

LETTER TO SHAREHOLDERS DATED 11 OCTOBER 2021

This Letter is circulated to the Shareholders (as defined in this Letter) together with the 2021 Annual Report (as defined in this Letter). Its purpose is to explain to the Shareholders the rationale and provide information to the Shareholders for the proposed adoption of the Share Purchase Mandate (as defined in this Letter) and the proposed renewal of the IPT General Mandate (as defined in this Letter) to be tabled at the 2021 AGM (as defined in this Letter) to be held by way of electronic means on Wednesday, 27 October 2021 at 2.00 p.m.

The Notice of the 2021 AGM (as defined in this Letter) and a proxy form are enclosed with the 2021 Annual Report. If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your Shares (as defined in this Letter), you should hand this Letter, the 2021 Annual Report and the proxy form immediately to the purchaser or to the stockbroker or to the bank or to the agent through whom you effected the sale for onward transmission to the purchaser.

The SGX-ST (as defined in this Letter) assumes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Letter.



SILVERLAKE AXIS LTD.
(Company Registration No. 202133173M)
(Registered in Singapore)

LETTER TO SHAREHOLDERS

in relation to

- (1) THE PROPOSED ADOPTION OF THE SHARE PURCHASE MANDATE**
- (2) THE PROPOSED RENEWAL OF INTERESTED PERSONS TRANSACTIONS (“IPT”) GENERAL MANDATE**

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DEFINITIONS

In this Letter, the following definitions shall apply throughout unless the context otherwise requires or unless otherwise stated:

General

“AGM”	The annual general meeting of the Company
“ACRA”	The Accounting and Corporate Regulatory Authority of Singapore
“Audit and Risk Committee”	The audit and risk committee of the Company
“Associate”	Has the meaning ascribed to it under the Listing Manual
“Board”	The board of Directors of the Company for the time being
“CDP”	The Central Depository (Pte) Limited
“Companies Act”	The Companies Act (Chapter 50) of Singapore, as may be amended, varied or supplemented from time to time
“Company”	Silverlake Axis Ltd.
“Constitution”	The Constitution of the Company, as may be amended, varied or supplemented from time to time
“Controlling Shareholder”	A person who: (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over a company
“Directors”	The director(s) of the Company as at the date of this Letter
“EPS”	Earnings per Share
“FY2021”	Financial year ended 30 June 2021
“Group”	The Company and its subsidiaries
“IBM System i Products”	As defined in the 2008 Circular
“Interested Persons”	A director, chief executive officer or controlling shareholder of the Company, or an Associate of any of them, as defined in the Listing Manual of the SGX-ST which may be amended from time to time
“Interested Person Transactions” or “IPT”	The categories of transactions with Interested Persons, as set out in the 2008 Circular
“Latest Practicable Date”	The latest practicable date prior to the printing of this Letter, being 17 September 2021
“Letter”	This letter to Shareholders dated 11 October 2021 in relation to the proposed adoption of the Share Purchase Mandate and proposed renewal of the IPT General Mandate to be despatched to Shareholders for approval at the 2021 AGM
“Listing Manual”	The listing manual of the SGX-ST, as the same may be amended, varied or supplemented from time to time
“Market Day”	A day on which the SGX-ST is open for trading in securities
“Market Purchase”	As defined in paragraph 2.3.3(i) of this Letter
“Master Licence Agreement” or “MLA”	As defined in the 2008 Circular

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“Master Services Agreement” or “MSA”	As defined in the 2008 Circular
“month”	Calendar month
“NAV”	Net asset value
“NTA”	Net tangible assets
“Notice of the 2021 AGM”	The notice of the 2021 AGM as set out in pages 224 to 231 of the 2021 Annual Report
“Off-Market Purchase”	As defined in paragraph 2.3.3(ii) of this Letter
“Ordinary Resolution 11”	Ordinary Resolution 11 relating to the proposed adoption of the Share Purchase Mandate as set out in the Notice of the 2021 AGM
“Ordinary Resolution 12”	Ordinary Resolution 12 relating to the proposed Renewal of the IPT General Mandate as set out in the Notice of the 2021 AGM
“Recurrent Transactions”	Recurrent transactions of a revenue or trading nature engaged in by the Group with the Interested Persons in the ordinary course of business
“Re-Domiciliation Effective Date”	23 September 2021, being the date on which the Company was deemed as a company limited by shares registered in Singapore pursuant to the Companies Act
“Renewal of IPT General Mandate”	The renewal of the 2020 IPT Mandate, and “Renewed IPT General Mandate” means such renewed mandate
“ROE”	Return on earnings
“Securities Accounts”	The securities accounts maintained with CDP, but not including the securities accounts maintained with a Depository Agent
“Services”	As defined in the 2008 Circular
“SFA”	The Securities and Futures Act (Chapter 289) of Singapore, as may be amended, varied or supplemented from time to time
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Share Purchase”	Purchase by the Company of Shares pursuant to the Share Purchase Mandate
“Share Purchase Mandate”	General mandate authorising Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares upon and subject to the terms of such mandate set out in this Letter
“Shareholders”	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose direct securities accounts maintained with CDP are credited with Shares
“Shares”	The issued ordinary shares in the capital of the Company
“SIC”	Securities Industry Council
“Substantial Shareholder”	A person who has an interest in the Shares the nominal amount of which is not less than 5% of the nominal amount of all the voting shares of the Company
“Take-over Code”	The Singapore Code on Take-over and Mergers, as amended and modified from time to time
“treasury shares”	Has the meaning ascribed to it in Section 4 of the Companies Act
“2008 Circular”	The Company’s circular to Shareholders dated 2 October 2008

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“2008 IPT Mandate”	The general mandate approved by Shareholders at the 2008 SGM to enable the Group and its associated companies or any of them to enter into any of the recurrent transactions falling within the types of IPTs set out in the 2008 Circular with Interested Persons, provided that such IPTs are carried out on normal commercial terms and in accordance with the review procedures for Recurrent Transactions set out in the 2008 Circular, for the purposes of Chapter 9 of the Listing Manual
“2008 SGM”	The special general meeting of the Company held on 24 October 2008
“2020 AGM”	The annual general meeting of the Company held on 27 October 2020
“2020 IPT Mandate”	The 2008 IPT Mandate that was most recently renewed at the 2020 AGM
“2021 AGM”	The annual general meeting of the Company to be held on 27 October 2021
“2021 Annual Report”	The annual report of the Company for FY2021

Currencies, units and others

“S\$” and “cents”	Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
“RM” and “sen”	Malaysian Ringgit and sen respectively, the lawful currency of Malaysia
“%” or “per cent.”	percentage or per centum

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The headings in this Letter are inserted for convenience only and shall be ignored in construing this Letter.

Any reference to a time of day in this Letter is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Letter between the listed amounts and the totals thereof are due to rounding.

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

Any reference in this Letter to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, SFA or the Listing Manual or any statutory modification thereof and used in this Letter shall, where applicable, have the meaning ascribed to it under the Companies Act, SFA or the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.



SILVERLAKE AXIS LTD.
(Company Registration No. 202133173M)
(Registered in Singapore)

LETTER TO SHAREHOLDERS

Directors:

Goh Peng Ooi (Group Executive Chairman)
Andrew Tan Teik Wei (Group Managing Director)
Goh Shiou Ling (Executive Director)
Dr. Kwong Yong Sin (Executive Director)
Ong Kian Min (Lead Independent Non-Executive Director)
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid (Independent Non-Executive Director)
Datuk Yvonne Chia (Independent Non-Executive Director)
See Chuang Thuan (Independent Non-Executive Director)
Yano Satoru (Independent Non-Executive Director)
Mah Yong Sun (Independent Non-Executive Director)

Registered Office:

80 Robinson Road
#02-00
Singapore 068898

Date: 11 October 2021

To: The Shareholders of Silverlake Axis Ltd.

Dear Shareholders,

- (1) THE PROPOSED ADOPTION OF THE SHARE PURCHASE MANDATE**
(2) THE PROPOSED RENEWAL OF INTERESTED PERSONS TRANSACTIONS (“IPT”) GENERAL MANDATE

1. INTRODUCTION

- 1.1 The Directors of the Company intend to seek the approval of Shareholders for, *inter alia*, the proposed adoption of the Share Purchase Mandate and the Renewal of IPT General Mandate.
- 1.2 The purpose of this Letter is to provide Shareholders with information relating to, *inter alia*, the above matters, and to seek their approval for the same at the 2021 AGM. The Notice of the 2021 AGM which contains resolutions relating to, *inter alia*, the proposed adoption of the Share Purchase Mandate and the Renewal of IPT General Mandate is enclosed in the 2021 Annual Report which is circulated to the Shareholders together with this Letter.

