Existing Constitution have instead been included in Regulation 21 for easier reference.

The foreign shareholding restriction was previously included in the Existing Constitution so as to retain the identity of the Company as de facto national reinsurer. The Company is now of the view that the foreign ownership restriction should be removed for the following reasons:

- (a) to reduce the administrative burden (such as time, cost and effort) in complying with such restriction; and
- (b) to allow the Directors more flexibility to raise funds from foreign shareholders, providing potentially greater economic benefit to both the Shareholders and the Company.

3.3.6 General

The following amendments to the Existing Constitution are to generally update, streamline and rationalise the New Constitution.

- (a) Regulation 7(a) and (b) (Article 7 of Existing Constitution). Regulation 7, which relates to the issuance of new shares under the control of the Company in general meeting, has been amended to include new provisions which provide the following:
 - (i) all new shares before issue shall be offered to Shareholders in proportion to the number of the existing shares to which they are entitled and the provisions of the second sentence of Regulation 46(a) with such adaptations as are necessary shall apply; and
 - (ii) all rights attaching to shares of a class other than ordinary shares shall be expressly provided in the resolution creating the same.
- (b) Regulation 21 (Article 21 of Existing Constitution). Regulation 21, which relates to the power of Directors to refuse to register the transfer of shares, has been amended to clarify that if the Directors decline to register any transfer of shares, they shall within one month, or such other period as may be permitted and/or required under Applicable Laws, notify both the transferor and the transferee of such refusal as required by the Act. Please refer to paragraph 3.3.2(c) of this letter for amendments to Regulation 21 in view of the Listing Manual.
- (c) Regulation 26 (New Regulation). Regulation 26, which relates to disposal of documents, is a new provision which, among others, allow the Company to destroy all instruments of transfers which have been registered at any time after the expiration of six (6) years from the date of registration thereof and that it shall be conclusively presumed in favour of the Company that every entry in the Company's Register of Members purporting to have been made on the basis of an instrument of transfer so destroyed was duly and properly made.
- (d) Regulation 32A (New Regulation). Regulation 32A has been newly inserted to empower the Company to charge interest on unpaid sums called in respect of a share.
- (e) Regulation 36 (Article 36 of Existing Constitution). Regulation 36, which relates to the Directors' power to serve notices on members requiring payment of calls, has been amended to clarify that the person from whom the sum is due shall also be liable to pay any interest which may have accrued thereon and any expenses which the Company may have incurred in consequence of such non-payment of such call or instalment.
- (f) Regulation 49 (Article 49 of Existing Constitution). Regulation 49, which relates to the Company's power to reduce share capital, has been amended to clarify that the Company may reduce its share capital or any other undistributable reserve in any manner subject to any requirement, authorisation and consent required by law.

- (g) Regulation 54 (Article 54 of Existing Constitution). Regulation 54, which relates to the time-frame for holding annual general meetings, has been revised to make it clear that an annual general meeting shall be held once in every year within a period of not more than 15 months after the last preceding annual general meetings, but that this is save as otherwise permitted under the Act. This will provide the Company with the flexibility, if the need to do so should arise, to apply for an extension of the 15-month period between annual general meetings in accordance with the provisions of the Act, notwithstanding that the period may extend beyond the calendar year.
- (h) Regulation 59 (Article 59 of Existing Constitution). Regulation 59, which relates to the routine business that is transacted at an annual general meeting, has been revised to expand the routine business items to include, in addition to the re-appointment of the retiring Auditor, the appointment of a new Auditor.
- (i) Regulation 62 (Article 62 of Existing Constitution). Regulation 62, which relates to the passing of Shareholders' resolutions in writing, has been amended to clarify that Shareholders' resolutions in writing are subject to the shares of the Company not being listed on any stock exchange. This is in accordance with Section 184A of the Act.
- (j) Regulation 64A (New Regulation). Regulation 64A has been newly inserted to provide that if an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. It further provides that in the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
- (k) Regulations 77 and 79 (Articles 77 and 79 of Existing Constitution). Regulation 77, which relates to the execution of proxies, has new provisions to facilitate the appointment of a proxy through electronic means online. In particular, it provides that a Shareholder can elect to signify his approval for the appointment of a proxy via electronic communication, through such method and in such manner as may be approved by the Directors, in lieu of the present requirement of signing, or where applicable, the affixation of the corporate Shareholder's common seal.

For the purpose of accommodating the deposit by Shareholders, and receipt by the Company, of electronic proxy instructions by Shareholders who elect to use the electronic appointment process, Regulation 79, which relates to the deposit of proxies, has new provisions which authorise the Directors to prescribe and determine the manner of receipt by the Company of the instrument appointing a proxy through digital means.

- (l) Regulations 20, 73, 81 and 95 (Articles 20, 73, 81 and 95 of Existing Constitution). These regulations have been updated to substitute the previous references to insane persons and persons of unsound mind with new references to persons who are mentally disordered and incapable of managing himself or his affairs, following the enactment of the Mental Health (Care and Treatment) Act which repealed and replaced the Mental Disorders and Treatment Act.
- (m) Regulation 98A (New Regulation). Regulation 98A is newly inserted to clarify that a resolution for the appointment of two or more persons as Directors by a single

resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it.

- (n) Regulation 130A (New Regulation). Regulation 130A is newly inserted to allow for the waiver of dividends if certain procedures prescribed by this Regulation are followed.
- (o) Regulation 131A (New Regulation). Regulation 131A is a new provision which relates to a scrip dividend scheme. This will enable the Company, if it so desires, to declare dividends either wholly in cash or in combination of cash and shares or wholly in shares.
- (p) Regulation 156 (Article 156 of Existing Constitution). Regulation 156, which relates to winding-up of the Company, has been amended to empower the Directors to present a petition to the court for the Company to be wound up. It has also been amended to provide that no commission or fee shall be paid to a liquidator without the prior approval of Shareholders.

3.4 Appendix 1

The text of the principal provisions in the New Constitution which are significantly different from the equivalent provisions in the Existing Constitution, or which have been included in the New Constitution as new provisions, is set out in Appendix 1 to this letter and the main differences are blacklined. The Proposed Adoption of New Constitution is subject to the Shareholders' approval.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The direct and deemed interests of the Directors and the Substantial Shareholders in the Shares as at the Latest Practicable Date are as follows:

Directors (and their spouses or infant children)	Direct Interest		Deemed Interest	
	Number of Shares	Shareholding (%)	Number of Shares	Shareholding (%)
Ramaswamy Athappan	178,732	0.03	–	–
David Chan Mun Wai	73,205	0.01	–	–
Hwang Soo Jin	1,360,000	0.225	–	–
Dileep Nair	–	–	–	–
Peter Sim Swee Yam	–	–	–	–
Ong Eng Yaw	–	–	–	–
Substantial Shareholders				
Fairfax Financial Holdings Limited ¹	–	–	168,035,957	27.76
Fairfax Asia Limited	115,370,835	19.06	–	–
Newline Corporate Name Limited	52,665,122	8.70	–	–
Newline Holdings UK Limited ²	–	–	52,665,122	8.70
Oversea-Chinese Banking Corporation Limited ³	–	–	50,948,847	8.42
Great Eastern Holdings Limited ³	–	–	50,948,847	8.42
United Overseas Bank Limited ⁴	–	–	36,382,885	6.01

