

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the annual general meeting (“AGM”) of DeClout Limited (the “Company”) will be held at M Hotel, Banquet Suite, Level 10, 81 Anson Road Singapore 079908 on Thursday, 28 April 2016 at 2.00 p.m. to transact the following business:

AS ORDINARY BUSINESS

- To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2015 and the Directors’ Statement and the Auditors’ Report thereon.

(Resolution 1)

- To re-elect the following Directors retiring pursuant to the articles of the Company’s constitution (the “Constitution”):

Mr Wong Kok Khun (Article 106)
Ms Ch’ng Li-Ling (Article 106)

(Resolution 2a)
(Resolution 2b)

Ms Ch’ng Li-Ling will, upon re-election as a Director of the Company, remain as the Chairman of the Nominating Committee, member of the Remuneration and Audit Committees, and shall be considered independent for the purposes of Rule 704(7) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) (the “Catalist Rules”).

[See Explanatory Note (a)]

- To approve the payment of additional Directors’ fees of S\$55,000 for the financial year ended 31 December 2015 and Directors’ fees of up to S\$333,000 for the financial year ending 31 December 2016, to be paid quarterly in arrears. (2015: S\$176,000)

[See Explanatory Note (b)]

(Resolution 3)

- To re-appoint Messrs Ernst & Young LLP as auditors of the Company and to authorise the Directors to fix their remuneration.

(Resolution 4)

- To transact any other ordinary business which may be properly transacted at an AGM.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:

- Authority to allot and issue shares

“That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the “Companies Act”) and the Catalist Rules, approval be and is hereby given to the directors of the Company (the “Directors”) to:

- (i) allot and issue shares in the capital of the Company (“Shares”) whether by way of bonus, rights or otherwise; and/or

- (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue Shares in pursuant of any Instruments made or granted by the Directors while this resolution was in force, provided that:

- (i) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuant to the Instruments made or granted pursuant to this resolution) does not exceed 100% of the total number of issued Shares in the capital of the Company (excluding treasury shares), of which the aggregate number of Shares and convertible securities in the Company to be issued other than on a pro rata basis to the existing shareholders of the Company (“Shareholders”) shall not exceed 50% of the total number of issued Shares (excluding treasury shares), and for the purpose of determining the aggregate number of Shares and Instruments that may be issued under this resolution, the percentage of the total number of issued Shares (excluding treasury shares) at the time this resolution is passed, after adjusting for:

- (1) new Shares arising from the conversion or exercise of convertible securities;
- (2) new Shares arising from the exercise of share options or vesting of share awards outstanding or subsisting at the time of passing this resolution, provided the options were granted in compliance with the Catalist Rules; and
- (3) any subsequent bonus issue, consolidation or subdivision of Shares;

- (ii) in exercising the authority conferred in this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Company’s Constitution; and

- (iii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier.

[See Explanatory Note (c)]

(Resolution 5)

- Authority to grant share options, allot and issue Shares under the DeClout Employee Share Option Scheme

“That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors to grant share options in accordance with the provisions of the DeClout Employee Share Option Scheme (the “ESOS”) and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the exercise of the share options under the ESOS (including but not limited to allotment and issuance of Shares in the capital of the Company at any time, whether during the continuance of such authority or thereafter, pursuant to options made or granted by the Company whether granted during the subsistence of this authority or otherwise) provided always that the aggregate number of Shares to be issued pursuant to the ESOS when aggregated together with Shares issued and/or issuable in respect of all share options granted under the ESOS, all other existing share schemes or share plans of the Company for the time being shall not exceed 15% of the total number of issued Shares of the Company (excluding treasury shares) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier.”

[See Explanatory Note (d)]

(Resolution 6)

- Authority to grant share awards, allot and issue Shares under the DeClout Performance Share Plan

“That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised to grant share awards in accordance with the provisions of the DeClout Performance Share Plan (the “PSP”) and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the share awards granted under the PSP (including but not limited to allotment and issuance of Shares in the capital of the Company at any time, whether during the continuance of such authority or thereafter, pursuant to awards made or granted by the Company whether granted during the subsistence of this authority or otherwise) provided always that the aggregate number of Shares to be issued pursuant to the PSP when aggregated together with Shares issued and/or issuable in respect of all share awards granted under the PSP, all other existing share schemes or share plans of the Company for the time being shall not exceed 15% of the total number of issued Shares of the Company (excluding treasury shares) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier.”

[See Explanatory Note (e)]

(Resolution 7)

- Proposed renewal of the share buy back mandate

“That for the purposes of the Companies Act and the Catalist Rules:

- (a) the Directors be hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire issued Shares each fully paid-up not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) on-market purchases (“Market Purchase”), transacted on Catalist through the ready market or through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (ii) off-market purchases (“Off-Market Purchase”) (if effected otherwise than on Catalist) in accordance with any equal access scheme(s).