2. THE PROPOSED ADOPTION OF THE SHARE PURCHASE MANDATE

2.1 Background

The Companies Act allows a company incorporated in Singapore to purchase or otherwise acquire its issued shares, stocks and preference shares if the purchase or acquisition is permitted under the constitution of the company.

Regulation 9 of the Constitution expressly permits the Company to purchase or otherwise acquire its issued Shares on such terms as the Company may think fit, subject to and in accordance with the provisions of the Companies Act. Any purchase of Shares by the Company will have to be made in accordance with, and in the manner prescribed by the Companies Act, the Constitution and the rules of the Listing Manual and such other laws and regulations as may, for the time being, be applicable.

It is a requirement that a company which wishes to purchase or acquire its own shares obtain the approval of its shareholders to do so at a general meeting of the shareholders. The Shareholders had previously approved a share purchase mandate at the 2008 SGM authorising the Directors to purchase or otherwise acquire issued Shares on the terms of the share purchase mandate, details of which were set out in the 2008 Circular. The share purchase mandate was renewed at the AGMs held in 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, and again at the 2020 AGM.

Following the re-domiciliation of the Company from Bermuda to Singapore, the authority conferred under the share purchase mandate cannot be relied upon from the Re-Domiciliation Effective Date as such authority was given pursuant to, *inter alia*, the Companies Act 1981 of Bermuda (as amended) and the Company's Memorandum of Association and Bye-laws as existing prior to the Re-Domiciliation Effective Date. Accordingly, the Directors propose to seek the approval of the Shareholders for the adoption of the Share Purchase Mandate at the 2021 AGM.

2.2 Rationale for the Share Purchase Mandate

The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) Share purchases may be considered as one of the ways through which shareholders' value may be increased by enhancing the return on earnings ("**ROE**") and/or net tangible assets ("**NTA**") value per Share. This effect is greater the more undervalued the Shares are when they are purchased. If Shares are undervalued, this may be the most profitable course of action for the Company.
- (b) Buying back Shares also means that the Company's earnings are now split among fewer Shares, meaning higher earnings per Share ("**EPS**").
- (c) Buying back Shares provides the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient, effective and cost-efficient manner.

The Directors further believe that Share Purchases by the Company may help to mitigate short-term market volatility in the Company's Share price, off-set the effects of short-term speculation and bolster Shareholders' confidence.

By adopting the Share Purchase Mandate, the Company will have the flexibility to undertake purchases of Shares at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. If and when circumstances permit, the Directors will decide whether to effect the Share Purchases via Market Purchases or Off-Market Purchases, after taking into account the amount of surplus cash available, the prevailing market conditions and the most cost-effective and efficient approach. The Directors do not propose to carry out buy-backs to an extent that would, or in circumstances that might, result in a material adverse effect on the liquidity and/or the orderly trading of the Shares and/or the financial condition of the Group. Shareholders should also note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full limit as authorised.

2.3 Terms of the Share Purchase Mandate

Any purchase or acquisition of Shares by the Company shall be made in accordance with, and in the manner prescribed by the Companies Act, the Constitution and the Listing Manual, in particular, Rule 883(1) of the Listing Manual, and such other laws and regulations as may for the time being, be applicable. The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Purchase 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.

In accordance with Rule 882 of the Listing Manual, the total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate shall not exceed ten per cent (10%) of the issued ordinary share capital of the Company as at the date on which the resolution authorising the renewal of the Share Purchase Mandate is passed (“**Maximum Limit**”), unless the Company has effected a cancellation of Shares pursuant to a reduction of its issued share capital, in accordance with the applicable provisions of the Companies Act, at any time during the relevant period (as defined in the Companies Act), in which event the total number of Shares of the Company shall be taken to be the total number of Shares as so altered. Shares held by the Company as treasury shares and subsidiary holdings shall be disregarded for purposes of computing the Maximum Limit.

Whilst the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the full 10% threshold, it should be noted that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out up to the full 10% limit as authorised or at all and that no purchases or acquisitions of Shares will be made in circumstances which would or may have a material adverse effect on the financial position of the Company.

For illustration purposes only, based on 2,675,903,709 Shares, being the total number of Shares as at the Latest Practicable Date (excluding treasury shares and subsidiary holdings), and assuming that no further Shares are issued on or prior to the 2021 AGM, not more than 267,590,370 Shares (representing 10% of the issued share capital of the Company disregarding treasury shares and subsidiary holdings) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

Shareholders should note that this limit of 10% is subject further to the public float requirement as set out in detail in Paragraph 2.10.1 of this Letter.

2.3.2 Duration of authority

The authority conferred on the Directors pursuant to the Share Purchase Mandate proposed to be renewed, unless varied or revoked by the Company in a general meeting, may be exercised by the Directors at any time and from time to time during the relevant period, which is the period commencing from the passing of the resolution relating to the adoption of the Share Purchase Mandate and expiring on the earliest of:

- (i) the conclusion of the next AGM or the date by which such AGM is required by law to be held;
- (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or
- (iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by ordinary resolution of the Company in general meeting.

The Share Purchase Mandate may be renewed at each AGM or at an extraordinary general meeting of the Company.

2.3.3 Manner of purchases or acquisitions of Shares

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

- (i) a market purchase, transacted on the SGX-ST through the ready market or the special trading counter on the SGX-ST trading system, through one or more duly licensed stock brokers appointed by the Company for the purpose (“**Market Purchase**”); and/or
- (ii) an off-market purchase effected pursuant to an equal access scheme (“**Off-Market Purchase**”) in accordance with Section 76C of the Companies Act.

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

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

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, the Company shall, as required by Rule 885 of the Listing Manual in accordance with an equal access scheme as defined in Section 76C of the Companies Act, issue an offer document to all Shareholders. The offer document shall contain, *inter alia*, the following information:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed Share Purchases;
- (iv) the consequences, if any, of Share Purchases by the Company that will arise under the Take-over Code or any other applicable take-over rules;
- (v) whether the Share Purchase, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (vi) details of any Share Purchase made by the Company in the previous twelve (12) months, whether through Market Purchases or Off-Market Purchases, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases; and
- (vii) whether the shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 Maximum purchase price

The purchase price (excluding ancillary expenses such as brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for the Shares will be determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors must not exceed the maximum price (“**Maximum Price**”) as set out below:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below) of the Shares; and
 - (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares,
- in each 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 which the Shares are transacted on the SGX-ST immediately preceding the date 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 the rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the day on which the purchases are made;

“**Closing Market Price**” means the last dealt price for a Share transacted through the SGX-ST’s Central Limit Order Book trading system as shown in any publication of the SGX-ST or other sources; and

“**date of the making of the offer**” means the date on which the Company makes or announces its intention to make (as the case may be) an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 Status of Purchased Shares

A Share when purchased or acquired by the Company is treated as cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase), 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.

At the time of each purchase or acquisition of Shares by the Company, the Directors may decide whether the Shares purchased will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, as the Directors deem fit in the interest of the Company at that time.

2.5 Treasury Shares

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

2.5.1 Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed ten percent (10%) of the total number of issued Shares.

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 Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

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In addition, no dividends 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 shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury shares into treasury shares of smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

Under Rule 704(28) of the Listing Manual, the Company must immediately announce any sale, transfer, cancellation and/or use of treasury shares held by it and state the following:-

- (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 Disposal and Cancellation

Shares which are purchased or acquired by the Company may be cancelled or held by the Company as treasury shares. All cancelled shares will automatically be delisted by the SGX-ST. If cancelled, all rights and privileges attached to that Share shall expire on cancellation and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase.

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

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iii) cancel the treasury shares; or
- (iv) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance of Singapore.