Directors (and their spouses or infant children)	Direct Interest		Deemed Interest	
	Number of Shares	Shareholding (%)	Number of Shares	Shareholding (%)
United Overseas Insurance Limited	36,382,885	6.01	–	–
India International Insurance Pte Ltd	30,371,062	5.02	–	–
Dalton Investments LLC ⁵	–	–	30,339,700	5.01
James B. Rosenwald III ⁶	–	–	30,339,700	5.01
Steven Persky ⁶	–	–	30,339,700	5.01
Gifford Combs ⁶	–	–	30,339,700	5.01
Belita Ong ⁶	–	–	30,339,700	5.01
Arthur Hebert ⁶	–	–	30,339,700	5.01
Michelle Lynd ⁶	–	–	30,339,700	5.01

Notes:

- 1 Fairfax Financial Holdings Limited is deemed to have an interest in shares held by Fairfax Asia Limited (FCI), Newline Corporate Name Limited and Newline Holdings UK Limited.
- 2 Newline Holdings UK Limited is deemed to have an interest in shares held by Newline Corporate Name Limited.
- 3 Oversea-Chinese Banking Corporation Limited and Great Eastern Holdings Limited are deemed to have an interest in shares held by Great Eastern General Insurance Limited and The Great Eastern Life Assurance Company Limited.
- 4 United Overseas Bank Limited is deemed to have an interest in shares held by United Overseas Insurance Limited.
- 5 Dalton Investments LLC and its affiliated entities (together "**Dalton**") is an investment manager based in California, United States of America. Dalton manages various client portfolios and as investment manager, Dalton has discretion and authority over the sale and purchase of the abovementioned shares. Therefore, Dalton has deemed interest in such shares.
- 6 James B. Rosenwald III, Steven Persky, Gifford Combs, Belita Ong, Arthur Hebert and Michelle Lynd are members of the management committee of Dalton, and Dalton acts in accordance with the directions and instructions of the abovementioned persons. Accordingly, each of them will be deemed to be interested in the shares which Dalton is deemed interested in.

5. DIRECTORS' RECOMMENDATION

5.1 Proposed Renewal of Share Buy-Back Mandate

The Directors (excluding Mr Ramaswamy Athappan who abstains pursuant to Appendix 2 of the Take-over Code) are of the opinion that the proposed renewal of the Share Buy-Back Mandate is in the best interests of the Company, and they accordingly recommend that Shareholders vote in favour of Resolution 8, being the Ordinary Resolution relating to the proposed renewal of the Share Buy-Back Mandate, at the AGM.

5.2 Proposed Adoption of New Constitution

The Directors are of the opinion that the Proposed Adoption of New Constitution is in the best interests of the Company and accordingly recommend that the Shareholders vote in favour of the Special Resolution 9 pertaining to the adoption of the New Constitution to be proposed at the AGM.

- 5.3 In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As different Shareholders would have different investment objectives

and profiles, the Directors recommend that any individual Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

6. ABSTENTION FROM VOTING

Pursuant to Appendix 2 Share Buy-Back Guidance Note of the Take-over Code, the Fairfax Concert Parties and any other persons presumed to be acting in concert with them shall abstain from voting on the Ordinary Resolution relating to the Share Buy-Back Mandate. Mr Ramaswamy Athappan shall also decline to accept any appointment as proxy for any Shareholder to vote in respect of the Ordinary Resolution relating to the Share Buy-Back Mandate unless the Shareholder concerned has given instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of the Ordinary Resolution.

7. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this letter constitutes full and true disclosure of all material facts about the proposed renewal of the Share Buy-Back Mandate and the Proposed Adoption of New Constitution, the issuer and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this letter misleading. Where information in the 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 the letter in its proper form and context.

8. DISCLAIMER

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this letter. Shareholders who are in any doubt as to the action they should take should immediately consult their stockbrokers or other professional advisers.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the office of the Company's registered office at 85 Amoy Street, Singapore 069904 during normal business hours from the date hereof up to and including the date of the AGM:

- (a) the Existing Constitution of the Company; and
- (b) the proposed New Constitution.

Yours faithfully
for and on behalf of
the Board of Directors of
SINGAPORE REINSURANCE CORPORATION LIMITED

Ramaswamy Athappan
Chairman

APPENDIX 1

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

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

1. Regulation 1

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

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of paragraph (a) above, full rights, powers and privileges.

The Company is a company limited by shares and the liability of the Members is limited.

~~The regulations contained in Table "A" in the Fourth Schedule to the Companies Act, Cap. 50 shall not apply to the Company, but the following shall subject to repeal, addition and alteration as provided by the Act or these Articles be the regulations of the Company:~~

2. Regulation 2

2. ~~In these Articles~~ this Constitution, if not inconsistent with the subject or context, the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:

WORDS

MEANINGS

The Act

The Companies Act, Cap. 50 or any statutory modification, amendment or re-enactment thereof for the time being in force or any and every other act for the time being in force concerning companies and affecting the Company and any reference to any provision of the Act is to that provision as so modified, amended or re-enacted or contained in any such subsequent Companies Act.

Applicable Laws

All laws, bye-laws, regulations, orders and/or official directions for the time being in force affecting the Company and its subsidiaries, including but not limited to the Act, the Insurance Act, Cap. 142, the Securities and Futures Act, Cap. 289 and the listing rules of the Singapore Exchange Securities Trading Limited (or any other stock exchange upon which the shares in the Company may be listed), Provided always that a waiver granted in connection to any such law shall be treated as due compliance with such relevant law.

<u>Chief Executive</u>	<p><u>Any one or more persons, by whatever name described, who:</u></p> <p>(a) <u>is in direct employment of, or acting for or by arrangement with, the Company and;</u></p> <p>(b) <u>is principally responsible for the management and conduct of the business of the Company, or part of the business of the Company, as the case may be.</u></p>
The Articles	These Articles of Association or other regulations of the Company for the time being in force.
The Company	The abovenamed Company by whatever name from time to time called.
<u>Constitution</u>	<u>This Constitution or other regulations of the Company for the time being in force.</u>
Director	Includes any person acting as a Director of the Company and includes any person duly appointed and acting for the time being as an Alternate Director.
Directors	The Directors for the time being of the Company or such number of them as have authority to act for the Company.
Dividend	Includes bonus.
Electronic Communication	<p>Communication transmitted (whether from one person to another, from one device to another, from a person to a device or from a device to a person):–</p> <p>(a) by means of a telecommunication system; or</p> <p>(b) by other means but while in an electronic form,</p> <p>such that it can (where particular conditions are met) be received in legible form or be made legible following receipt in non-legible form.</p>
Member	<p>(a) where the Depositor is named in the Register of Members as the holder of shares, a Depositor in respect of the number of shares which stand in credit against his name in the Depository Register; and</p> <p>(b) in any other case, a person whose name appears on the Register as a shareholder,</p> <p>save that references in <u>this Constitution</u> these Articles to a “Member” shall, where the Act requires, exclude the Company where it is a member by reason of its holding of its shares as treasury shares.</p>