- (b) Unless varied or revoked by the members of the Company in a general meeting, the authority conferred on the Directors pursuant to the proposed renewal of the share buy back mandate may be exercised by the Directors at any time and from time to time during the relevant period commencing from the date of this resolution and expiring on the earliest of:

- (i) the conclusion of the next AGM or the date by which the next AGM is required by law or the Company’s Constitution to be held;
- (ii) the date on which the authority contained in the proposed renewal of the share buy back mandate is varied or revoked by Shareholders in a general meeting; or
- (iii) the date on which the proposed share buy backs are carried out to the full extent mandated.

- (c) In this resolution:

“Maximum Limit” means that number of issued Shares representing 10% of the issued ordinary Shares of the Company as at the date of the passing of this resolution (excluding treasury shares held by the Company as at the date of the passing of this resolution) unless the Company has, at any time during the relevant period, reduced its share capital by a special resolution under Section 78C of the Companies Act, or the court has, at any time during the relevant period, made an order under Section 781 of the Companies Act confirming the reduction of the share capital of the Company, in which event the total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered by special resolution of the Company or the order of the court, as the case may be; and

“Maximum Price” means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share in the event of any proposed share buy back determined by the Directors, subject to compliance with the Catalist Rules, where applicable, but in any event, not exceeding the maximum price, which:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as hereinafter defined); and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price (as hereinafter defined),

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

For the above purposes:

“Average Closing Price” means the average of the closing market prices of the Shares over the last five (5) market days on Catalist, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-market day period;

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

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

[See Explanatory Note (f)]

(Resolution 8)

BY ORDER OF THE BOARD

Lee Bee Fong (Ms)

Company Secretary

11 April 2016

Singapore

EXPLANATORY NOTES:

- (a) The key information of Mr Wong Kok Khun and Ms Ch’ng Li-Ling can be found in the annual report. Mr Wong Kok Khun and Ms Ch’ng Li-Ling, if re-appointed as Directors of the Company (pursuant to ordinary resolutions 2a and 2b, respectively), will remain as Directors of the Company. Save for their respective shareholding interests, direct or indirect, in the Company, there are no relationships including immediate family relationships between Mr Wong Kok Khun, Ms Ch’ng Li-Ling and the other Directors, the Company, its related corporations, its 10% Shareholders or its officers.

- (b) The ordinary resolution 3 above is to request Shareholders’ approval for additional Directors’ fees to meet the shortfall in the amount payable for the financial year ended 31 December 2015. The amount approved at the AGM last year was insufficient due to additional fees payable to a Director during the financial year for him to attend additional meetings and overseeing the completion of the Company’s year-end closing.

The same resolution is also to request Shareholders’ approval for payment of Directors’ fees on a current year basis, calculated taking into account the number of scheduled Board and committee meetings for the financial year ending 31 December 2016 and assuming that all non-executive Directors will hold office for the full year. In the event the Directors’ fees proposed for the financial year ending 31 December 2016 are insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at next year’s AGM for additional fees to meet the shortfall. The increase in the Directors’ fees payable for the financial year ending 31 December 2016 is to compensate the Directors of additional workloads and responsibilities and reflect the increasingly onerous corporate governance obligations and Directors’ fiduciary responsibilities.

- (c) The ordinary resolution 5 above, if passed, will empower the Directors from the date of the AGM until the date of the next AGM, or the date by which the AGM is required by law to be held or when varied or revoked by the Company in general meeting, whichever is earlier, to allot and issue Shares and convertible securities in the Company up to an amount not exceeding in total, 100% of the issued Shares excluding treasury shares at the time of passing of this resolution, of which up to 50% may be issued other than on a pro rata basis to Shareholders.

- (d) The ordinary resolution 6 above, if passed, will empower the Directors to grant share options under the ESOS and to allot and issue Shares upon the exercise of such share options in accordance with the ESOS.

- (e) The ordinary resolution 7 above, if passed, will empower the Directors to grant share awards under the PSP and to allot and issue Shares in accordance with the PSP.

- (f) The ordinary resolution 8 above, if passed, renews the share buy back mandate and will authorise the Directors from the date of the above AGM until the next AGM, or the date by which the next AGM is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to purchase up to 10% of the total number of issued Shares in the share capital of the Company. Please refer to the Appendix for further details.

Notes:

- Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, a member is entitled to appoint not more than 2 proxies to attend, speak and vote at the AGM. A proxy need not be a member of the company. Where a member appoints more than 1 proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form (expressed as a percentage of the whole).

- Pursuant to Section 181(1C) of the Companies Act, a member who is a Relevant Intermediary is entitled to appoint more than 2 proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than 2 proxies, the number of class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

- The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.

- A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with the Company’s Constitution and Section 179 of the Companies Act.

- The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the Company’s Share Registrar’s office at 80 Robinson Road, #11-02, Singapore 068898 not later than 48 hours before the time set for the AGM.

- A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time set for the AGM.

- A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register as defined under the Securities and Futures Act, Chapter 289 of Singapore, he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

- The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

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

This Notice of AGM has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Canaccord Genuity Singapore Pte. Ltd. (“Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The Sponsor has not independently verified the contents of this Notice of AGM.

This Notice of AGM has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Notice of AGM, including the correctness of any of the statements or opinions made, or reports contained in this Notice of AGM.

The contact person for the Sponsor is Ms Lam Siew Hwa, Director, Corporate Finance, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854-6160.