2.7 Source of Funds

The Company may use internal resources and/or external borrowings to finance the Company's purchase or acquisition of its Shares pursuant to the Share Purchase Mandate. The Directors do not propose to exercise the Share Purchase Mandate to such an extent that it would materially affect the working capital requirements or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

When Shares are purchased or acquired, and cancelled:

- (a) if the Shares are purchased or acquired entirely out of the capital of the Company, the Company shall reduce the amount of its share capital by the total amount of the purchase price paid by the Company for the Shares (excluding brokerage, stamp duties, applicable goods and services tax, clearance fees and other related expenses) ("**Purchase Price**");
- (b) if the Shares are purchased or acquired entirely out of profits of the Company, the Company shall reduce the amount of its profits by the total amount of the Purchase Price; or

- (c) where the Shares are purchased or acquired out of both the capital and the profits of the Company, the Company shall reduce the amount of its share capital and profits proportionately by the total amount of the Purchase Price.

2.8 Solvency Test

Under the Companies Act, the Company may not enter into any share buy-back transaction unless it is solvent. Pursuant to the Companies Act, a company is solvent if the following conditions are satisfied:-

- (a) there is no ground on which the company could be found to be unable to pay its debts;
- (b) if:
 - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the purchase or acquisition, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or
 - (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase or acquisition, become less than the value of its liabilities (including contingent liabilities).

2.9 Financial Effects

The financial effects arising from a purchase or acquisition of Shares pursuant to the Share Purchase Mandate on the Group and the Company will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the consideration paid for such Shares, and whether the Shares purchased or acquired are held in treasury or cancelled. Some of these factors are discussed below.

2.9.1 Number of Shares Acquired or Purchased

For illustration purposes only, based on 2,675,903,709 Shares, being the total number of Shares as at the Latest Practicable Date (excluding treasury shares and subsidiary holdings), and assuming that no further Shares are issued on or prior to the 2021 AGM, not more than 267,590,370 Shares (representing 10% of the issued share capital of the Company excluding treasury shares and subsidiary holdings) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

2.9.2 Based on Maximum Price Paid for Shares Acquired or Purchased

- (i) In the case of a Market Purchase by the Company and assuming that the Company purchases or acquires the maximum number of 267,590,370 Shares at the Maximum Price of S\$0.288 per Share (being the price equivalent to 5% above the average of the closing market prices of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 267,590,370 Shares is S\$77,066,027 (excluding brokerage, commission, applicable goods and services tax and other related expenses).
- (ii) In the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires the maximum number of 267,590,370 Shares at the Maximum Price of S\$0.329 per Share (being the price equivalent to 20% above the average of the closing market prices of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 267,590,370 Shares is S\$88,037,232 (excluding brokerage, commission, applicable goods and services tax and other related expenses).

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2.9.3 Illustrative Financial Effects

For illustrative purposes only, on the basis of the assumptions set out above, and assuming that the purchases of Shares are financed solely by internal resources, the financial effects of the purchase of Shares by the Company pursuant to the adoption of the Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 30 June 2021 as if the Share Purchase Mandate had been effective on 30 June 2021 would have been as follows:

Purchases made out of capital

(A) Purchases made entirely out of capital and cancelled, and (B) Purchases made entirely out of capital and held as treasury shares.

	Audited Before Buyback	<u>Market Purchase</u>		<u>Off-Market Purchase</u>	
		(A) Proforma After Buyback and Cancelled	(B) Proforma After Buyback and held as Treasury Shares	(A) Proforma After Buyback and Cancelled	(B) Proforma After Buyback and held as Treasury Shares
(RM'000)					
<u>Company</u>					
Shareholders' Funds	2,363,780	2,124,875	2,124,875	2,090,865	2,090,865
NTA	2,363,780	2,124,875	2,124,875	2,090,865	2,090,865
Current Assets	306,625	233,688	233,688	233,688	233,688
Current Liabilities	3,640	169,608	169,608	203,618	203,618
Cash and Cash Equivalents	72,937	-	-	-	-
Total Borrowings	-	165,968	165,968	199,978	199,978
Number of Shares including Treasury Shares ('000)	2,696,473	2,428,883	2,696,473	2,428,883	2,696,473
Treasury Shares ('000)	20,569	20,569	288,159	20,569	288,159
<u>Financial Ratios</u>					
NTA per Share (sen)	88.34	88.23	88.23	86.82	86.82
Current Ratio (times)	84.24	1.38	1.38	1.15	1.15
Gearing ratio (times)	-	0.08	0.08	0.10	0.10
<u>Group</u>					
Shareholders' Funds	1,054,416	815,511	815,511	781,501	781,501
NTA	737,089	498,184	498,184	464,174	464,174
Net Profit	143,079	143,079	143,079	143,079	143,079
Current Assets	949,054	710,149	710,149	676,139	676,139
Current Liabilities	230,903	230,903	230,903	230,903	230,903
Cash and Cash Equivalents	407,341	168,436	168,436	134,426	134,426
Total Borrowings	26,212	26,212	26,212	26,212	26,212
<u>Financial Ratios</u>					
NTA per Share (sen)	27.55	20.69	20.69	19.27	19.27
Basic EPS (sen)	5.49	6.12	6.12	6.12	6.12
ROE (%)	14%	18%	18%	18%	18%
Current Ratio (times)	4.11	3.08	3.08	2.93	2.93
Gearing ratio (times)	0.02	0.03	0.03	0.03	0.03

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Purchases made out of profits

(C) Purchases made entirely out of profits and cancelled, and (D) Purchases made entirely out of profits and held as treasury shares.

(RM'000)	Audited Before Buyback	<u>Market Purchase</u>		<u>Off-Market Purchase</u>	
		(C) Proforma After Buyback and Cancelled	(D) Proforma After Buyback and held as Treasury Shares	(C) Proforma After Buyback and Cancelled	(D) Proforma After Buyback and held as Treasury Shares
<u>Company</u>					
Shareholders' Funds	2,363,780	2,124,875	2,124,875	2,090,865	2,090,865
NTA	2,363,780	2,124,875	2,124,875	2,090,865	2,090,865
Current Assets	306,625	233,688	233,688	233,688	233,688
Current Liabilities	3,640	169,608	169,608	203,618	203,618
Cash and Cash Equivalents	72,937	-	-	-	-
Total Borrowings	-	165,968	165,968	199,978	199,978
Number of Shares including Treasury Shares ('000)	2,696,473	2,428,883	2,696,473	2,428,883	2,696,473
Treasury Shares ('000)	20,569	20,569	288,159	20,569	288,159
<u>Financial Ratios</u>					
NTA per Share (sen)	88.34	88.23	88.23	86.82	86.82
Current Ratio (times)	84.24	1.38	1.38	1.15	1.15
Gearing ratio (times)	-	0.08	0.08	0.10	0.10
<u>Group</u>					
Shareholders' Funds	1,054,416	815,511	815,511	781,501	781,501
NTA	737,089	498,184	498,184	464,174	464,174
Net Profit	143,079	143,079	143,079	143,079	143,079
Current Assets	949,054	710,149	710,149	676,139	676,139
Current Liabilities	230,903	230,903	230,903	230,903	230,903
Cash and Cash Equivalents	407,341	168,436	168,436	134,426	134,426
Total Borrowings	26,212	26,212	26,212	26,212	26,212
<u>Financial Ratios</u>					
NTA per Share (sen)	27.55	20.69	20.69	19.27	19.27
Basic EPS (sen)	5.49	6.12	6.12	6.12	6.12
ROE (%)	14%	18%	18%	18%	18%
Current Ratio (times)	4.11	3.08	3.08	2.93	2.93
Gearing ratio (times)	0.02	0.03	0.03	0.03	0.03

Notes:

- (1) NTA per Share is calculated by the NTA divided by the number of shares excluding treasury shares as at 30 June 2021.
- (2) Basic EPS is calculated by the profit attributable to shareholders divided by the weighted average number of shares excluding treasury shares.
- (3) Current ratio is derived based on current assets divided by current liabilities.

Shareholders should note that the financial effects, based on the respective aforementioned assumptions, are only for illustrative purposes. In particular, it is important to note that it is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions that may be made pursuant to the Share Purchase Mandate on the NTA per Share and Basic EPS, as the resultant effect would depend on the factors such as the aggregate number of Shares purchased, the purchase price paid at the relevant time, and the amount (if any) borrowed by the Company to fund the purchases or acquisitions. The above analysis is based on historical numbers as at 30 June 2021, and is not necessarily representative of future financial performance.