Month	Calendar <u>Calendar</u> month.
Office	The Registered Office of the Company for the time being.
Paid up	Includes credited as paid up.
<u>Registered address or address</u>	<u>In relation to any Member, his physical address for the service or delivery of notices or documents personally or by post, except where otherwise expressly provided in this Constitution.</u>
Seal	The Common Seal of the Company or in appropriate cases the Official Seal or duplicate Common Seal.
Secretary	The Secretary or Secretaries appointed under these Articles <u>this Constitution</u> and shall include any person entitled to perform the duties of Secretary temporarily.
Singapore	The Republic of Singapore.
Writing and Written	<u>Includes, except where expressly specified herein or the context otherwise requires, and subject to any limitations, conditions or restrictions contained in any Applicable Laws, any printing, lithography, typewriting and any other mode of representing or reproducing words, symbols or other information which may be displayed in visible form, whether in a physical document or in an electronic communication or form or otherwise howsoever.</u>
Year	Calendar Year.
The expressions "Depositor", "Depository" and "Depository Register" <u>"current address", "ordinary resolution", "relevant intermediary", "special resolution" and "treasury shares"</u> shall have the meanings ascribed to them respectively in the Act.	
<u>The expressions "Depositor", "Depository", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them respectively in the Securities and Futures Act, Cap. 289.</u>	

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

- (i) ~~exclude the Depository or its nominee (as the case may be) except where otherwise expressly provided in this Constitution or where the term “registered holders” or “registered holder” is used in this Constitution; the context otherwise requires;~~
- (ii) where the context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares; and
- (iii) where the Act requires or otherwise expressly provided in ~~these Articles~~ this Constitution, exclude the Company in relation to shares held by it as treasury shares,

and “holding” and “held” shall be construed accordingly.

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

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

Words denoting persons shall include corporations and limited liability partnership.

Save as aforesaid, any word or expression used in the Act and the Interpretation Act, Cap. 1 shall, if not inconsistent with the subject or context, bear the same meaning in ~~these Articles~~ this Constitution.

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

3. Regulation 5

5. (intentionally omitted)

~~The capital of the Corporation is \$250,000,000/- divided into 1,250,000,000 shares of \$0.20 per share with and subject to such rights restrictions and conditions as shall be defined by the Articles of Association, to be hereafter adopted, or by special resolution, with power in the Corporation to divide all or any part of the capital for the time being unissued, whether original, or additional capital, into different series or classes respectively, or any of them with the right to any preferential or guaranteed dividend or other preference guarantee or privilege, or subject to any postponement, restriction or condition.~~

4. Regulation 6

6. The Company may, subject to and in accordance with the ~~Act~~ Applicable Laws, purchase or otherwise acquire its issued shares on such terms and in such manner as the Company may from time to time think fit. If required by the Act, any share that is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of a share as aforesaid, the rights and privileges attached to that share shall expire, and the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share

capital of the Company shall be reduced accordingly. Where ordinary shares are purchased or otherwise acquired by the Company in accordance with the Act, the Company may hold such shares as treasury shares. The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.

5. Regulation 7

7. Subject to the Act and ~~these Articles~~ this Constitution, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto, and to ~~Article 48~~ Regulation 46 and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over shares or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash and with full power to give to any person the call of any shares as the Directors may determine, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, Provided always that:

- (a) (subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Regulation 46(a) with such adaptations as are necessary shall apply; and
- (b) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same. provided always that any other issue of shares, the aggregate of which would exceed the limits referred to in Article 48(b), shall be subject to the approval of the Company in General Meeting;

6. Regulation 7A

- 7A. The Company may issue shares for which no consideration is payable to the Company.

7. Regulation 8

8. The rights attached to shares issued upon special conditions shall be clearly defined in ~~the Memorandum of Association or these Articles~~ this Constitution. In the event of preference shares being issued, the total number of issued preference shares shall not at any time exceed the total number of the issued ordinary shares ~~such preference shares may be issued subject to such limitations thereon as may be prescribed by the Singapore Exchange Securities Trading Limited~~ and preference shareholders will be deemed to have the same rights as ordinary shareholders as regards the receiving of notices, reports and balance sheets and the attending of General Meetings of the Company and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrears.

8. Regulation 9

9. (a) If at any time the share capital is divided into different classes, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of the Act, whether or not the Company is being wound up, be varied or abrogated with the sanction of a Special Resolution passed at a separate General Meeting of the holders of shares of the class and to every such Special Resolution the provisions of Section 184 of the Act shall with such adaptations as are necessary apply. To every such separate General Meeting, save as provided hereunder and unless required by the Applicable Laws, the provisions of these Articles—this Constitution relating to General Meetings shall mutatis mutandis apply; but so that the necessary quorum shall be two persons at least holding or representing by proxy or by attorney one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy or by attorney may demand a poll, Provided always that where the necessary majority for such a Special Resolution is not obtained at the mMeeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two months of the mMeeting shall be as valid and effectual as a Special Resolution, carried at the mMeeting. The foregoing provisions of this Regulation shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.
- (b) The repayment of preference capital other than redeemable preference capital, or any alteration of preference shareholders' rights, may only be made pursuant to a Special Resolution of the preference shareholders concerned, Provided always that where the necessary majority for such a Special Resolution is not obtained at the General Meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two months of the General Meeting, shall be as valid and effectual as a special resolution carried at the General Meeting.

9. Regulation 17

17. The certificate of title to shares or debentures in the capital of the Company shall be issued under the Seal in such form as the Directors shall from time to time prescribe and shall bear the autographic or facsimile signatures of at least one Director and the Secretary or some other person appointed by the Directors, and shall specify the number and class of shares to which it relates, whether the shares are fully or partly paid up, and the amounts ~~paid and the amounts~~ unpaid (if any) thereon. The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Auditors of the Company.

10. Regulation 18

18. Subject to the payment of all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require, every person whose name is entered as a Member in the Register of Members shall be entitled to receive within ~~10~~ten market days of the closing date of any application for shares (or such other period as may be approved by the Singapore Exchange Securities Trading Limited) or within ~~10~~fifteen market days after the date of lodgment of a registrable transfer (or such other period as may be approved by the Singapore Exchange Securities Trading Limited) one certificate for all his shares

of any one class or to several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where such a Member transfers part only of the shares comprised in a certificate or where such a Member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such Member shall pay all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require and a maximum fee of \$2 for each new certificate or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by the Singapore Exchange Securities Trading Limited. For the purposes of this ~~Article~~Regulation 18, "market day" shall mean a day on which the Singapore Exchange Securities Trading Limited is open for trading in securities.

11. Regulation 20(b)

20. (b) No Shares shall in any circumstances be transferred to any infant, bankrupt or person of ~~unsound mind~~ who is mentally disordered and incapable of managing himself or his affairs.

12. Regulation 21

21. (a) Subject as otherwise provided in ~~these Articles~~ this Constitution, (except as required by law or by the ~~r~~Rules, ~~b~~Bye-laws, or ~~l~~isting ~~r~~Rules of the Singapore Exchange Securities Trading Limited) there shall be no restriction on the transfer of fully paid up shares. The Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve, Provided always that in the event of the Directors refusing to register a transfer of shares, they shall within ten market days after the date on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Act.
- (b) The Directors may in their sole discretion refuse to register ~~the~~ any instrument of transfer of any share if in their opinion unless:-
- (i) all or any part of the stamp duty (if any) payable on each share certificate and such fee not exceeding \$2/-as the Directors may from time to time require, is paid to the Company in respect thereof; such transfer, when registered, will result in foreign persons having an interest in the aggregate in more than 49 per cent of the issued shares (excluding treasury shares) of the Company; or
 - (ii) the amount of proper duty, if any, with which each certificate is to be issued in consequence of the registration of such transfer is chargeable under law for the time being in force relating to stamp duty is tendered; such transfer is made to an individual who, or to a corporation or limited liability partnership or any other legal entity (save for the Depository) which, will hold the shares as a nominee; or
 - (iii) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may

reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; or such transfer is made in contravention of any restriction imposed by the Singapore Exchange Securities Trading Limited or in contravention of the terms and conditions upon which the shares were issued or allotted.