It should also be noted that purchases or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate would only be made in circumstances where it is considered to be in the best interest of the Company, and the purchases or acquisitions of Shares may not be carried out to the Maximum Limit. Further, the Directors would emphasise that they do not propose to carry out Share Purchases to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Company or the Group, or results in the Company being delisted from the SGX-ST.

2.10 Listing Rules

2.10.1 Listing Status of the Shares

The Listing Manual requires a listed company to ensure that at least ten percent (10%) of the total number of issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed, is at all times held by the public. As at the Latest Practicable Date, approximately 748,796,461 Shares are held by public Shareholders, representing 27.98% of the total Shares.

The Company is of the view that there is a sufficient number of Shares in issue held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the Maximum Limit under the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

2.10.2 Reporting Requirements

Within thirty (30) days of the passing of **Ordinary Resolution 11** to approve the adoption of the Share Purchase Mandate, the Company shall, pursuant to Section 76B(9)(a) of the Companies Act, lodge a copy of such resolution with ACRA.

The Listing Manual also 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 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.

The notification of such purchases or acquisitions to the SGX-ST shall be in such form, and shall include such details, as may be prescribed by the SGX-ST in the Listing Manual.

Within thirty (30) days of a purchase of Shares on the SGX-ST or otherwise, the Company shall lodge with ACRA the notice of the purchase in the prescribed form, such notification including, *inter alia*, details of the purchase, the total number of Shares purchased by the Company, the total number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued ordinary share capital before the purchase and after the purchase, the amount of consideration paid by the Company for the purchase, and whether the Shares were purchased out of the profits or the capital of the Company and such other particulars as may be required in the prescribed form.

2.10.3 No Purchases during Price Sensitive Developments

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time, because the 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 Share Purchase Mandate at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price-sensitive information has been publicly announced.

Further, in accordance with Rule 1207(19) of the Listing Manual on securities dealings, the Company would not purchase or acquire any Shares during the period commencing one (1) month immediately preceding the announcement of the Company’s half-year and full-year results, and ending on the date of announcement of the relevant results.

2.11 Take-over Code Implications

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

2.11.1 Obligation to Make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Takeover Code.

2.11.2 Persons Acting in Concert

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 Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights, for this purpose, ownership or control of at least a company is an associated company of another company if the second company owns or controls at least twenty per cent (20%) but not more than fifty per cent (50%) of the voting rights of the first-mentioned company;
- (b) 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);
- (c) a company with any of its pension funds and employee share schemes;

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- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) the following persons and entities:
 - (i) an individual,
 - (ii) the close relatives of (i);
 - (iii) the related trusts of (i);
 - (iv) any person who is accustomed to act according to the instructions of (i);
 - (v) companies controlled by any of (i), (ii), (iii) or (iv); and
 - (vi) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

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

2.11.3 Effect of Rule 14 and Appendix 2

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares:–

- (i) the percentage of voting rights held by such Directors and their concert parties in the Company would increase to thirty percent (30%) or more; or
- (ii) if the Directors and their concert parties hold between thirty percent (30%) and fifty percent (50%) of the Company's voting rights and their voting rights increase by more than one percent (1%) in any period of six (6) months.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to thirty percent (30%) or more, or, if such Shareholder holds between thirty percent (30%) and fifty percent (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one percent (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the proposed Share Purchase.

The interests of the Directors and Substantial Shareholders of the Company in the Shares are disclosed in paragraph 4 below.

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As at the Latest Practicable Date, assuming (a) the Company purchases the maximum amount of 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings), and (b) there is no change in the number of Shares held or deemed to be held by the Directors and Substantial Shareholders prior to and after the exercise of the Share Purchase Mandate, none of the Directors and Substantial Shareholders would become obliged to make a mandatory take-over offer for the Company under Rule 14 of the Take-over Code in the event the Company purchases the maximum limit of 10% of its issued ordinary share capital (excluding treasury shares and subsidiary holdings).

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

2.12 Tax Implications

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the purchase or acquisition of Shares by the Company, including those who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

2.13 Shares Bought By The Company In The Past Twelve Months

The Company has made market acquisitions of 14,324,300 ordinary shares in the previous twelve (12) months from the Latest Practicable Date which were held as treasury shares. Details of the transactions are set out below:

Date of Transaction	Number of Shares Acquired	Purchase Price Per Share (S\$)	Total Consideration ⁽¹⁾ (S\$)
26 Mar 2021	350,000	0.2500	87,666.25
25 Mar 2021	600,000	0.2500	150,285.00
23 Mar 2021	250,000	0.2550	63,871.13
19 Mar 2021	500,000	0.2520	126,239.40
18 Mar 2021	256,100	0.2550	65,429.58
12 Mar 2021	300,000	0.2588	77,787.51
11 Mar 2021	567,500	0.2528	143,736.59
10 Mar 2021	400,000	0.2500	100,190.00
9 Mar 2021	200,000	0.2495	49,994.81
8 Mar 2021	1,500,000	0.2500	375,712.51
5 Mar 2021	1,538,200	0.2421	373,105.78
4 Mar 2021	730,000	0.2414	176,556.82
3 Mar 2021	460,000	0.2405	110,840.20
7 Dec 2020	86,000	0.2650	22,833.31
4 Dec 2020	182,300	0.2650	48,401.28
3 Dec 2020	340,000	0.2650	90,271.19
2 Dec 2020	575,000	0.2650	152,664.51
1 Dec 2020	120,000	0.2650	31,860.43
24 Nov 2020	100,000	0.2750	27,552.25
20 Nov 2020	550,000	0.2614	144,043.17
19 Nov 2020	900,000	0.2600	234,444.60
18 Nov 2020	1,671,900	0.2634	441,215.18
17 Nov 2020	247,300	0.2650	65,659.02
23 Sep 2020	350,000	0.2992	104,918.96
22 Sep 2020	700,000	0.2950	206,892.35
21 Sep 2020	850,000	0.2975	253,355.46
Total	14,324,300		3,725,527.29

Note:

(1) Total consideration paid for the Shares includes, *inter alia*, ancillary expenses such as brokerage, commission applicable goods and services tax, stamp duties, clearance fees and other related expenses.

3. THE PROPOSED RENEWAL OF INTERESTED PERSONS TRANSACTIONS (“IPT”) GENERAL MANDATE

3.1 Background

The Company anticipates that the Group would, in the ordinary course of business, enter into transactions with persons which are considered “Interested Persons” as defined in Chapter 9 of the Listing Manual. It is likely that such transactions will occur with some degree of frequency and could arise at any time and from time to time.

Chapter 9 of the Listing Manual permits a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the Interested Persons.

Shareholders had approved a general mandate (“**2008 IPT Mandate**”) at the special general meeting of the Company held on 24 October 2008 (“**2008 SGM**”) to enable the Group and its associated companies or any of them to enter into any of the recurrent transactions falling within the types of IPTs set out in the 2008 Circular, with any party who is of the classes of Interested Persons described in the 2008 Circular (“**Interested Persons**”), provided that such IPTs are carried out on normal commercial terms and in accordance with the review procedures for Recurrent Transactions (as defined below) set out in the 2008 Circular, for the purposes of Chapter 9 of the Listing Manual. The 2008 IPT Mandate was renewed by Shareholders at the annual general meeting of the Company in 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and again at the 2020 AGM (“**2020 IPT Mandate**”). The 2020 IPT Mandate will expire on the forthcoming AGM unless renewed by the Shareholders.

Accordingly, the Directors propose to seek the approval of Shareholders for the Renewal of IPT General Mandate, to take effect and continue in force until the conclusion of the next annual general meeting of the Company in 2022, by way of an ordinary resolution. The Renewal of IPT General Mandate is set out in **Ordinary Resolution 12** in the Notice of the 2021 AGM.

Information pertaining to, *inter alia*, the scope of the Renewed IPT General Mandate, the particulars of IPTs, the classes of Interested Persons, the methods or procedures for determining transaction prices, and the review procedures in relation to IPTs are set out in the **Appendix** of this Letter.

The scope and key terms and conditions of the MLA and MSA, the methods and procedures for determining transaction prices and the review and approval procedures in relation to IPTs, as well as the reviews to be made periodically by the Audit and Risk Committee in relation thereto, have not changed from that described in the 2008 Circular and as approved by Shareholders under the 2008 IPT Mandate at the SGM and renewed by Shareholders under the 2020 IPT Mandate.

3.2 Rationale for the Renewed IPT General Mandate and benefits to Shareholders

It is envisaged that the Group may from time to time, in the ordinary course of business, continue to engage in recurrent transactions of a revenue or trading nature with the Interested Persons as described in the 2008 Circular (“**Recurrent Transactions**”). Such Recurrent Transactions would include, but are not limited to, transactions pursuant to the MLA and the MSA, the grant of licenses of the Group’s software, resale of IBM System i Products, provision of Services to, and receipt of Services from, the Interested Persons.

The Directors are of the view that it will be beneficial to the Group to transact or continue to transact with the Interested Persons, especially since the transactions are to be entered into on normal commercial terms.

Due to the time-sensitive nature of commercial transactions, obtaining the Renewed IPT General Mandate pursuant to Chapter 9 of the Listing Manual will enable the Group to enter into the categories of IPTs with the specified classes of Interested Persons, provided that such transactions are entered into in the Group’s ordinary course of business on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

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The Renewed IPT General Mandate will enhance the Group's ability to pursue business opportunities and will eliminate the need for the Company to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for entering into such transactions. This will substantially reduce administrative time and expenses associated with the making of such announcements or the convening of general meetings from time to time, and allow manpower resources to be focused towards other corporate and business opportunities.

3.3 Disclosures

In accordance with Chapter 9 of the Listing Manual, the Company will disclose in its annual report, the aggregate value of the IPTs conducted pursuant to the Renewed IPT General Mandate during the financial year. In addition, the Company will announce the aggregate value of the IPTs conducted pursuant to the Renewed IPT General Mandate for the financial periods which it is required to report on within the time required for the announcement of such report. These disclosures will be in the form set out in Rule 907 of the Listing Manual.

The aggregate value of the IPTs conducted during the financial year ended 30 June 2021 by the Group were as follows:

Interested Person(s) ⁽¹⁾	Aggregate value of all IPTs during the financial year ended 30 June 2021 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	RM	RM
Associates of Mr. Goh Peng Ooi ("Silverlake Entities")		
- IPT Mandate ⁽²⁾		
Revenue from Silverlake Entities	-	50,092,487
Service fees to Silverlake Entities	-	(5,810,365)
- Non-Mandate Transactions ⁽³⁾		
Revenue from Silverlake Entities	174,704	-
Service fees to Silverlake Entities	(609,071)	-

Notes:

- (1) The interested persons are associates of Mr. Goh Peng Ooi (i.e., companies in which he and his immediate family together, directly or indirectly, have an interest of 30% or more), who is the Group Executive Chairman and controlling shareholder of the Company.
- (2) The IPT Mandate was approved by shareholders on 24 October 2008 for transactions pursuant to MLA and MSA. The IPT Mandate is subject to annual renewal.
- (3) The Non-Mandate Transactions were mainly derived from provision of maintenance services by Silverlake Holdings Sdn. Bhd. to Silverlake Entities; project services performed by Silverlake Investment (SG) Pte. Ltd. and its subsidiaries ("**SISG Group**") to Silverlake Entities; and maintenance services contracted between SISG Group and Silverlake Entities before the completion of acquisition of SISG Group in FY2018.

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4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and Substantial Shareholders in the Shares as at the Latest Practicable Date are set out below:

Directors/Substantial Shareholders	Direct Interest (Number of Shares)	Indirect/Deemed Interest (Number of Shares)	Total Interest	
			Number of Shares	% ⁽¹⁾
<u>Directors:</u>				
Goh Peng Ooi	-	1,834,022,168 ⁽³⁾	1,834,022,168	68.54
Andrew Tan Teik Wei	4,500,000	-	4,500,000	0.17
Goh Shiou Ling ⁽²⁾	630,400	-	630,400	0.02
Dr. Kwong Yong Sin	18,972,000	2,150,000 ⁽⁴⁾	21,122,000	0.79
Ong Kian Min	1,800,000	-	1,800,000	0.07
Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid	200,000	-	200,000	0.01
Datuk Yvonne Chia	500,000	110,000 ⁽⁵⁾	610,000	0.02
See Chuang Thuan	39,255,953	-	39,255,953	1.47
Yano Satoru	-	-	-	-
Mah Yong Sun	-	-	-	-
<u>Substantial Shareholders:</u>				
Intelligentsia Holding Ltd	1,834,022,168	-	1,834,022,168	68.54
Goh Peng Ooi	-	1,834,022,168 ⁽³⁾	1,834,022,168	68.54

Notes:

- (1) Based on an issued share capital of 2,675,903,709, excluding 20,569,091 treasury shares, as at the Latest Practicable Date.
- (2) Ms. Goh Shiou Ling is an associate of Mr. Goh Peng Ooi, being his daughter.
- (3) Mr. Goh Peng Ooi's deemed interest arises from the 1,834,022,168 shares in the Company held by his wholly-owned company, Intelligentsia Holding Ltd.
- (4) Dr. Kwong Yong Sin's deemed interest arises from the 2,150,000 shares in the Company held by his spouse, Madam Khoo Beng Gaik @ Nellie.
- (5) Datuk Yvonne Chia's deemed interest arises from the 110,000 shares in the Company held by her spouse, Mr. Francis Chia Mong Tet.

In connection with the proposed Share Purchase Mandate, as at the Latest Practicable Date, assuming (a) the Company purchases the maximum amount of 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings), and (b) there is no change in the number of Shares held or deemed to be held by the Directors and Substantial Shareholders prior to and after the exercise of the Share Purchase Mandate, none of the Directors or Substantial Shareholders will be obliged to make a mandatory take-over offer in the event that the Company purchased the maximum 10% of the issued Shares under the proposed Share Purchase Mandate.

In connection with the Renewal of IPT General Mandate, Mr. Goh Peng Ooi is deemed to be interested in the Renewed IPT General Mandate. Mr. Goh Peng Ooi and his associates (including his daughter, Ms. Goh Shiou Ling, an executive director of the Company) shall abstain from voting in respect of **Ordinary Resolution 12** to adopt the Renewed IPT General Mandate at the AGM, whether in person or by representative or proxy, in respect of their shareholding interests in the Company. In addition, Mr. Goh Peng Ooi has undertaken to ensure that his associates will abstain from such voting in respect of **Ordinary Resolution 12** at the AGM. In connection with the resolution to adopt the Renewed IPT General Mandate, Mr. Goh Peng Ooi and his associates will also not act as proxies unless voting instructions have been given by the relevant Shareholders.

5. AUDIT AND RISK COMMITTEE'S STATEMENT

The Audit and Risk Committee confirms that the scope and key terms and conditions of the MLA and MSA, the methods and procedures for determining transaction prices and the review and approval procedures in relation to IPTs, as well as the reviews to be made periodically by the Audit and Risk Committee in relation thereto, have not been changed since the Shareholder's approval of the 2008 IPT Mandate at the 2008 SGM and that such methods or procedures are sufficient to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

If, during the periodic reviews by the Audit and Risk Committee, it is of the view that the established review procedures are no longer appropriate or adequate to ensure that any of the IPTs will be transacted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the Company will seek a fresh mandate from Shareholders based on new review procedures.

6. DIRECTORS' RECOMMENDATION

Adoption of Share Purchase Mandate

The Directors are of the opinion that the adoption of the Share Purchase Mandate is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of **Ordinary Resolution 11** relating to the adoption of Share Purchase Mandate, to be proposed at the 2021 AGM.

Renewal of IPT General Mandate

The Directors who are considered independent for the purposes of the Renewal of IPT General Mandate are Mr. Andrew Tan Teik Wei, Dr. Kwong Yong Sin, Mr. Ong Kian Min, Tan Sri Dato' Dr. Mohd Munir bin Abdul Majid, Datuk Yvonne Chia, Mr. See Chuang Thuan, Mr. Yano Satoru and Mr. Mah Yong Sun. They have considered and reviewed, *inter alia*, the review and approval procedures in relation to the IPTs and the Recurrent Transactions and the rationale and the benefits of the Renewal of IPT General Mandate set out in the **Appendix** and the confirmation of the Audit and Risk Committee above, and are of the opinion that the Renewal of IPT General Mandate is in the best interests of the Company. Accordingly, they recommend that the Shareholders vote in favour of **Ordinary Resolution 12**, relating to the Renewal of IPT General Mandate, to be proposed at the 2021 AGM.