(iv) the instrument of transfer is in respect of only one class of shares;

(c) ~~In these Articles, "foreign person" shall mean:-~~

(i) ~~an individual who is not a citizen or permanent resident of Singapore; or~~

(ii) ~~a corporation, wherever incorporated, in which citizens or permanent residents of Singapore or any body corporate constituted by any statute of Singapore do not have an interest, in the aggregate, in at least 50 per cent of the issued shares or issued share capital (as the case may be) of such corporation; or~~

(iii) ~~a limited liability partnership, in which less than 50% of the interest in such limited liability partnership is owned or controlled by citizens or permanent residents of Singapore or any body corporate constituted by any statute of Singapore or a corporation, wherever incorporated, in which citizens or permanent residents of Singapore or any body corporate constituted by any statute of Singapore have an interest, in the aggregate, in less than 50 per cent of the issued shares or issued share capital (as the case may be) of such corporation; or~~

(iv) ~~any legal entity (other than an individual or a corporation or limited liability partnership) which is not owned or controlled by the Government of Singapore or any authority thereof and which is considered by the Directors to be a foreign person.~~

(d) ~~In computing the percentage of issued shares in which foreign persons have an interest the Directors shall include as part thereof:-~~

(i) ~~any share held by joint holders if at least one of them is a foreign person;~~

(ii) ~~the maximum number of shares which would be issued to holders of securities convertible into shares of the Company if such securities were converted in full.~~

(e) ~~The Company may make public announcements at such times as the Directors may determine of the percentage of the then issued shares of the Company (excluding treasury shares) in which foreign persons have an interest and whenever such percentage reaches 49 per cent the Company shall make an immediate public announcement to that effect.~~

(cf) If the Directors refuse to register a transfer of any shares, they shall within ten market days beginning with the day on which the application for a transfer of shares was made after the date on which the transfer was lodged with the Company send to the transferor and the transferee, serve a notice of the refusal and the precise reasons thereof, as required by the listing rules of the Singapore Exchange Securities Trading Limited upon which the shares in the Company may be listed and any other Applicable Laws. in writing to the applicant stating the

~~facts which are considered to justify the refusal as required by the Act. For the purposes of this Article 21(f) Regulation 21(c), "market day" shall mean a day on which the Singapore Exchange Securities Trading Limited is open for trading in securities.~~

13. Deletion of Article 22 of the Existing Constitution

22. ~~(a) If any declaration referred to in Article 24(e) contains any statement which the Directors determine is false in any material particular, the Directors may, at any time, serve a notice in writing on the Member in whose name the shares comprised in the instrument of transfer had been registered ("Affected Shares"), requiring such Member to transfer such shares to a person who is not a nominee or a foreign person:~~
- ~~(b) If within twenty-one days after giving of the notice referred to in the preceding provision (or such shorter or longer period as in all the circumstances the Directors shall consider reasonable and shall specify in the notice or such extended time as in all the circumstances the Directors shall consider reasonable) such notice is not complied with to the satisfaction of the Directors, the Directors may arrange for the Company to sell the Affected Shares or any part thereof at the best price reasonably obtainable. For this purpose, the Directors may authorise in writing any officer or employee of the Company to execute on behalf of the Member a transfer or transfers of any of the Affected Shares to any purchaser or purchasers or to give such instruction to the Depository to give effect thereto and may issue new share certificates to the purchaser or purchasers:~~
- ~~(c) The net proceeds of the sale of the Affected Shares shall be received by the Company whose receipt shall be a good discharge for the purchase money against transfer of the Affected Shares in such manner and to such Securities Account as may be directed by the Company or surrender of the certificates for the Affected Shares, as the case may be. The net proceeds shall be paid over by the Company to the former Member but such proceeds shall under no circumstances carry interest against the Company:~~

14. Deletion of Article 24 of the Existing Constitution

24. ~~Subject as otherwise provided in these Articles the Directors may also decline to register any instrument of transfer unless:-~~
- ~~(a) such fee not exceeding \$2/- as the Directors may from time to time require, is paid to the Company in respect thereof;~~
- ~~(b) the amount of proper duty, if any, with which each certificate to be issued in consequence of the registration of such transfer is chargeable under any law for the time being in force relating to stamp duty is tendered;~~
- ~~(c) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do;~~
- ~~(d) the instrument of transfer is in respect of only one class of shares;~~

- (e) ~~there is attached to the instrument of transfer a declaration made by or on behalf of the transferee stating:-~~
- ~~(i) (where the transferee is an individual) whether or not the transferee is a citizen or permanent resident of Singapore;~~
 - ~~(ii) (where the transferee is a corporation) whether or not citizens or permanent residents of Singapore or any body corporate constituted by any statute of Singapore have an interest, in the aggregate, in at least 50 per cent of the issued shares or issued share capital (as the case may be) of such transferee;~~
 - ~~(iii) (where the transferee is a limited liability partnership) whether or not at least 50% of the interest in such limited liability partnership is owned or controlled by citizens or permanent residents of Singapore or any body corporate constituted by any statute of Singapore or a corporation, wherever incorporated, in which citizens or permanent residents of Singapore or any body corporate constituted by any statute of Singapore have an interest, in the aggregate, in at least 50 per cent of the issued shares or issued share capital (as the case may be) of such corporation;~~
 - ~~(iv) (where the transferee is a legal entity other than an individual or a corporation or a limited liability partnership) whether or not it is owned or controlled by the Government of Singapore or any authority thereof;~~
 - ~~(v) (where the transferee is a nominee) such particulars of interest in the shares comprised in such instrument of transfer as would otherwise have to be given by the transferee under the provisions of the preceding subparagraphs;~~
 - ~~(vi) whether or not there are any restrictions on the transfer of shares.~~

~~The Directors may at any other time request the Depository to submit a declaration or further declaration or furnish evidence or information for the purpose of ascertaining or verifying foreign shareholdings or potential foreign shareholdings in the Company or matters related thereto.~~

15. Regulation 26

26. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, Provided always that:-

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;

(b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Regulation; and

(c) references herein to the destruction of any document include references to the disposal thereof in any manner.

16. Regulation 31

31. The Directors may from time to time make such calls as they think fit upon the Members in respect of any moneys unpaid on their shares ~~and not by the terms of the issue thereof made payable at fixed times but~~ subject always to the terms of issues of such shares, and each Member shall (subject to receiving at least fourteen days notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.

17. Regulation 32A

32A. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding ten per cent. per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

18. Regulation 36

36. If any Member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on such Member requiring payment of so much of the call or instalment as is unpaid together with any interest ~~which may have accrued thereon and any expenses which may have accrued~~ incurred by the Company by reason of non-payment.

19. Regulation 41

41. The Company shall have a first and paramount lien and charge on every share, not being a fully paid share) and on the dividends ~~from time to time declared or payable~~ in respect of such shares. Such lien shall be restricted to unpaid calls and instalments upon thereof for all calls and instalments due on any such share and interest and expenses thereon but such lien shall only be upon the specific shares in respect of which such calls or instalments are due and unpaid and to such amount as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Regulation.