7. DIRECTORS' 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 adoption of the Share Purchase Mandate, the Renewal of IPT General Mandate, the Company 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 this Letter 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. ACTION TO BE TAKEN BY SHAREHOLDERS

Due to the current COVID-19 restriction orders in Singapore, the AGM will be conducted only by electronic means and Shareholders will not be able to physically attend the AGM. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the AGM by (a) watching the AGM proceedings through a "live" webcast comprising both video (audiovisual) and audio feeds; (b) submitting questions in advance of the AGM; and (c) voting by proxy at the AGM. Please refer to the Notice of the 2021 AGM for further details.

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9. DISCLAIMER

The SGX-ST takes no responsibility for the accuracy of any of the statements or opinions made or reports contained in this Letter.

10. CONSENT

CNPLaw LLP, the legal adviser to the Company as to Singapore law in relation to the proposed adoption of the Share Purchase Mandate and the Renewal of IPT General Mandate, has given and has not withdrawn its written consent to the issue of this Letter with the inclusion of its name, and all references thereto in the form and context in which they appear in this Letter.

11. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents may be inspected at the office of the Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 during normal business hours from the date of this Letter up to the date of the 2021 AGM:

- (a) the Constitution;
- (b) the 2021 Annual Report; and
- (c) the 2008 Circular, MLA and MSA.

Yours faithfully,
For and on behalf of
The Board of Directors

Mr. Andrew Tan Teik Wei
Group Managing Director

1. BACKGROUND AND PARTICULARS OF IPTs

1.1 The Group engages in transactions involving the following products and services, in the normal course of business, with the Interested Persons:

(a) Grant of licences of the Software under the MLA

Within this category are transactions between the Group and the Interested Persons where the Group grants, and the Interested Persons accept rights to:

- (i) resell, implement, copy, customise and/or use the Software, and/or
- (ii) sub-licence the right to use the Software to End-Users,

in accordance with the terms and conditions of the MLA.

The licence shall comprise either a Non-Enterprise Licence or an Enterprise Licence. The Renewed IPT General Mandate applies to the grant of both Non-Enterprise Licence and Enterprise Licence by the Group to the Interested Persons.

Under the MLA, the Group is required to provide the Interested Persons with such assistance as is reasonably necessary to assist the Interested Persons with the marketing and promotion of the Software. Such assistance forms part of the Group's normal reselling arrangement, which is provided to both Interested Persons and unrelated third parties.

(b) Resale of IBM System i Products under the MSA

This category covers the resale of IBM System i Products in Malaysia by the Group to the Interested Persons. The Renewed IPT General Mandate applies to the resale of IBM System i Products to the Interested Persons.

(c) Provision of Services under the MSA

The Renewed IPT General Mandate applies to the following transactions under this category:

- (i) the provision of Customisation, Implementation and Maintenance services by the Group to the Interested Persons in connection with the Group's software products; and
- (ii) the receipt of Customisation, Implementation and Maintenance services by the Group from the Interested Persons in connection with the Group's software products.

1.2 The Directors are seeking approval from the Shareholders for the Renewal of IPT General Mandate for the Group to enter into the categories of transactions listed in paragraph 1.1 above with the Interested Persons, provided that such transactions are made on normal commercial terms and are not prejudicial to the interest of the Company and its minority Shareholders.

1.3 The Company expects the frequency of such transactions, which are in the Group's ordinary course of business, to increase and to facilitate the growth of this line of business, are seeking Shareholders' approval for this category of transaction.

2. SCOPE OF RENEWED IPT GENERAL MANDATE

- 2.1 The Renewed IPT General Mandate will cover IPTs as set out in paragraph 1.1 above.
- 2.2 The Renewed IPT General Mandate will not cover any transactions between the Group and the Interested Persons which have a value below S\$100,000 (representing total value of each entire transaction with the Interested Persons and/or the same end-client), as the threshold and aggregation requirements under Chapter 9 of the Listing Manual do not apply to such transactions.
- 2.3 Transactions with the Interested Persons that do not fall within the ambit of the Renewed IPT General Mandate will be subject to the provisions of Chapter 9 and/or other applicable provisions of the Listing Manual.

3. CLASSES OF INTERESTED PERSONS

- 3.1 The Renewed IPT General Mandate shall apply to the IPTs (as described in paragraph 1.1 above) which are carried out with the following classes of Interested Persons:
- (a) Mr. Goh Peng Ooi; and/or
 - (b) all such entities which may from time to time deemed to be an associate of Mr. Goh Peng Ooi.
- 3.2 Mr. Goh Peng Ooi owns 100% of Intelligentsia Holding Ltd (“IHL”), which in turn holds 68.54% direct interest in the Company. Mr. Goh Peng Ooi thus holds a deemed interest of 68.54% in the Company through IHL.
- 3.3 Transactions with Interested Persons which are not listed in paragraphs 1.1 and 3.1 above and which do not fall within the ambit of the Renewed IPT General Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual.

4. SALIENT TERMS OF THE IPTs

METHODS OR PROCEDURES FOR DETERMINING TRANSACTION PRICES

- 4.1 The Company and Mr. Goh Peng Ooi have undertaken under the MLA and MSA to procure that:
- (a) all the categories of IPTs under grant of licences of the Software as described in paragraph 1.1 above which are entered into between the Group and the Interested Persons on or after the effective date of the MLA shall be governed by the terms and conditions as set out in the MLA and shall at all times be effected on terms that are consistent with and which are expressly stated to be subject to the terms and conditions of the MLA; and
 - (b) all the categories of IPTs under provision of Services and resale of IBM System i Products as described in paragraph 1.1 above which are entered into between the Group and the Interested Persons on or after the effective date of the MSA shall be governed by the terms and conditions as set out in the MSA and shall at all times be effected on terms that are consistent with and which are expressly stated to be subject to the terms and conditions of the MSA.

Pricing model for licensing of Software under the MLA

- 4.2 In consideration of the grant of a licence of the Group's software to an Interested Person under the MLA, the Group shall charge the Interested Persons, a licence fee, determined using a pricing model (“**Pricing Model**”).

APPENDIX. RENEWAL OF IPT GENERAL MANDATE

- 4.3 The Pricing Model is a point-based system where the licence fee is determined by reference to:
- (a) A table of points allocated to each software module, feature and component ("**Points Allocation Table**")

The Points Allocation Table comprises the complete list of software modules, features and components, with points allocated to each software module, feature and component of the Software ("**Allocated Points**"). The Allocated Points are determined based on a designated formula.

- (b) A table of licence fee bands ("**Licence Fee Bands Table**")

The Licence Fee Bands Table comprises 7 licence fee bands which are linked to 2 pricing dimensions: (i) number of Customers, and (ii) number of Branches of the End-User of the Software ("**Pricing Dimensions**"), and 1 licence fee band for Enterprise Licensing. Each licence fee band in the Licence Fee Bands Table represents 100 Allocated Points.

- 4.4 The licence fee calculation method is as follows:

$$\text{Licence Fee} = \frac{X}{100 \text{ Allocated Points}} \times Y$$

Where:

X = the sum of Allocated Points of each of the modules, features or components licensed to the licensee ("**Aggregate Allocated Points**").

Y = the base licence fee for 100 Allocated Points ("**Base Licence Fee**") (see paragraphs 4.5 and 4.6 below for further details).

- 4.5 In respect of Non-Enterprise Licensing of the Software, the management of the Company shall determine the Base Licence Fee by making reference to the applicable licence fee band for both the pricing dimensions. The Base Licence Fee shall be the higher of the two (2) licence fees determined using both the pricing dimensions.

- 4.6 In respect of Enterprise Licensing of the Group's software, the management of the Company shall submit its recommendation to the Audit and Risk Committee as to the Base Licence Fee of the Enterprise Licensing ("**Base Enterprise Licence Fee**") for approval. The Base Enterprise Licence Fee shall be no less than S\$38.4 million and shall, in any case, be supported by an independent valuation report and be subject to the prior approval of the Audit and Risk Committee. The minimum Base Enterprise Licence Fee of S\$38.4 million is determined based on Management's view of current market conditions.