20. Regulation 46

46. (a) Subject to any direction to the contrary that may be given by the Company in a General Meeting or except as permitted under the listing rules of the Singapore Exchange Securities Trading Limited (or any other stock exchange upon which the shares in the Company may be listed), all new shares shall before issue be offered to such persons as at the date of the offer are entitled to receive notices from the

Company of General Meetings in proportion, as nearly as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may as they think most beneficial to the Company dispose of any new shares which by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares cannot, in the opinion of the Directors, be conveniently offered under this ~~Article 48~~Regulation 46(a).

(b) Notwithstanding ~~Article~~Regulation 46(a) above, the Company may pursuant to Section 161 of the Act, by Ordinary Resolution in General Meeting, give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:–

- (I) (i) issue shares in the capital of the Company (referred to in this ~~Article~~Regulation as “shares”) whether by way of rights, bonus or otherwise;
- (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, “Instruments”) including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;
- (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and
- (II) (notwithstanding that the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,

provided that:–

- (A) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) does not exceed 50 per cent. (or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited) of the number of issued shares in the Company (as calculated in accordance with subparagraph (B) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) does not exceed 20 per cent. (or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited) of the number of issued shares in the Company (as calculated in accordance with sub-paragraph (B) below);

- (B) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purposes of determining the aggregate number of shares that may be issued under sub-paragraph (A) above the percentage of shares shall be based on the number of issued shares in the Company at the time that the Ordinary Resolution is passed, after adjusting for:–
 - (i) new shares arising upon the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that the Ordinary Resolution is passed; and
 - (ii) any subsequent consolidation or subdivision of shares;
- (C) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance is waived by the Singapore Exchange Securities Trading Limited) and these ~~Articles~~Regulations; and
- (D) unless revoked or varied by the Company in General Meeting the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).

21. Regulation 47

47. Except so far as otherwise provided by the conditions of issue or by ~~these Articles~~this Constitution, all new shares shall be subject to Applicable Laws and the provisions of these Articles~~this Constitution~~ with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

22. Regulation 48

48. (a) The Company may by Ordinary Resolution:–
- ~~(a)~~
 - (i) consolidate and divide all or any of its share capital;
 - ~~(b)~~
 - (ii) cancel the number of shares which, at the date of the passing of the Resolution, have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the number of the shares so cancelled;
 - ~~(c)~~
 - (iii) subject to the Applicable Laws and this Constitution, subdivide its shares or any of them so that in the sub-division ~~(subject nevertheless to the provisions of the Act) provided always that in such subdivision~~ the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and so that the resolution whereby any shares is sub-divided may

determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; and

~~(d)~~

(iv) subject to the provisions of these Articles and the Act Applicable Laws, convert its share capital or any class of shares into any other class of shares from one currency to another currency.

(b) Subject to and in accordance with the Applicable Laws, the Company may by Special Resolution convert one class of shares into another class of shares.

23. Regulation 49

49. ~~Subject to and in accordance with the provisions of the Act, t~~The Company may by Special Resolution reduce its share capital or other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.
~~in any manner and subject to any approvals required by law.~~

24. Regulation 50

50. The Company may from time to time by Ordinary Resolution convert any paid up shares into stock and may from time to time by like resolution reconvert any stock into paid up shares.

25. Regulation 54

54. (a) ~~Subject to the provisions of the Act~~ Save as otherwise permitted under the Act, the Company shall in each year hold an Annual General Meeting in the Republic of Singapore, in addition to any other meetings in that year and not more than fifteen months shall elapse between the date of one Annual General Meeting of the company and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.

26. Regulation 56

56. Subject to the provisions of the Act as to Special Resolutions and special notice, at least fourteen days' notice in writing (exclusive both of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every General Meeting shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under the provisions herein contained entitled to receive notice from the Company and at least fourteen days' notice of such Meeting shall be given by advertisement in the daily press and in writing to each of the Stock Exchanges upon which the Company may be listed. Where notices contain Special Resolutions, they must be given to shareholders at least twenty-one days (or such other time as permitted and/or required under Applicable Laws) before the meeting (excluding the date of notice and the date of meeting). Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

(a) in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and

- (b) in the case of an Extraordinary General Meeting by that number or majority in number of the Members having a right to attend and vote thereat as is required by the Act.

Provided also that the accidental omission to give notice to, or the non-receipt by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

27. Regulation 59

59. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-

- (a) Declaring dividends;
- (b) Reading, considering Receiving and adopting the balance sheet financial statements, the Directors statement, the Auditor's report, the reports of the Directors and Auditors, and other accounts and documents required to be attached or annexed to the balance sheet financial statements;
- (c) Appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement by rotation or otherwise;
- (~~d~~e) Appointing or re-appointing the Auditors and fixing the remuneration of Auditors or determining the manner in which such remuneration is to be fixed;
- (~~e~~d) Fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and Appointing Directors in place of those retiring by rotation or otherwise and fixing the remuneration of the Directors;
- (f) Fixing the fees of the Directors proposed to be passed under Regulation 86.

28. Regulation 61

61. If within half an hour from the time appointed for the General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) ~~Meeting~~ a quorum is not present, the meeting if convened on the requisition of Members shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following that public holiday) at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned ~~m~~Meeting a quorum is not present within fifteen minutes from the time appointed for holding the ~~m~~Meeting, the Members present in person or proxy shall be a quorum.

29. Regulation 62

62. Subject to the provisions of the Act and provided that the shares of the Company are not listed on any stock exchange, a resolution in writing signed by every ~~m~~Member of the Company entitled to vote or being a corporation or a limited liability partnership by its duly authorised representative shall have the same effect and validity as an Ordinary Resolution of the Company passed at a General Meeting duly convened, held and constituted, and may consist of several documents in the like form, each signed by one or more of such Members.

30. Regulation 63

63. The Chairman of the Directors or, in his absence, the Deputy Chairman shall preside as Chairman at every General Meeting. If there be no such Chairman or Deputy Chairman or if at any ~~M~~meeting ~~he~~ neither be ~~not~~ present within fifteen minutes after the time appointed for holding the ~~M~~meeting or be unwilling to act, the Members present shall choose some Director to be Chairman of the ~~M~~meeting or, if no Director be present or if all the Directors present decline to take the Chair, one of their number present, to be Chairman.

31. Regulation 64

64. The Chairman may, with the consent of any General Meeting at which a quorum is present (and shall if so directed by the ~~M~~meeting) adjourn the ~~M~~meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned ~~M~~meeting except business which might lawfully have been transacted at the ~~M~~meeting from which the adjournment took place. When a ~~M~~meeting is adjourned for thirty days or more, or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original ~~M~~meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned ~~M~~meeting.

32. Regulation 64A

- 64A. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

33. Regulation 65

65. (a) If required by the listing rules of any stock exchange upon which the shares in the Company may be listed, all resolutions at General Meetings shall be voted by poll, unless such requirement is waived by the stock exchange.
- (b) Subject to Regulation 65(a), ~~a~~At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-
- (i) the Chairman of the ~~m~~Meeting;
 - (ii) not less than two Members present in person or by proxy and entitled to vote; or
 - (iii) a Member or Members present in person or by proxy and representing not less than five per cent ~~one-tenth~~ of the total voting rights of all the Members having the right to vote at the meeting; or
 - (iv) a Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than five per cent ~~one-tenth~~ of the total sum paid on all the shares conferring that right;

34. Regulation 66

66. ~~Provided always that no poll shall be demanded on the choice of a Chairman or on a question of adjournment. A demand for a poll made pursuant to Regulation 65(b) may be withdrawn only with the approval of chairman of the mMeeting and any such demand shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. Unless a poll be so is demanded (and the demand be not withdrawn) a declaration by the Chairman that a resolution has been carried, or carried unanimously or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.~~

35. Regulation 67

67. ~~If a poll be duly demanded (and the demand be not withdrawn) Where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct and the result of a poll shall be deemed to be the resolution of the mMeeting at which the poll was demanded taken. Chairman may, and if so requested shall (and if so directed by the meeting or if required by the listing rules of any stock exchange upon which shares in the Company may be listed shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.~~

36. Regulation 69

69. ~~In the case of equality of votes, whether on a poll or on a show of hands or on a poll, the Chairman of the mMeeting at which the poll or the show of hands takes place or at which the poll is demanded shall not be entitled to a casting vote.~~

37. Regulation 70

- 69-70 ~~A poll on the choice of a chairman or on a question of adjournment shall be taken immediately. A poll on any other question demanded on any question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.~~

38. Deletion of Article 70 of the Existing Constitution

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

39. Regulation 71

71. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company each Member entitled to vote may vote in person or by proxy. ~~On a show of hands e~~Every Member who is present in person or by proxy shall:
- (a) ~~on a poll, have one vote and on a poll, every Member who is present in person or by proxy shall have one vote for every share which he holds or represents; and~~
 - (b) on a show of hands, have one vote, Provided always that:

- (i) in the case of a member who is not a relevant intermediary and who is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and
- (ii) in the case of a member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.

For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at ~~48~~ seventy-two hours before the time of the relevant General Meeting as certified by the Depository to the Company.

40. Regulation 72

- 72. Where there are joint registered holders of any share any one of such persons may vote and be reckoned in a quorum at any General Meeting either personally or by proxy or by attorney or in the case of a corporation or a limited liability partnership by a representative as if he were solely entitled thereto and if more than one of such joint holders be so present at any ~~M~~meeting that one of such persons so present whose name stands first in the Register of Members or ~~(as the case may be)~~ the Depository Register (as the case may be) in respect of such share shall alone be entitled to vote in respect thereof. ~~For this purpose, s~~Several executors, trustees or administrators of a deceased Member in whose name any share stands shall for the purpose of this ~~Article~~Regulation be deemed joint holders thereof.

41. Regulation 73

- 73. ~~If a~~A Member ~~be mentally disordered and incapable of managing himself or his affairs, he of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorders~~ may vote whether on a show of hands or on a poll by his committee, curator bonis or such other person as properly has the management of his estate and any such committee, curator bonis or other person may vote by proxy or attorney, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than ~~forty-eight~~ seventy-two hours before the time appointed for holding the ~~m~~Meeting.

42. Regulation 75

- 75. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned ~~m~~MMeeting at which the vote objected to is given or tendered and every vote not disallowed at such ~~m~~MMeeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the ~~m~~MMeeting whose decision shall be final and conclusive.

43. Regulation 77

- 77. (a) An instrument appointing a proxy shall be in writing in any usual or common form

or in any other form which the Directors may approve, and subject to the listing rules of any stock exchange upon which Shares of the Company may be listed, and:-

- (i) in the case of an individual, shall be:
 - (I) signed by the appointor or his attorney if the instrument is delivered personally or by post; or
 - (II) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by Electronic Communication;
- (ii) in the case of a corporation, shall be:
 - (I) either given under its common seal or signed on its behalf by an attorney or duly authorised officer of the corporation, by post; and/or
 - (II) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by Electronic Communication; and
- (iii) in the case of a limited liability partnership, shall be:
 - (I) either signed on its behalf by a partner, an attorney or a duly authorised officer of the limited liability partnership; if the instrument is delivered personally or by post, or
 - (II) authorised by that limited liability partnership through such method and in such manner as may be approved by the managers, if the instrument is submitted by Electronic Communication.

The Directors may, for the purpose of Regulations 77(a)(i)(II), 77(a)(ii)(II) and 77(a)(iii)(II), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

- (b) The signature on, or authorisation of, such instrument need not be witnessed or authorised. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Article Regulation 8177, failing which the instrument may be treated as invalid.

- (c) The Directors, may in their absolute discretion:-

- (i) approve the method and manner for an instrument appointing a proxy to be authorised; and
- (ii) designate the procedure for authenticating an instrument appointing a proxy, as contemplated in Regulations 77(a)(i)(II), 77(a)(ii)(II) and 77(a)(iii)(II) for application to such Members or class of Members as they may determine. Where the Directors do not so approve and designate in relation to a Member (whether of a class or otherwise), Regulations 77(a)(i)(I), 77(a)(ii)(I) and/or 77(a)(iii)(I) (as the case may be) shall apply.

44. Regulation 78

78. (a) Save as otherwise provided in the Act:–

(i) a Member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same General Meeting. Where such Member's form of proxy appoints more than one proxy, the proportion of shareholding concerned to be represented by each proxy shall be specified in the form of proxy; and

(ii) a Member who is a relevant intermediary may appoint more than two proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

(b) In any case, where ~~provided that~~ if the Member is a Depositor, the Company shall be entitled and bound:–

(i) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at ~~48~~seventy-two hours before the time of the relevant General Meeting as certified by the Depository to the Company; and

(ii) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at ~~48~~seventy-two hours before the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.

(c) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.~~In any case where an instrument of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument of proxy.~~

(d) A proxy need not be a Member of the Company.

45. Regulation 79

79. (a) An instrument appointing a proxy or the power of attorney or other authority, if any:–

(i) if sent personally or by post, must be left at the Office or such other place (if any) as may be specified for that purposes in or by way of note to or in any document accompanying the notice convening the meeting; or

(ii) if submitted by Electronic Communication, must be received through such means as may be specified for that purposes in or by way of note to or in any document accompanying the notice convening the meeting,

and, in either case, not less than seventy-two hours before the time appointed for the holding of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) to which it is to be used and in default shall not be treated as valid.

- (b) The Directors may, in their absolute discretion, and in relation to such Members or class of Members as they may determine, specify the means through which instruments appointing a proxy may be submitted by Electronic Communications, as contemplated in Regulation 79(a)(ii). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), Regulation 79(a)(i) shall apply. ~~as is specified for the purpose in the notice convening the Meeting not less than forty eight hours before the time appointed for the holding of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) to which it is to be used and in default shall not be treated as valid.~~

46. Regulation 80

80. An instrument appointing a proxy shall be in the following form with such variations if any, as circumstances may require or in such other form as the Directors may accept:-

SINGAPORE REINSURANCE CORPORATION LIMITED

"I/We,
"of
"a Member/Members of the abovenamed
"Company hereby appoint
"of
"or whom failing
"of
"to vote for me/us and on my/our behalf
"at the (Annual, Extraordinary or Adjourned,
"as the case may be) General Meeting of
"the Company to be held on the day
"of and at every adjournment
"thereof.

"As Witness my hands this day of
"19."