- 4.7 The Pricing Model shall be made readily available for reference by the relevant operational staff and/or executives to govern pricing of the Software for both Interested Persons and unrelated third party.

Pricing for resale of IBM System i Products under the MSA

- 4.8 The profit margin charged by the Group to the Interested Person shall not be less than the profit margin charged by the Group to unrelated parties for similar product.

- 4.9 The profit margin to be charged by the Group to the Interested Person shall be calculated by the Company with reference to the average profit margin derived by the Group from sales of IBM System i Products to unrelated third parties in the last completed financial year from time to time. The profit margin charged by the Group to the Interested Person shall be disclosed as part of the quarterly IPTs report to the Audit and Risk Committee.

APPENDIX. RENEWAL OF IPT GENERAL MANDATE

- 4.10 The profit margin earned on resale of IBM System i Products varies for each transaction as hardware sales and pricing are influenced by factors such as market condition and competitive bid situations. As such, Management is of the view that an average of the profit margins earned from sales of the IBM System i Products to unrelated third parties would reflect a fair margin.

The profit margin in each case shall take into account the cost paid to IBM plus any expenses incurred by the Group in connection with the sale(s), including but not limited to the shipment, delivery and/or installation of the relevant products.

Pricing for provision of Services under the MSA

- 4.11 The pricing for provision of software Implementation and Customisation services under the MSA shall be based on a list of man-day rates (“**Man-day Rates**”). Such services can be categorised into the following:

- (a) With predefined scope and statement of work

Provision of software Implementation and Customisation services with a clear predefined scope and statement of work are charged on a “fixed price” basis, arrived at by applying the Man-day Rates to the estimated man-days required to complete the work.

- (b) Without predefined scope

Where the scope is not defined or is insufficiently defined to enable the estimation of man-days required to complete the work so as to arrive at a “fixed price”, the services are charged on a “time and material” basis.

- 4.12 The Maintenance services fee for the provision of Maintenance services by the Group to the Interested Persons under the MSA, calculated on an annual basis, shall be based on at a fixed percentage (“**Maintenance Service Fee Rate**”) of the licence fee charged by the Group to the relevant Interested Person or End-User for the use of the Software to which such services relate.
- 4.13 For avoidance of doubt, in respect of the provision of Services by the Group to the Interested Person, the rate to be applied shall be at the Man-day Rates and the Maintenance Service Fee Rate, as the case may be. In respect of the provision of Services by the Interested Person to the Group, the rate to be applied by the Interested Person shall be no more than that of the Man-day Rates and the Maintenance Service Fee Rate, as the case may be.
- 4.14 The Man-day Rates and Maintenance Service Fee Rate shall be made readily available for reference by the relevant operational staff and/or executives to govern pricing of the provision of Services.

Discounts

- 4.15 The guiding principle of the IPTs pricing is that the pricing extended to the Interested Persons shall be no more favourable than those extended to unrelated third parties.
- 4.16 The pricing for IPTs covered by the Renewed IPT General Mandate shall be based on the pricing guidelines stated in this mandate and the MLA and MSA as the case may be.
- 4.17 Notwithstanding paragraphs 4.15 and 4.16 above, Management may recommend to the Audit and Risk Committee and the Audit and Risk Committee shall have the discretion to approve a discount when Management and the Audit and Risk Committee are of the view that the discount is in the best interests of the Group and is necessary to enable the Group to maintain a competitive edge or to facilitate entry into a new market or industry. Management shall provide the Audit and Risk Committee with relevant business case, including information to support the recommendation for discount, and the Audit and Risk Committee shall evaluate the business case and supporting information submitted. No discounts shall be allowed without the prior approval of the Audit and Risk Committee.

Revisions of pricing methodology

- 4.18 The Points Allocation Table and Licence Fee Bands Table under the Pricing Model and the Man-day Rates and Maintenance Service Fee Rate under the pricing for provision of Services or any part thereof shall be reviewed from time to time and be revised according to prevailing market condition and/or pricing. All such revisions shall be reviewed and approved by the Audit and Risk Committee before implementation of the revision.
- 4.19 However, any revisions to the pricing methodologies for licensing of Software under the MLA, resale of IBM System i Products under the MSA, and provision of Services under the MSA shall require the approval of the Shareholders.

Credit terms

- 4.20 The credit terms extended to the Interested Persons shall be no more favourable than those extended by the Group to unrelated third parties for similar transactions. The Group has a credit control and collections process which is applied to both Interested Persons and unrelated third parties. Follow ups on outstanding balances are diligently performed on all debtors to ensure that they are aware of their payment obligations and follow up calls and visits, where necessary, are made to collect overdue debts.

OTHER CONDITIONS ATTACHED TO THE MLA AND MSA

Reporting requirements, audit and review rights under the MLA

- 4.21 Each Interested Person holding a Non-Enterprise Licence is required, if and when requested by the Group, to:
- (a) forthwith update the Group in writing on the details of the pricing dimensions applicable to the relevant Interested Person or End-User(s), as the case may be, under such licence;
 - (b) allow the Audit and Risk Committee or its duly authorised representative(s) to audit the books and records of the relevant Interested Person to verify the details of the pricing dimensions applicable to such Interested Person and/ or End-User(s), as the case may be, and
 - (c) where the relevant Interested Person is not the End-User of the Software, use all reasonable endeavours, to the extent permitted by law, to procure that the Audit and Risk Committee or its duly authorised representative(s) be allowed to audit the books and records of the relevant End-User(s) to verify the details of the pricing dimensions applicable to such End-User(s).
- 4.22 Where an Interested Person is the End-User under a Non-Enterprise Licence or is carrying out an Outsourcing Arrangement under a Non-Enterprise Licence, the fees for the Non-Enterprise Licence shall be subject to review and upward adjustment by the Group from time to time in the event of any change to the pricing dimensions of the relevant End-User such as would ordinarily result in a higher licence fee being imposed under the Pricing Model.
- 4.23 Where an Interested Person is not the End-User under a Non-Enterprise Licence and is not carrying out an Outsourcing Arrangement under a Non-Enterprise Licence, the fees for the Non-Enterprise Licence shall be subject to review and upward adjustment by the Group from time to time in the event of any change to the pricing dimensions of the relevant End-User such as would ordinarily result in a higher licence fee being imposed under the Pricing Model provided always that the relevant Interested Person has a similar right to increase the licence fee payable by the relevant End-User and provided always that the relevant Interested Person shall use its best endeavours to procure such a right from the relevant End-User. Any additional licence fee determined to be payable pursuant to this clause shall be settled by the relevant Interested Person in accordance with the MLA.

APPENDIX. RENEWAL OF IPT GENERAL MANDATE

- 4.24 The Audit and Risk Committee shall have the right to periodically review the terms (including the licence fee) of any licence granted by the Group to an Interested Person. The review shall be undertaken on a quarterly basis by the Audit and Risk Committee, with allowance for more frequent reviews if deemed necessary by the Audit Committee. In no circumstances shall the licence fee charged to the Interested Person not be in line with the terms of the MLA and the Pricing Model. If the Audit and Risk Committee reasonably determines, in the course of such review, that the terms of any licence granted to an Interested Person are inconsistent with the terms of the MLA and the Pricing Model in a manner that is prejudicial or adverse to the interests of the Group, the parties agree to take all such steps as may be necessary to amend the terms of such licence so as to ensure consistency with the terms of the MLA and that the relevant Interested Person shall forthwith compensate the Group for any loss or damage suffered (including any shortfall in the applicable licence fee payable) as a result of the earlier inconsistency; provided always that this clause shall not apply in the event of any deviation from the terms of the MLA which the Group has confirmed in writing to the relevant Interested Person has been duly approved by the Audit and Risk Committee in accordance with the terms of the MLA.

Review rights under the MSA

- 4.25 The Audit and Risk Committee shall have the right to periodically review the terms of any agreement for the re-sale of IBM System i Products (“**Re-sale Agreement**”) or for the provision of Services (“**Services Agreement**”) entered into between the Group and an Interested Person. The review shall be undertaken on a quarterly basis by the Audit and Risk Committee, with allowance for more frequent reviews if deemed necessary by the Audit and Risk Committee. If the Audit and Risk Committee reasonably determines, in the course of such review, that the terms of any Re-sale Agreement or Services Agreement are inconsistent with the terms of the MSA in a manner that is prejudicial or adverse to the interests of the Group, the parties agree to take all such steps as may be necessary to amend the terms of such Re-sale Agreement or Services Agreement so as to ensure consistency with the terms of the MSA and to procure that the relevant Interested Person shall forthwith compensate the Group for any loss or damage suffered (including any shortfall in the applicable re-sale price and/or fee payable for the Services) as a result of the earlier inconsistency; provided always that this clause shall not apply in the event of any deviation from the terms of the MSA which the Group has confirmed in writing to the relevant Interested Person has been duly approved by the Audit and Risk Committee in accordance with the terms of the MSA.

Intellectual property rights

- 4.26 All intellectual property rights in or relating to the Software and the Software documentation are and shall remain the property of the Group.



Termination

- 4.27 The MLA and MSA will terminate if:
- (a) all of Mr. Goh Peng Ooi and his associates cease to be an Interested Person; or
 - (b) in the event that the Renewed IPT General Mandate is withdrawn or otherwise ceases to be in force.

APPENDIX. RENEWAL OF IPT GENERAL MANDATE

5. TRADEMARKS

5.1 The Group has the exclusive use of the following trademarks in connection with the banking software system:

Trade Mark	Class⁽¹⁾	Country	Registration No.	Date of Application	Date of Registration	Expiry Date
SILVERLAKE	09	Malaysia	95001949	9 Mar 1995	9 Mar 1995	9 Mar 2022
	42	Singapore	T0507323Z	4 May 2005	4 May 2005	4 May 2025
	42	Thailand	SM28384	9 Mar 2005	9 Mar 2005	8 Mar 2025
	42	Jordan	83440	1 Dec 2005	1 Dec 2005	1 Dec 2025
	42	Japan	5026670	23 Mar 2006	17 Feb 2007	16 Feb 2027
	42	Indonesia	IDM000095591	17 Feb 2005	17 Feb 2005	17 Feb 2025
	42	Philippines	4-2005-005519	15 Jun 2005	16 Oct 2006	16 Oct 2026
	42	Vietnam	98410	1 Dec 2005	1 Dec 2005	1 Dec 2025
	42	Sri Lanka	125894	17 Jun 2005	17 Jun 2005	17 Jun 2025
	42	Saudi Arabia	1244/18	11 Oct 2008	11 Oct 2008	1 Mar 2028
	42	United Arab Emirates	119937	5 Oct 2008	5 Oct 2008	5 Oct 2028
SILVERLAKE	09	China	3453118	31 Jan 2003	14 Jul 2004	13 Jul 2024
	35	China	3453117	31 Jan 2003	28 Aug 2004	27 Aug 2024
	42	China	3453119	31 Jan 2003	21 Dec 2004	20 Dec 2024
	42	Indonesia	IDM000062329	13 Jan 2004	13 Jan 2004	13 Jan 2024
SILVERLAKE SILVERLAKE	42	Malaysia	09010385	24 Jun 2009	24 Jun 2009	24 Jun 2029
SILVERLAKE iPFS SILVERLAKE iPFS	09	Malaysia	04004586	8 Apr 2004	8 Apr 2004	8 Apr 2024
	42	Singapore	T1205646I	19 Apr 2012	19 Apr 2012	19 Apr 2022
	42	Philippines	4-2012-004852	20 Apr 2012	8 Nov 2012	8 Nov 2022
	42	Brunei	42867	30 Apr 2012	30 Apr 2012	30 Apr 2022
	42	Japan	5628423	6 Jun 2013	8 Nov 2013	8 Nov 2023
	42	Indonesia	IDM000588884	26 Jan 2015	26 Jan 2015	26 Jan 2025
	42	Thailand	201120545	23 Apr 2012	23 Apr 2012	22 Apr 2022
	42	Vietnam	392127	22 Aug 2018	22 Aug 2018	22 Aug 2028
	42	Malaysia	2011016785	21 Sep 2011	21 Sep 2011	21 Sep 2031
	42	Pakistan	505094	20 Aug 2018	20 Aug 2018	20 Aug 2028
SILVERLAKE Silverlake silverlake	42	Hong Kong	303162294	10 Oct 2014	10 Oct 2014	9 Oct 2024

Note:

(1) Please see description of the trademark classes below:

Class 09 - Computer software; compact discs; magnetic cards, disks and tapes.

Class 35 - Compilation of information into computer databases; systemization of information into computer databases; computerized file management; computerised database management.

Class 42 - Consulting services relating to computers, computer software, computer hardware, computer networks, computer systems; computer programming; computer software design, maintenance and update; designing, creating, implementing and maintaining web sites for others; computer systems analysis; computer system design; data conversion of computer programmes and data (not physical conversion); hosting computer sites; installation of computer software; integration of computer systems and networks.

5.2 The Group intends to file further trademarks applications as and when warranted.

6. REVIEW PROCEDURES IN RELATION TO IPTs

Pursuant to Chapter 9 of the Listing Manual which governs transactions between a listed company and its interested persons and taking into consideration the MLA and MSA as the case may be, the following review procedures have been established in relation to the Renewed IPT General Mandate:

6.1 The Group shall maintain:

(a) A register to record all Interested Persons; and

(b) A comprehensive record of all categories of Interested Persons and non-interested persons transactions entered into by the Group, with details on the nature of the transaction and the amount of and detailed calculation for the fees and charges, including pricing dimension used to determine the Base Licence Fee, and any discounts given.

6.2 The Audit and Risk Committee shall be provided with the registers and comprehensive records of IPTs described above and such other relevant information and agreements which it may reasonably require, and it shall review the information on a quarterly basis to ensure that all categories of IPTs between the Group and the Interested Persons are carried out at arm's length in accordance with the terms of the MLA and MSA, as the case may be, including the adherence to the Group's Pricing Model (including the Points Allocation Table and Licence Fee Bands Table), pricing methodology for the provision of Services and IBM System i Products and discount policy, in its conduct of IPTs. The Audit and Risk Committee may decide to review such transactions on a more frequent basis if it deems necessary.

6.3 If the Audit and Risk Committee reasonably determines, during its review, that the terms of any licence granted to, sale of IBM System i Products to, or Services provided to/by, Interested Persons are inconsistent with the terms of the MLA and MSA, as the case may be, and the Renewed IPT General Mandate in a manner that is prejudicial or adverse to the interests of the Group, the parties agree to take all such steps as may be necessary to amend the terms of the relevant licence to ensure consistency with the terms of the MLA and MSA, as the case may be, and the Renewed IPT General Mandate and that the relevant Interested Person shall forthwith compensate the Group for any loss or damage suffered (including any shortfall in the applicable licence fee payable, Service fee payable and IBM System i Product re-sale price) as a result of the earlier inconsistency, provided always that this shall not apply to any deviation from the terms of the MLA and MSA, as the case may be, which has been duly approved by the Audit and Risk Committee.

APPENDIX. RENEWAL OF IPT GENERAL MANDATE

- 6.4 The Audit and Risk Committee shall also review the credit terms and billing and payment arrangements extended to the Interested Persons from time to time by comparing them against those extended to unrelated third parties for similar transactions or services, to ensure that they are no more favourable than those extended by the Group to unrelated third parties.
- 6.5 The Group's annual internal audit shall incorporate a review of all Interested Persons and IPTs entered into pursuant to the Renewed IPT General Mandate. The internal auditor shall report directly to the Audit and Risk Committee on all of its findings from the review of the IPTs.
- 6.6 The Audit and Risk Committee shall, when it deems necessary, have the right to require the appointment of auditors or any independent professionals to review all matters relating to the MLA and MSA.
- 6.7 If during its periodic review, the Audit and Risk Committee believes that the guidelines and procedures as stated in the Renewed IPT General Mandate have become inappropriate and/or are no longer sufficient to ensure that the interests of the Company and the minority Shareholders are not prejudiced and that the IPTs are on normal commercial terms, a fresh mandate based on new guidelines and procedures shall be sought from Shareholders.
- 6.8 All the members of the Audit and Risk Committee shall be non-executive Directors who do not hold any executive directorships or equity interests in the Interested Persons.
- 6.9 If any member of the Audit and Risk Committee has an interest in a transaction, he shall abstain from participating in the review and approval process in relation to that transaction.