An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the mMeeting as for the mMeeting to which it relates and need not be witnessed Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered in accordance with the provisions of this Constitution for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

47. Regulation 81

81. A vote given in accordance with the terms of an instrument of proxy (which for the purposes of ~~these Articles~~ this Constitution shall also include a power of attorney) shall be valid notwithstanding the previous death or ~~insanity~~ mental disorder of the principal or revocation of the proxy, or of the authority under which the proxy was executed or

the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, ~~insanity~~mental disorder, revocation or transfer shall have been received by the Company at the office (or such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the General Meeting or adjourned ~~m~~Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

48. Regulation 84

84. The first Directors of the Company ~~as at the date of the adoption of these Articles are~~
were:-

HWANG SOO JIN
CHEW LOY KIAT
TAN ENG HENG
KOH BEE CHYE
FUNG LOK NAM
TAN LEONG SENG
CHEW CHENG HOI
TAN HENG TONG
TEO KWANG WHEE
DONALD STEWART WYBER
TEO SOO CHEW
MICHAEL JOHN MILES
PHUA KIA TING

49. Regulation 86

86. The remuneration of the Directors shall be determined from time to time by the Company in General Meeting, and such remuneration shall not be increased except pursuant to an Ordinary Resolution passed at a General Meeting where notice of the proposed increase shall have been given in the notice convening the ~~M~~meeting. Such remuneration (unless such Ordinary Resolution otherwise provides) shall be divided among the Directors in such proportions and manner as they may agree and in default of agreement equally except that in the latter event, any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for the proportion of remuneration related to the period during which he has held office. Such remuneration shall so far as a Director (who is not an Executive Director) is concerned be by way of a fixed sum and not by way of a commission on or percentage of profits or turnover, subject always however to the other provisions of ~~these Articles~~this Constitution.

50. Regulation 94

94. A Managing Director or a person holding an equivalent position shall at all times be subject to the control of the Board of Directors but subject thereto the Directors may from time to time entrust to and confer upon a Managing Director or a person holding an equivalent position for the time being such of the powers exercisable under ~~these Articles~~this Constitution by the Directors as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

51. Regulation 95

95. The office of a Director shall be vacated in any one of the following events, namely:
- (a) if he becomes prohibited from being a Director by reason of any order made under the Act or this Constitution;
 - (b) if he ceases to be a Director by virtue of any of the provisions of the Act;
 - (c) if he resigns by writing under his hand left at the Office;
 - (d) if he becomes bankrupt or shall make any arrangement or composition ~~has a receiving order made against him or suspends payments or compounds with his creditors generally;~~
 - (e) if he becomes mentally disordered and incapable of managing himself or his affairs or if in Singapore or elsewhere, an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs ~~he is found lunatic or becomes of unsound mind;~~
 - (f) if he is absent from meetings of the Directors for a continuous period of six months without leave from the Directors and the Directors resolve that his office be vacated; ~~or~~
 - (g) if he is removed by the Company in General Meeting pursuant to ~~these Articles~~ this Constitution; or
 - (h) if he is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds.

52. Regulation 96

96. Subject to ~~these Articles~~ this Constitution and to the provisions of the Act, at each Annual General Meeting one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office and a Director shall retain office until the close of the ~~M~~meeting, whether adjourned or not Provided that no Director holding office as Managing or Joint Managing Director shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire.

53. Regulation 98

98. The Company at the ~~m~~Meeting at which a Director retires under any provision of ~~these Articles~~ this Constitution may by Ordinary Resolution fill up the vacated office, by electing a person thereto. In default the retiring Director shall be deemed to have been re-elected, unless:—
- (a) at such ~~m~~Meeting it is expressly resolved not to fill up such vacated office or a resolution for the re-election of such Director is put to the ~~m~~Meeting and lost; ~~or~~
 - (b) such Director is disqualified ~~under the Act~~ from holding office as Director pursuant to Regulation 95;

- (c) such Director ~~or~~ has given notice in writing to the Company that he is unwilling to be re-elected; or
- (d) the default is due to the moving of a resolution in contravention of Regulation 98A, or such Director has attained any retiring age applicable to him as a Director.

The retirement shall not have an effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

54. Regulation 98A

- 98A. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

55. Regulation 99

- 99. No person other than a Director retiring at the meeting shall be eligible for appointment as a Director at any General Meeting unless recommended by the Directors for election or unless not less than at least eleven not more than forty-two clear days (exclusive of the date on which the notice is given) before the day appointed for the meeting there shall have been left at the Office notice in writing signed by some Member (other than the nominee) duly qualified to attend and vote at the mMeeting for which such notice is given of his intention to propose such person for election and also or notice in writing duly signed by the nominee giving his consent to the nomination and signifying his candidature for the office. Provided that in the case of a person recommended by the Directors for election nine clear days' notice only shall be necessary and notice of each and every candidate for election shall be served on all Members at least seven clear days prior to the mMeeting at which the election is to take place.

56. Regulation 112

- 112. The business and affairs of the Company shall be managed by or under the direction or supervision of the Directors, who The management of the business of the Company shall be vested in the Directors who (in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them) may exercise all such powers and do all such acts and things as may be exercised or done by of as are not by the Act or by this Constitution required to be exercised by the Company in General Meeting the Company and are not hereby or by the Act expressly directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and of these Articles this Constitution and to any regulations, being not inconsistent with the aforesaid Regulations or provisions, as may be prescribed by Special Resolutions of the Company, from time to time made by the Company in General Meeting provided that but no regulations so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made, Provided that the Directors shall not carry into effect any proposals for selling or disposing of the main or the whole or substantially the whole of the Company's undertaking unless such proposals have been approved by the Company in General Meeting. The general powers given by this Regulation shall not be limited or restricted by any special authority or power given to the Directors by any other Regulation and in particular and without prejudice to the generality of the foregoing the Directors may at their discretion exercise every borrowing power vested in the Company by its

~~Memorandum of Association or permitted by law together with collateral power of hypothecating the assets of the Company including any uncalled or called but unpaid capital provided that the Directors shall not carry into effect any proposals for disposing of the whole or substantially the whole of the Company's undertaking or property unless those proposals have been approved by the Company in General Meeting.~~

57. Regulation 117

117. Subject as provided herein and to the provisions of the Act, tThe Directors may borrow or raise money from time to time for the purpose of the Company or secure the payment of such sums as they think fit and may secure the repayment or payment of such sums by mortgage or charge upon all or any of the property or assets of the Company or by the issue of debentures (whether at par or at discount or premium) or otherwise as they may think fit.

58. Regulation 118

118. The Secretary or Secretaries shall and a Deputy or Assistant Secretary or Secretaries may be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary, Deputy or Assistant Secretary so appointed may be removed by them, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company. The appointment and duties of the Secretary or Secretaries shall not conflict with the provisions of the Act and in particular Section 171 thereof. Notwithstanding the above, the office of Secretary, Deputy or Assistant Secretary shall be vacated if he resigns by writing under hand left at the Office.

59. Regulation 121

121. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors, and any books, records, documents, and accounts and financial statements relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents, or accounts or financial statements are elsewhere than at the Office, the local manager and other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

60. Regulation 122

122. A document purporting to be a copy of a resolution of the Directors or an extract from the minutes of a meeting of Directors which is certified as such in accordance with the provisions of the last preceding ~~Article~~ Regulation shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Directors. Any authentication or certification made pursuant to Regulations 121 and 122 may be made by any electronic means approved by the Directors from time to time for such purpose incorporating, if the Directors deem necessary, the use of security and/or identification procedures or devices approved by the Directors.

61. Regulation 130A

130A. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.

62. Regulation 131A

131A. (a) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary share capital of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:–

- (i) the basis of any such allotment shall be determined by the Directors;
- (ii) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Regulation;
- (iii) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded Provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion;
- (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect whereof the share election has been duly exercised (the “elected ordinary shares”) and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of Regulation 135, the Directors shall capitalise and apply the amount standing to the credit of the Company’s reserve accounts as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

(b) (i) The ordinary shares allotted pursuant to the provisions of paragraph (a) of this Regulation shall rank *pari passu* in all respects with the ordinary shares

then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

- (ii) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (a) of this Regulation, with full power to make such provisions as they think fit in the case of shares becoming distributable in fractions (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down).
- (c) The Directors may, on any occasion when they resolve as provided in paragraph (a) of this Regulation, determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of this Regulation shall be read and construed subject to such determination.
- (d) The Directors may, on any occasion when they resolve as provided in paragraph (a) of this Regulation, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register are outside Singapore or to such other Members or class of Members as the Directors may in their sole discretion decide and in such event the only entitlement of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.
- (e) Notwithstanding the foregoing provisions of this Regulation, if at any time after the Directors' resolution to apply the provisions of paragraph (a) of this Regulation in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and without assigning any reason therefor, cancel the proposed application of paragraph (a) of this Regulation.

63. Regulation 142

142. In accordance with the provisions of the Act the Directors shall cause to be prepared and to be laid before the Company in General Meeting such ~~profit and loss accounts~~ financial statements, balance sheets, ~~group accounts~~ consolidated financial statements (if any) and reports as may be necessary. Whenever so required, the interval between the close of a financial year of the Company and the issue of ~~accounts~~ financial statements relating thereto shall not exceed four (4) months (or such other period as may be prescribed from time to time by the Singapore Exchange Securities Trading Limited, the provisions of the Act and/or ~~any applicable law~~ Applicable Laws).

64. Regulation 143

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

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

65. Regulation 148

148. (a) Any notice or document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid cover addressed to such Member at his registered address appearing in the Register of Members or (as the case may be) the Depository Register, or (if he has no registered address within Singapore) to the address, if any, within Singapore supplied by him to the Company or (as the case may be) supplied by him to the Depository as his address for the service of notices, or by delivering it to such address as aforesaid.
- (b) Without prejudice to the provisions of ~~Article 151~~ Regulation 148(a), but subject otherwise to the Act and any regulations made thereunder and (where applicable) the listing rules of any stock exchange upon which shares in the Company may be listed, relating to Electronic Communications, any notice or document (including, without limitation, any ~~accounts~~ financial statements, balance-sheet or report) which is required or permitted to be given, sent or served under the Act or under ~~these Articles~~ this Constitution by the Company, or by the Directors, to a Member or an officer or auditor of the Company may be given, sent or served using ~~electronic communication~~ Electronic Communication:
- (i) to the current address of that person; or
 - (ii) by making it available on a website prescribed by the Company from time to time,
- in accordance with the provisions of this Constitution, the Applicable Laws and/or any other applicable regulations, or as otherwise provided by the Act and/or any other applicable regulations or procedures.

- (c) For the purposes of Regulation 148(b), a Member shall be deemed to have agreed to receive such notice or document by way of such Electronic Communications and shall not have a right to elect to receive a physical copy of such notice or document.
- (d) Notwithstanding Regulation 148(c), a Member shall, at the Directors' discretion, be given an opportunity to elect within a specified period of time whether to receive such notice or document by way of Electronic Communications or as a physical copy, and a Member shall be deemed to have consented to receive such notice or document by way of Electronic Communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document.
- (e) Where a notice of document is given, sent or served by Electronic Communications:
 - (i) to the current address of a person pursuant to Regulation 148(b)(i), it shall be deemed to have been duly given, sent or served at the time of transmission of the Electronic Communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the Electronic Communication was delayed or not successfully sent), unless otherwise provided under the Act and/or any other applicable regulations or procedures; and
 - (ii) by making it available on a website pursuant to Regulation 148(b)(i), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, unless otherwise provided under the Act and/or any other applicable regulations or procedures.
- (f) Where a notice or document is given, sent or served to a Member by making it available on a website pursuant to Regulation 154(b)(ii), the Company shall give separate notice to the Member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by any one or more of the following means:
 - (i) by sending such separate notice to the Member personally or through the post pursuant to Regulation 148(a);
 - (ii) by sending such separate notice to the Member using Electronic Communications to his current address pursuant to Regulation 148(b)(i);
 - (iii) by way of advertisement in the daily press; and/or
 - (iv) by way of announcement on any stock exchange upon which shares in the Company may be listed.

66. Regulation 152

152. Where a notice or other document is served or sent by post (whether or not by airmail), service or delivery shall be deemed to be effected at the time when the cover containing the same is posted and in proving such service or delivery it shall be

sufficient to prove that such cover was properly addressed, stamped and posted. ~~Any notice given, sent or served using electronic communication (as the case may be) shall be deemed to have been duly given, sent or served upon transmission of the electronic communication to the current address of such person or as otherwise provided under the Act and/or other applicable regulations or procedures.~~

67. Regulation 154

154. When a given number of days' notice or notice extending over any other period is required to be given the day of service shall, unless it is otherwise provided or required by ~~these Articles~~ this Constitution or by the Act Applicable Laws, not be counted in such number of days or period.

68. Regulation 156

156. (a) The Directors shall have the power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.
- (b) If the Company is wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of a Special Resolution, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of Members as the Liquidator with the like authority thinks fit and the liquidation of the Company may be closed and the Company dissolved but so that no Member shall be compelled to accept any shares or other securities in respect of which there is a liability.
- (c) On a voluntary winding up of the Company, no commission or fee shall be paid to a Liquidator without the prior approval of Members in a General Meeting. The amount of such commission or fee shall be notified to all Members not less than seven days prior to the meeting at which it is to be considered.

69. Regulation 157

157. Subject to the provisions of the Act, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred or to be incurred by him in the execution and discharge of his duties or in relation thereto and in particular and without prejudice to the generality of the foregoing no Director, Manager, Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happen through his own negligence, willful default, breach of duty or breach of trust.

70. Regulation 158

158. No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trade or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Members of the Company to communicate to the public save as may be authorised by law or required by the listing rules of the Singapore Exchange Securities Trading Limited (or any other stock exchange upon which the shares in the Company may be listed).

71. Regulation 159

159. (a) A Member who is a natural person is deemed to have consented to the collection, use and disclosure of his personal data (whether such personal data is provided by that member or is collected through a third party) by the Company (or its agents or service providers) from time to time for any of the following purposes:
- (i) implementation and administration of any corporate action by the Company (or its agents or service providers);
 - (ii) internal analysis and/or market research by the Company (or its agents or service providers);
 - (iii) investor relations communications by the Company (or its agents or service providers);
 - (iv) administration by the Company (or its agents or service providers) of that Member's holding of shares in the Company;
 - (v) implementation and administration of any service provided by the Company (or its agents or service providers) to its Members to receive notices of meetings, annual reports and other shareholder communications and/or for proxy appointment, whether by electronic means or otherwise;
 - (vi) processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for any General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance list, minutes and other documents relating to any General Meeting (including any adjournment thereof);
 - (vii) implementation and administration of, and compliance with, any provision of this Constitution;
 - (viii) compliance with any Applicable Laws, listing rules, take-over rules, regulations and/or guidelines; and
 - (ix) purposes which are reasonably related to any of the above purpose.
- (b) Any Member who appoints a proxy and/or representative for any General Meeting and/or any adjournment thereof is deemed to have warranted that where such Member discloses that personal data of such proxy and/or representative to the Company (or its agents or service providers), that Member has obtained the prior consent of such proxy and/or representative for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy and/or representative for the purposes specified in Regulations 159(a)(vi) and 159(a)(viii), and is deemed to have agreed to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such Member's breach of warranty.

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